# Legal & General Group Plc

# Solvency and Financial Condition Report

# 31 December 2024

# Contents

# Summary

## This document

This Solvency and Financial Condition Report (SFCR), produced for Legal & General Group Plc (the Group) and Legal and General Assurance Society Limited (LGAS), is a regulatory document required by the reporting and group supervision parts of the PRA Rulebook applicable to Solvency II UK firms (the PRA Rulebook). All values are (unless otherwise stated) as at 31 December 2024.

The Group has been granted approval under a waiver from the PRA to prepare a single SFCR that contains the required information for both the overall Group and LGAS. Unless otherwise stated or separately identified, information provided in this SFCR applies equally to both the overall Group and LGAS. This waiver does not extend to Legal and General Assurance (Pension Management) Limited (PMC), and that entity continues to produce a solo SFCR. LGAS follows the Group policies and principles unless otherwise stated.

## Who we are

Legal & General Group Plc is not only one of the world's largest asset managers, with assets under management of £1.1tn (2023: £1.2tn) managed on behalf of the Group and external clients, but also a leading provider of individual life cover and a market leader in managing retirement risk for pension schemes. Established in London in 1836, we have been providing insurance for our customers for over 188 years. With 10,799 employees our refreshed purpose is 'Investing for the long term. Our futures depend on it.'.

Legal and General Assurance Society Limited is a composite insurance company authorised in the UK, whose ultimate controlling party is Legal & General Group Plc. The principal activity of LGAS is life and pensions business.

## What we do

We take on pension scheme liabilities from corporate schemes. This 'pensions de-risking' gives companies greater certainty over their liabilities while providing guaranteed payments to individuals within their schemes. We help our customers accumulate pensions savings and transform them into the income they need to have a colourful retirement. We use shareholder capital to make long-term investments and attractive financial returns through investing in key sectors where there's a shortage of investment and innovation. We are an international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income.

At a Capital Markets Event in June 2024, we announced our new strategy to deliver sustainable growth, sharper focus, and enhanced returns, with a vision of becoming a growing, simpler and better-connected business, focused on three core divisions, with the creation of a new Asset Management business, alongside the continued growth of the Institutional Retirement business and the strengthening of the Retail business.

## Our businesses

We aim to be leaders in retirement and protection solutions, and a leading global asset manager with public and private markets capabilities.

The Group is managed across business divisions rather than legal entities. We describe our business as the following three broad business areas which deliver our strategy:

| Key area | What we do |
|---|---|
| **Institutional Retirement** | We secure and protect the retirement benefits for pension scheme members in the world's three largest pension risk transfer markets; the UK, the US and Canada. This 'pensions de-risking' gives companies greater certainty over their liabilities while providing guaranteed payments to individuals within their schemes. |
| **Asset Management** | We are a leading global asset manager with complementary capabilities across public and private markets. We are a leader in responsible investment, have a significant market share of UK pensions industry assets and play a critical role in the growth of L&G's other divisions. |
| **Retail** | We are a market leader in UK Retail protection and retirement income. We help millions of people in the UK create brighter financial futures. We support their savings, protection, mortgage and retirement needs through our reportable segments – Retail Retirement and Insurance. Our workplace savings business administers the largest and fastest-growing commercial UK MasterTrust. |

## Our solvency position and performance

The Group's key performance and Solvency II measures as at 31 December 2024 were:

| Measure | 2024 | 2023 |
|---|---|---|
| Total adjusted operating profit (£m) | **1,711** | 1,667 |
| Eligible Own Funds (£m) | **15,876** | 16,546 |
| Solvency Capital Requirement (£m) | **6,848** | 7,389 |
| Solvency II Regulatory Surplus (£m) | **9,028** | 9,157 |
| Solvency II Coverage ratio on a regulatory basis | **232%** | 224% |

The Solvency II coverage ratio is defined as the Group's Eligible Own Funds divided by the Solvency Capital Requirement (SCR).

The Group reported a Solvency II coverage ratio of 232% at the end of 2024 (2023: 224%) which, alongside the contribution from net surplus generation (Solvency II operational surplus generation less new business strain), primarily reflected the impact of rising interest rates and a reduction in capital requirements from Solvency II reforms, partially offset by the impacts of returns to shareholders.

L&G continues to deliver strong financial performance, with core operating profit from divisions growing by 6% to £1,616m (2023: £1,531m). Our business remains well-positioned to grow in our areas of strategic focus in a simpler and more synergistic model.

- Institutional Retirement adjusted operating profit increased by 7% to £1,105m (2023: £1,028m) underpinned by the growing scale of back book earnings and the consistent investment performance of our annuity portfolio. Following a record year for UK PRT in 2023, we have written £10.7bn of global PRT (2023: £13.7bn), reflecting a strong year in the UK, writing £8.4bn of UK PRT at a lower strain, and a record year internationally with £2.3bn of volumes across the US and Canada.

- Asset Management delivered adjusted operating profit of £401m (2023: £448m) reflecting increased investments to drive future growth, and smaller valuation uplifts on Pemberton (private credit manager) compared to 2023. Profit from fee related earnings reduced to £256m (2024: £268m) due to the increased investment in the business. Fee related revenue has increased by 4% to £967m on 2% lower average AUM, reflecting a conscious shift towards higher margin products.
- Retail adjusted operating profit increased by 12% to £504m (2023: £449m), reflecting higher profit release from the back book and favourable net experience variances. Retail annuity sales had another record year with volumes of £2.1bn, up 48% compared to prior year. Workplace defined contribution business continues to grow with net flows of £0.6bn and total members now up to 5.5 million.

Own Funds for both the Group and LGAS incorporate the impacts of a recalculation of the Transitional Measure on Technical Provisions (TMTP) based on 31 December 2024 economic conditions.

LGAS key Solvency II performance measures as at 31 December 2024 were:

| **Measure** | **2024** | 2023 |
|---|---|---|
| Eligible Own Funds (£m) | **9,236** | 9,857 |
| Solvency Capital Requirement (£m) | **4,204** | 4,709 |
| Solvency II Surplus (£m) | **5,032** | 5,148 |
| Solvency II Coverage ratio on a regulatory basis | **220%** | 209% |

Further details on both the Group and LGAS's business and performance can be found in Section A: Business and Performance.

## Our governance

### *The Group Board (the Board)*

The Board is responsible for the long-term success of the Group, including the overall leadership of the Group and setting the tone for the Group's culture, values and standards. The role of management is to deliver the strategy within the framework and standards set by the Board. It is the Board's responsibility to ensure we have an appropriate governance framework in place to continue to support our day-to-day operations and protect the interests of our stakeholders.

The separate board of LGAS is accountable for the long-term success of LGAS by setting strategic objectives, monitoring performance against those objectives and directly overseeing the business activities undertaken by the company, whilst operating within the framework and overall strategy defined by the Group Board. The LGAS Board is led by an independent non-executive director as the chair, who is also a member of the Group Board, and comprises two Executive Directors and four non-executive directors, including the chair.

### *Risk management framework*

Our risk management framework supports informed risk taking by our businesses, setting out those rewarded risks to which we are prepared to be exposed and the risks that we want to avoid, together with risk limits and required standards of internal control to ensure exposures remain within our overall risk appetite.

We deploy a 'three lines of defence' risk governance model. Our operating businesses are our first line of defence, responsible for risk taking within the parameters of our risk appetite and accountable for managing risks in line with risk policies. Our second line of defence is our risk oversight function under the direction of our Group Chief Risk Officer. The team of risk professionals provides our businesses with expert advice and guidance on risk and capital management, alongside ensuring risk taking remains within acceptable parameters. Our Group Internal Audit function is our third line of defence, providing independent assurance on the effectiveness of business risk management and the overall operation of our risk management and internal control framework.

### *Own Risk and Solvency Assessment (ORSA)*

Our risk identification and assessment process forms part of our broader 'Own Risk and Solvency Assessment' process, an ongoing assessment of the risks to which both the Group and LGAS are exposed and an evaluation of the sufficiency of capital resources to sustain the business strategy over the horizon of the Group plan. The process, which covers the whole of the Group, considers how the financial and broader business risks to which we are exposed may evolve over the planning cycle.

## Our risk profile

We are exposed to a number of risks through the normal course of our business. These risks are primarily:

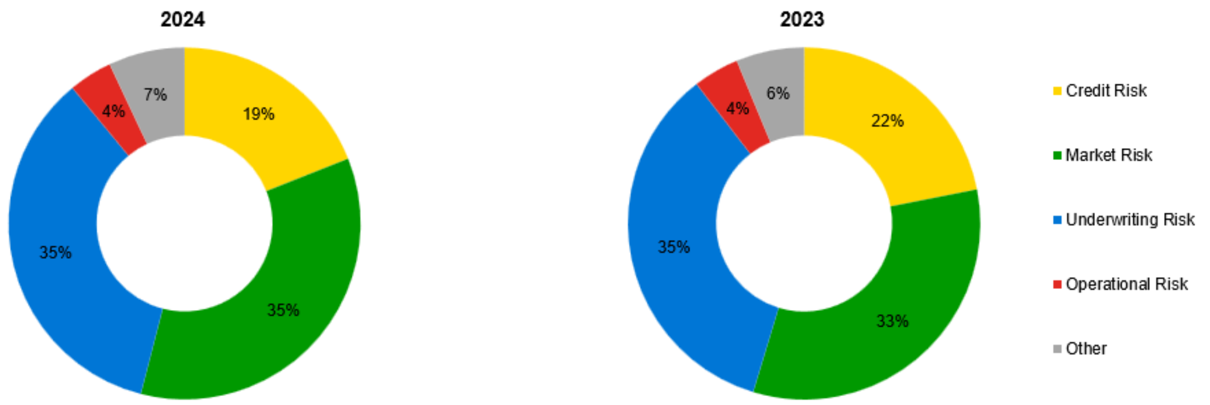
- longevity, mortality and other insurance risks that are transferred to us by the customers of our pension risk transfer, individual annuities and protection businesses. The period that customers continue with their life insurance protection policies is also important for profitability, as is our ability to control expenses in line with pricing assumptions
- market, credit, and counterparty risks arise from holding portfolios of assets, including property, to meet our obligations to our customers and clients and to deliver returns to shareholders. Liquidity risks also arise from holding illiquid assets and from investment market conditions. Interest rates and inflation are also risk factors
- operational risks in respect of our business processes and IT systems, as well as broader regulatory and legislative risks that can arise in the environments in which we operate.

### *Our risk-based capital model*

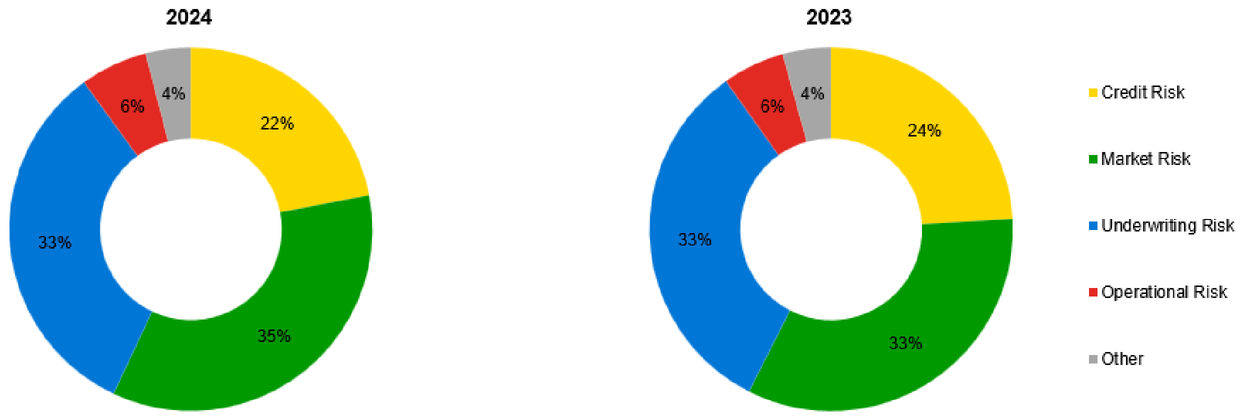
We assess on an ongoing basis the capital that we need to hold in excess of our liabilities to meet both the Group's and LGAS's strategic objectives and ensure continued solvency.

Our risk-based capital model seeks to provide a quantitative assessment of the Group's and LGAS's risk exposures. Our model forms part of the suite of tools that we use to evaluate our strategic plans, set risk appetite, allocate capital and evaluate product pricing. We also use our capital model to assess significant transactions, including large PRT deals. We calibrate our model to ensure that we hold sufficient capital to survive our assessment of a 1-in-200 year event. In terms of our capital requirements, market risk (which includes equity, property and interest rate risks) and insurance (longevity) risks remain our most significant risks. Credit (including counterparty credit) is another material risk for which we hold capital. One of the uses of our model is to calculate our Solvency II regulatory capital requirements. We have chosen to adopt an internal model (the Internal Model) approach to calculate the SCR for all of the material Solvency II regulated insurance companies in the Group.

The chart below shows a breakdown of the Group SCR by major risk type before diversification.




The chart below shows a breakdown of LGAS SCR by major risk type before diversification.



Further details on our risk profile can be found in Section C: Risk Profile. A breakdown of the SCR is provided in Annex 1: Quantitative Reporting Templates IR.25.04.

## Valuation for solvency purposes

Assets, technical provisions, and other liabilities are valued in accordance with the Solvency II regulations of PRA rule book. The principle that underlies the valuation methodology for Solvency II purposes is the amount for which assets could be exchanged, and liabilities transferred or settled, by knowledgeable and willing third parties in an arm's length transaction. As at 31 December 2024, the excess of the Group's assets over its liabilities was £12,499m (2023: £13,329m), which is £8,988m higher than the value under IFRS. The excess of LGAS's assets over its liabilities was £9,236m (2023: £9,857m) which is £5,733m higher than the value under IFRS. The differences are primarily explained by the overall value of technical provisions being lower on a Solvency II basis. Further details can be found in Section E.1.6 Reconciliation between IFRS equity and excess of assets over liabilities.

Technical provisions are calculated as the sum of Best Estimate Liabilities (BEL) plus Risk Margin (RM), less any TMTP. The BEL represents our best estimate of future cash flows on the in-force business, taking into account the time value of money, and is calculated without any deduction for the amounts recoverable from reinsurance contracts. Where the PRA has granted approval for the use of a Matching Adjustment (MA) when calculating the BEL, this has been applied in line with the approved application. Further details can be found in Section D.2 Technical provisions.

We have taken advantage of the TMTP, which allows for the recognition of a deduction from technical provisions calculated as the difference between their value under the current and previous solvency regimes. This transitional measure applies for 16 years from the date of introduction of Solvency II, 1 January 2016, and the deduction will be fully amortised over that period, i.e. by 1 January 2032. The value of the deduction as at 31 December 2024 for the Group was £685m (2023: £970m) and for LGAS was £549m (2023: £773m).
The Solvency II regulations were amended in the UK in December 2023 to introduce a change to the calculation of the Risk Margin, and in June 2024 to change the calculation of the Matching Adjustment and Fundamental Spread. In December 2024, the final regulations were implemented, and these introduced a number of changes to the Solvency II calculations, the most significant being the Matching Adjustment Attestation requirements, which increase the Fundamental Spread on assets where the Group believes there to be risks which are not sufficiently captured in existing deductions.

## Our capital management

The primary objective of capital management is to optimise the balance between risk and return, whilst maintaining capital in accordance with the Group's risk appetite and regulatory requirements. Both the Group and LGAS are required to measure and monitor their capital resources on a regulatory basis and to comply with the Minimum Capital Requirements (MCR) established by the PRA Rulebook.

At 31 December 2024 the Group SCR was £6,848m (2023: £7,389m) and the LGAS SCR was £4,204m (2023: £4,709m). The SCR for both the Group and LGAS has been calculated with the Group approved Internal Model. Further details can be found in Section E.2 Solvency Capital Requirement and Minimum Capital Requirement.

As at 31 December 2024, surplus Own Funds for the Group were £9,028m (2023: £9,157m), representing a Solvency II coverage ratio of 232% (2023: 224%), and for LGAS were £5,032m (2023: £5,148m), representing a Solvency II coverage ratio of 220% (2023: 209%). This level of coverage ensures that both the Group and LGAS have resources over and above what would be needed to meet their obligations after a 1-in-200 year event. In line with our risk management approach, we maintained appropriate capital buffers throughout the year.

The Group's solvency position is described below, showing the Solvency II coverage ratio.

| (£m) | 2024 | 2023 |
|---|---|---|
| Excess of assets over liabilities | **12,499** | 13,329 |
| Tier 2 subordinated liabilities | **3,404** | 3,460 |
| Eligibility restrictions | **(27)** | (243) |
| Solvency II Own Funds | **15,876** | 16,546 |
| Solvency Capital Requirement | **6,848** | 7,389 |
| Solvency II Surplus | **9,028** | 9,157 |
| **Solvency II coverage ratio on a regulatory basis (%)** | **232%** | 224% |

The table above shows the Group Own Funds, SCR and Solvency II Surplus, based on the Partial Internal Model, Matching Adjustment and TMTP which was recalculated as at 31 December 2024.

Difference between the regulatory and shareholder (as reported in the Group Annual report and accounts) bases include unaudited profits (or losses) of financial firms at 31 December, which are excluded from regulatory Own Funds. In 2024 the unaudited losses were £16m (2023: profits of £10m).

The LGAS solvency position is set out below, showing the Solvency II coverage ratio on a regulatory basis.

| (£m) | 2024 | 2023 |
|---|---|---|
| Solvency II Own Funds | **9,236** | 9,857 |
| Solvency Capital Requirement | **4,204** | 4,709 |
| Solvency II Surplus | **5,032** | 5,148 |
| **Solvency II coverage ratio on a regulatory basis (%)** | **220%** | 209% |

Additional information on the Solvency II coverage ratio can be found in Section E: Capital management.

# Directors' certificates

## Legal & General Group Plc – financial year ended 31 December 2024

The Directors acknowledge their responsibility for the proper preparation of the Solvency and Financial Condition Report in all material respects in accordance with the PRA rules and Solvency II Regulations.

The Group Board is satisfied that to the best of its knowledge and belief:

(a) throughout the financial year to 31 December 2024, the firm has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable to the firm; and

(b) it is reasonable to believe that in respect of the period from 31 December 2024 to the date of the publication of the Solvency and Financial Condition Report, the firm has continued so to comply and that it will continue so to comply for the remainder of the financial year to 31 December 2025.

**Stuart Jeffrey Davies**
Group Chief Financial Officer

3 April 2025

## Legal and General Assurance Society Limited – financial year ended 31 December 2024

The Directors acknowledge their responsibility for the proper preparation of the Solvency and Financial Condition Report in all material respects in accordance with the PRA rules and Solvency II Regulations.

The Board of Legal and General Assurance Society Limited is satisfied that to the best of its knowledge and belief:

(a) throughout the financial year to 31 December 2024, the firm has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable to the firm; and

(b) it is reasonable to believe that in respect of the period from 31 December 2024 to the date of the publication of the Solvency and Financial Condition Report, the firm has continued so to comply and that it will continue so to comply for the remainder of the financial year to 31 December 2025.

**Stuart Jeffrey Davies**
Group Chief Financial Officer

3 April 2025

# Auditors' report

**Report of the external independent auditor to the Directors of Legal & General Group Plc and Legal and General Assurance Society Limited ('LGAS') pursuant to Rule 4.1 (2) of the External Audit Part of the Prudential Regulatory Authority ('PRA') Rulebook applicable to Solvency II firms**

**REPORT ON THE AUDIT OF THE INFORMATION SUBJECT TO AUDIT IN THE RELEVANT ELEMENTS OF THE SOLVENCY AND FINANCIAL CONDITION REPORT**

**Opinion**

Except as stated below, we have audited the following documents prepared by Legal & General Group Plc and Legal and General Assurance Society Limited (together 'the Entities') as at 31 December 2024:

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Solvency and Financial Condition Report of the Entities as at 31 December 2024, ('**the Narrative Disclosures subject to audit**').
- Group templates IR.02.01.02, IR.22.01.22, IR.23.01.04, IR.25.04.22 and IR.32.01.22 for the Group, and Company templates IR.02.01.02, IR.12.01.02, IR.17.01.02, IR.22.01.21, IR.23.01.01 and IR.28.02.01 for LGAS ('**the Templates subject to audit**').

The Narrative Disclosures subject to audit and the Templates subject to audit are collectively referred to as the '**Relevant Elements of the Solvency and Financial Condition Report**'.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on:

- **Any increase to the Fundamental Spread** - any increases made by the Entities under Rule 4.17 of the Matching Adjustment part of the PRA Rulebook for Solvency II firms, to the Fundamental Spread used in the calculation of the Matching Adjustment and included in the technical provisions disclosed in the Relevant Elements of the Solvency and Financial Condition Report.
- the **Other Information** which comprises:
  - Information contained within the Relevant Elements of the Solvency and Financial Condition Report set out above which derive from the Solvency Capital Requirement, as identified in the Appendix to this report.
  - The 'Business and performance', 'System of governance' and 'Risk profile' sections of the Solvency and Financial Condition Report.
  - Templates IR.05.02.01, IR.05.03.02 and IR.05.04.02 for the Group.
  - Company templates IR.05.02.01, IR.05.03.02, IR.05.04.02 and IR.25.04.21 for LGAS.
  - Information calculated in accordance with the previous regime used in the calculation of the transitional measure on technical provisions, and as a consequence all information relating to the transitional measures on technical provisions as set out in the Appendix to this report.
  - Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.
  - The written acknowledgement by the Directors of the Entities of their responsibilities, including for the preparation of their relevant content of the Solvency and Financial Condition Report ('**the Responsibility Statement**').
  - Information which pertains to an undertaking that is not a UK Solvency II undertaking and has been prepared in accordance with PRA rules other than those applicable to UK Solvency II firms or in accordance with UK law other than law deriving from the Financial Services and Markets Act 2000 that applies to UK Solvency II firms, '**the sectoral information**' as set out in the Appendix to this report.

To the extent the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report of the Entities as at 31 December 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules on which it is based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations in effect as at the date of approval of the Solvency and Financial Condition Report.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)'), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Information Subject to Audit in the Relevant Elements of the Solvency and Financial Condition Report* section of our report. We are independent of each of the Entities in accordance with the ethical requirements that are relevant to our audit of the Solvency and Financial Condition Report in the UK, including the FRC Ethical Standard as applied to listed and public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter – special purpose basis of accounting**

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' sections of the Solvency and Financial Condition Report, which describe the basis of accounting of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report. The Solvency and Financial Condition Report is prepared in accordance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the PRA. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Going concern**

The Directors of Legal & General Group Plc have prepared the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for the Group on the going concern basis as they do not intend to liquidate the Group or to cease their operations, and as they have concluded that the Group's financial positions mean that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the Solvency and Financial Condition Report ("the going concern period"). The Directors of LGAS have prepared the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for LGAS on the going concern basis as they do not intend to liquidate the entity or to cease its operations, and as they have concluded that LGAS's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over the ability of LGAS to continue as a going concern for at least a year from the date of approval of the Solvency and Financial Condition Report ("the going concern period").

We have used our knowledge of the Entities, their industry, and the general economic environment to identify the inherent risks to their business models and analysed how those risks might affect the Entities' financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Entities' available financial resources over this period were:

- Adverse impacts arising from fluctuations or negative trends in the economic environment including, but not limited to, wider credit spreads and defaults which affect regulatory capital solvency coverage ratios, liquidity ratios, the valuations of the Group's hard to value (Level 3) investments that require judgement and valuation of best estimate liabilities.
- Severely adverse policyholder lapse or claims experience.

Our conclusions based on this work:

- we consider that the Directors of Legal & General Group Plc use of the going concern basis of accounting in the preparation of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for the Group is appropriate.

- we consider that the Directors of LGAS use of the going concern basis of accounting in the preparation of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for LGAS is appropriate.
- we have not identified, and concur with the assessment of the Directors of Legal & General Group Plc that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for the going concern period.
- we have not identified, and concur with the assessment of the Directors of LGAS that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the LGAS's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that LGAS or the Group will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors, the Audit Committee, internal audit, Group Financial Crime Director as to whether they have knowledge of any actual, suspected or alleged fraud and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing",
- reading Board, Audit Committee and Risk Committee meeting minutes,
- considering remuneration incentive schemes and performance targets for management,
- using analytical procedures to identify any unusual or unexpected relationships,
- inspecting correspondence with regulators to identify instances or suspected instances of fraud,
- reviewing the audit misstatements from prior period to identify fraud risk factors,
- reading broker reports and other public information to identify third-party expectations and concerns.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit of the Solvency and Financial Condition Report. As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgments such as the valuation of best estimate liabilities and valuation of investments that require judgment.

We also identified a fraud risk related to the valuation of best estimate liabilities in response to the required significant judgment over uncertain future outcomes, being the ultimate total settlement value of long-term policyholder liabilities.

We also performed procedures including instructing quantitatively significant components and components where there is a heightened risk of management override of controls to identify journal entries to test based on the high-risk criteria sent to them and comparing the entries to supporting documentation. These included, but were not limited to:

- journals impacting cash balances that were identified as unusual or unexpected in our risk assessment procedures.
- evaluating the business purpose of significant unusual transactions.
- assessing whether the judgements made making accounting estimates are indicative of a potential bias.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report from our general commercial and sector experience, through discussion with the directors and other management of the Entities (as required by auditing standards), and from inspection of the Entities' regulatory and legal correspondence. We also discussed with the directors and other management of the Entities, the policies and procedures regarding compliance with laws and regulations.

As the Entities are regulated, our assessment of risks involved gaining an understanding of the control environment including the Entities' procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to all component audit teams of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group team any instances of noncompliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report varies considerably.
Firstly, the Entities are subject to laws and regulations that directly affect the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, including financial reporting legislation (including related companies legislation), PRA Rules, distributable profits legislation, pensions legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report.

Secondly, the Entities are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, for instance through the imposition of fines or litigation or the loss of the entities' license to operate. We identified the areas of specific aspects of regulatory capital and liquidity, market abuse, customer duty, financial crime and customer conduct regulations as those most likely to have such an effect, recognising the financial and regulated nature of the Entities' activities. Auditing standards limit the required audit procedures to identify noncompliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We discussed with the Audit Committee matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other Information**
The Directors of the Entities are responsible for their relevant content of the Other Information.
Our opinion on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of Directors of the Entities for the Solvency and Financial Condition Report**
The Directors of the Entities are responsible for the preparation of their relevant content of the Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules, which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA.

The Directors of the Entities are also responsible for such internal control as they determine is necessary to enable the preparation of their relevant content of the Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

The Directors of LGAS are responsible for assessing LGAS's ability to continue as going concerns, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate their respective entity or to cease operations, or have no realistic alternative but to do so.
The Directors of Legal & General Group Plc are responsible for assessing the Group's ability to continue as going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease their operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Information Subject to Audit in the Relevant Elements of the Solvency and Financial Condition Report**
It is our responsibility to form an independent opinion as to whether the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report is prepared, in all material respects, with financial reporting provisions of the PRA Rules on which it is based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Our objectives are to obtain reasonable assurance about whether the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report.

A fuller description of our responsibilities is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

**Other Matter – partial internal model**

Legal & General Group Plc has authority to calculate the Group Solvency Capital Requirement, and LGAS has authority to calculate its Solo Solvency Capital Requirement, using a partial internal model ("the Model") approved by the PRA in accordance with the PRA Rules. In forming our opinion (and in accordance with PRA Rules), we are not required to audit the inputs to, design of, operating effectiveness of, or outputs from the Model, or whether the Model is being applied in accordance with the Entities' application or approval orders.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

**Sectoral Information**

In our opinion, in accordance with Rule 4.2 of the External Audit Part of the PRA Rulebook for Solvency II firms, the **sectoral information** has been properly compiled in accordance with the PRA rules and UK law relating to that undertaking from information provided by members of the Group and the relevant insurance group undertaking.

**Other Information**

In accordance with Rule 4.1 (3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of each of the Entities’ statutory financial statements for the year ended 31 December 2024. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

This engagement is separate from the audits of the annual financial statements of the Entities and the report here relates only to the matters specified and does not extend to the Entities' annual financial statements taken as a whole.

As set out in our audit reports on those financial statements, those audit reports are made solely to the members of the respective Entities, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. The audit work has been undertaken so that we might state to the members of the respective Entities those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entities and the members, as a body, of each of the respective Entities for the audit work, for the audit report, or for the opinions we have formed in respect of those audits.

**The purpose of our audit work and to whom we owe our responsibilities**
This report of the external auditor is made solely to the Directors of the Entities, as their governing bodies, in accordance with the requirement in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and the terms of our engagement. We acknowledge that the Directors are required to submit the report to the PRA, to enable the PRA to verify that an auditor's report has been commissioned by the Entities' Directors and issued in accordance with the requirement set out in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and to facilitate the discharge by the PRA of its regulatory functions in respect of the Entities, conferred on the PRA by or under the Financial Services and Markets Act 2000.

Our audit has been undertaken so that we might state to the Directors those matters we are required to state to them in an auditor's report issued pursuant to Rule 4.1 (2) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entities through their governing bodies, for our audit, for this report, or for the opinions we have formed.

**Philip Smart**
***for and on behalf of KPMG LLP***
*Chartered Accountants*
*15 Canada Square*
*Canary Wharf,*
*London, E14 5GL*
*3 April 2025*

**Appendix– Relevant Elements of the Solvency and Financial Condition Report that are not subject to audit**

The Relevant Elements of the Solvency and Financial Condition Report that are not subject to audit comprise:
**Group**

- The following elements of Group template IR.02.01.02:
  - Row R0552: Risk margin – total
  - Row R0554: Risk margin – non-life
  - Row R0556: Risk margin – life
  - Row R0565: Transitional (TMTP) - life

- The following elements of Group template IR.22.01.22:
  - Column C0030 – Impact of transitional on technical provisions
  - Row R0010 – Technical provisions
  - Row R0090 – Solvency Capital Requirement

- The following elements of Group template IR.23.01.04:
  - Row R0020: Non-available called but not paid in ordinary share capital at group level
  - Row R0060: Non-available subordinated mutual member accounts at group level
  - Row R0080: Non-available surplus funds at group level
  - Row R0100: Non-available preference shares at group level
  - Row R0120: Non-available share premium account related to preference shares at group level
  - Row R0150: Non-available subordinated liabilities at group level
  - Row R0170: The amount equal to the value of net deferred tax assets not available at the group level
  - Row R0190: Non-available own funds related to other own funds items approved by supervisory authority
  - Row R0210: Non-available minority interests at group level
  - Row R0380: Non-available ancillary own funds at group level
  - Rows R0410 to R0440 – Own funds of other financial sectors
  - Row R0680: Group SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
  - Row R0750: Other non-available own funds

- The following elements of Group template IR.25.04.22:
  - Rows R0070 to R0495 and R0555: Information derived from the Solvency Capital Requirement
  - Rows R0500 to R0530 – Capital requirement for other financial sectors (Non-insurance capital requirements)

- Any increase to the Fundamental Spread

- Elements of the Narrative Disclosures subject to audit identified as ‘unaudited’.

**Solo**

The Relevant Elements of LGAS's Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Company template IR.02.01.01:
  - Row R0552: Risk margin – total
  - Row R0554: Risk margin – non-life
  - Row R0556: Risk margin – life
  - Row R0565: Transitional (TMTP) – life

- The following elements of Company template IR.12.01.02:
  - Row R0100: Risk margin
  - Rows R0140 to R0180 – Amount of transitional measure on technical provisions

- The following elements of template IR.17.01.02:
  - Row R0280: Risk margin

- The following elements of Company template IR.22.01.21:
  - Column C0030 – Impact of transitional on technical provisions
  - Row R0010 – Technical provisions
  - Row R0090 – Solvency Capital Requirement

- The following elements of Company template IR.23.01.01:
  - Row R0580: SCR
  - Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

- The following elements of Company template IR.28.02.01:
  - Row R0310: SCR

- Any increase to the Fundamental Spread

- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

# A. Business and Performance

## A.1 BUSINESS

### A.1.1 GROUP AND LGAS DETAILS

This report is prepared in respect of Legal & General Group Plc (the Group) and Legal and General Assurance Society Limited (LGAS) for the financial year ended 31 December 2024.

| | |
|---|---|
| The Group and LGAS | Legal & General Group Plc<br>One Coleman Street<br>London<br>EC2R 5AA<br><br>Legal and General Assurance Society Limited<br>One Coleman Street<br>London<br>EC2R 5AA |
| The supervisory authority responsible for financial supervision | Prudential Regulation Authority<br>20 Moorgate<br>London<br>EC2R 6DA |
| The external auditor | KPMG LLP<br>15 Canada Square<br>London<br>E14 5GL |

### A.1.1.1 QUALIFYING HOLDINGS

The Group has issued 5,893,179,639 ordinary shares of 2.5p each, issued on the London Stock Exchange as at the reporting date. All shares issued carry equal voting rights. There are no qualifying holdings of greater than 10% of the capital as at the reporting date.

LGAS's ultimate parent company is Legal & General Group Plc which has its registered office at One Coleman Street London, EC2R 5AA.

### A.1.1.2 GROUP STRUCTURE

At a Capital Markets Event on 12 June 2024, the Group set out a refreshed strategy and set of financial targets. As part of a new vision for a growing, simpler and better-connected business, the Group has implemented a revised business model, including the:

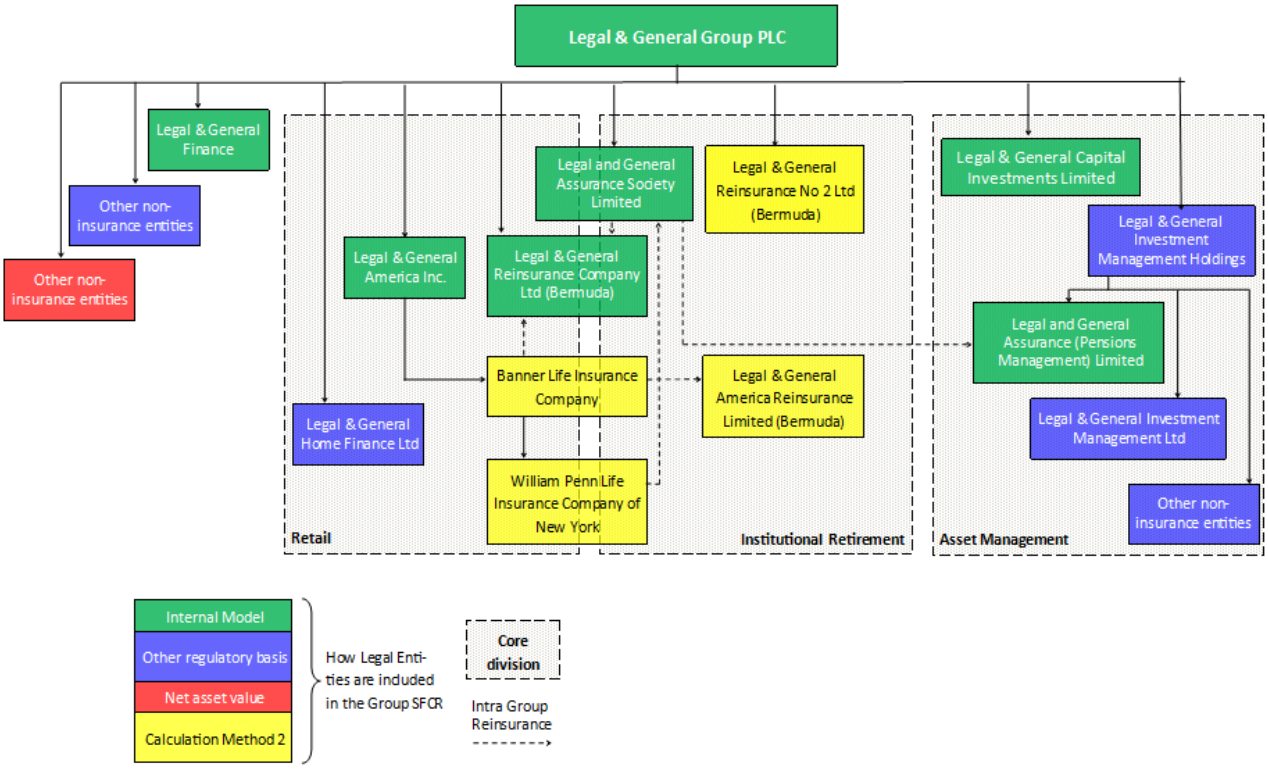
- creation of a single Asset Management division, bringing Legal & General Investment Management (LGIM) and Legal & General Capital (LGC) together as a unified, global, public and private markets asset manager
- maximisation of the value of non-strategic assets through a new Corporate Investments unit.

As a result, the Group is now focused on three core business divisions, namely Institutional Retirement, Asset Management and Retail, with a shared sense of purpose and powerful synergies.

A simplified group structure chart is shown in Diagram 1 overleaf. The chart summarises the relationship between entity and divisional responsibilities (on a forward-looking basis), further details of the principal products written by each division is provided in A.1.3 below. The Group Board has ultimate responsibility for the Group's system of governance; this is described in further detail in Section B: System of Governance.

LGAS is a principal operating subsidiary of the Group and is the regulated entity through which the majority of the Group's UK individual and group insurance, pensions and annuities business is executed.

**Diagram 1: Division and Entity overview**




## A.1.2 MATERIAL RELATED UNDERTAKINGS

The particulars of the Group's subsidiaries as at 31 December 2024 are listed in the Quantitative Reporting Template (QRT) IR.32 in Annex 1 of this document and Note 41 of the Group's Annual report and accounts. The particulars of LGAS subsidiaries as at 31 December 2024 are listed in Note 38 of the LGAS statutory financial statements. The material insurance undertakings are summarised below:

| Company name | Country | Ownership % |
|---|---|---|
| **Legal and General Assurance Society Limited (LGAS)** | England & Wales | 100% |
| **Legal and General Assurance (Pensions Management) Limited (PMC)** | England & Wales | 100% |
| **William Penn Life Insurance Company of New York[1]** | USA | 100% |
| **Banner Life Insurance Company[1]** | USA | 100% |
| **Legal & General America Reinsurance Limited (Bermuda)[1]** | USA | 100% |
| **Legal & General Reinsurance Company Limited** | Bermuda | 100% |
| **Legal & General Reinsurance No.2 Limited** | Bermuda | 100% |

1. The Group announced the sale of its US insurance entity on 7 February 2025, which includes William Penn Life Insurance Company of New York, Banner Life Insurance Company and Legal & General America Reinsurance Limited (Bermuda). Refer to A.1.4 for details.

The proportion of voting rights is the same as the ownership held for each of the entities listed above.

There are no material differences between the scope of the Group used for the consolidated financial statements and the scope for Solvency II consolidated data, as determined in accordance with the Group Supervision part of the PRA Rulebook.

The consolidation treatment of entities varies depending on both the Group's influence and control in the entity and the principal activity of the entity, as prescribed in the Group Supervision part of the PRA Rulebook. A full list of subsidiary undertakings, associates, and joint ventures is contained in the QRT IR.32.01 in Annex 1 of this document. The type and treatment of each undertaking can be found in columns C0050 and C0260 respectively.

## A.1.3 PRINCIPAL PRODUCTS

A significant part of the Group's business involves the acceptance and management of risk.

A description of the principal products offered by the Group's business divisions is outlined below. In addition to the core segments, Corporate Investments, which represents a portfolio of non-strategic assets, is managed separately with the goal of maximising shareholder value ahead of potential divestment.

The Group seeks to manage its exposure to risk through control techniques which ensure that the residual exposures are within acceptable tolerances agreed by the Board. The Group's risk appetite framework and the methods used to monitor risk exposures can be found in Section B: Systems of Governance and Section C: Risk Profile.

Details of the risks associated with the Group's principal products and the control techniques used to manage these risks can be found in Section C: Risk Profile.

### A.1.3.1 INSTITUTIONAL RETIREMENT

#### A.1.3.1.1 ANNUITY CONTRACTS

Pension Risk Transfer (PRT) represents bulk annuities, whereby the Group accepts the assets and liabilities of a company pension scheme or a life fund. Annuities provide guaranteed income for a specified time, usually the life of the policyholder and may include a guaranteed payment period. PRT business consists of both immediate and deferred annuities.

Immediate annuities provide a regular income stream to the policyholder and are in payment at the date of the transaction.

Deferred annuities provide a regular income stream to the policyholder where the income stream starts at a future date after the transaction. Some deferred contracts accepted by the Group contain guaranteed cash options, predominantly minimum factors for commuting part of the annuity income into cash at the date of vesting.

There is a block of immediate and deferred annuities within the UK business with benefits linked to changes in the RPI or for a minority the CPI, but with contractual maximum or minimum increases.

#### A.1.3.1.2 INVESTMENT CONTRACTS

The Group writes Assured Payment Policies (APP). An APP is a long-term contract under which the policyholder (a registered UK pension scheme) pays a day-one premium and in return receives a contractually fixed and/or inflation-linked set of payments over a fixed period of time from the insurer.

#### A.1.3.1.3 LONGEVITY INSURANCE CONTRACTS

The Group also provides longevity insurance products for company pension schemes, under which regular payments are made to the scheme reflecting their actual longevity experience, while the scheme makes an agreed set of regular payments in return. Some policies contain a guaranteed surrender value which is currently immaterial.

### A.1.3.2 ASSET MANAGEMENT

Asset Management is a newly created division, formed from the combination of LGIM and LGC.

Asset Management offers both active and passive management on either a pooled or segregated basis to clients domiciled globally. Assets are managed on behalf of pension funds, institutional clients, sovereign wealth clients, retail clients and subsidiary companies within the Group.

The key products provided by Asset Management are unit linked institutional pensions, segregated investment management mandates and collective investment schemes.

The core strategies applied for managing the products are set out below.

#### A.1.3.2.1 PUBLIC MARKETS STRATEGIES

##### A.1.3.2.1.1 INDEX FUND MANAGEMENT

Asset Management provides a diversified range of pooled index funds, providing a wide choice and the ability to pursue specific benchmarks efficiently. In addition, segregated solutions are offered to institutional clients providing large scale customisation against established market capitalisation weighted and alternative indices.

The Asset Management Exchange Traded Fund (ETF) business provides clients access to Asset Management's index fund management capabilities via our ETF platform. ETF products cover a broad range of traditional and thematic asset classes.

##### A.1.3.2.1.2 ACTIVE STRATEGIES

Asset Management offers a range of pooled and segregated active fixed income funds. The Asset Management liquidity funds offer institutional investors a solution for their cash management requirements across a range of core currencies. The liquidity funds aim to deliver competitive returns with a high level of diversification, whilst focusing on capital preservation through portfolios of high quality, liquid assets.

Active strategies also include an active equity management business comprising focused teams managing stock selection across different regions.

##### A.1.3.2.1.3 SOLUTIONS AND LIABILITY DRIVEN INVESTMENT (LDI)

Asset Management provides a range of pooled and bespoke solutions to help de-risk defined benefit pension schemes. These solutions will usually combine active or passive underlying portfolios with derivative overlays designed to meet clients' specific requirements. An allocation strategy service is also offered to institutional clients, which may also allocate some of the portfolio to managers other than Asset Management.

#### A.1.3.2.1.4 MULTI-ASSET FUNDS

Multi-asset funds for retail and institutional clients, built using Asset Management's expertise in asset allocation which is informed by an in-house research capability. The underlying asset classes may be managed on an active or passive basis within Asset Management.

### A.1.3.2.2 PRIVATE MARKETS STRATEGIES

Private Markets offers a range of pooled funds, segregated accounts and joint ventures investing on behalf of UK and overseas investors across physical real estate, private corporate debt, infrastructure debt and real estate loans. The business has specialist teams of fund and asset managers and an in-house research team.

Direct investments are typically illiquid investments entered into through acquisition, joint venture with strategic partners or by the creation of new companies. Asset Management seeks to make direct investments in sectors where there are structural funding shortfalls, and is organised into four sectors: specialist commercial real estate, clean energy, housing and alternative finance. We deploy capital and sector expertise to such investments to target attractive risk-adjusted returns which can deliver higher returns and / or lower volatility for our shareholder capital than listed equity.

## A.1.3.3 RETAIL

The Retail division comprises Insurance and Retail Retirement businesses.

### A.1.3.3.1 UK PROTECTION BUSINESS (RETAIL AND GROUP)

The Group offers protection products which provide mortality or morbidity benefits. They 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. The benefit amounts would usually be specified in the policy terms. Some sickness benefits cover the policyholder's mortgage repayments and are linked to the prevailing mortgage interest rates. In addition to these benefits, some contracts may guarantee premium rates, provide guaranteed insurability benefits and offer policyholders conversion options.

### A.1.3.3.2 US PROTECTION BUSINESS

US protection represents individual term assurance, which provides death benefits over the medium to long-term. The contracts have level premiums for an initial period with premiums set annually thereafter. During the initial period, there is generally an option to convert the contract to a universal life contract. After the initial period, the premium rates are not guaranteed, but cannot exceed the age-related guaranteed premium.

### A.1.3.3.3 US UNIVERSAL LIFE

Universal life contracts written by Legal & General America (LGA) provide savings and death benefits over the medium to long-term. The savings element has a guaranteed minimum growth rate. LGA has exposure to loss in the event that interest rates decrease and it is unable to earn enough on the underlying assets to cover the guaranteed rate. LGA is also exposed to loss should interest rates increase, as the underlying market value of assets will generally fall without a change in the surrender value.

Reinsurance is used within the protection businesses to manage exposure to large claims for individual term business and virtually all universal life business. These practices lead to the establishment of reinsurance assets on the Group's balance sheet. Within our US business, reinsurance and securitisation are also used to provide regulatory solvency relief (including relief from regulation governing term insurance).

### A.1.3.3.4 ANNUITIES

Immediate annuities have similar characteristics as products sold by Institutional Retirement. The Group also offers products for individuals that provide a guaranteed level of income over a chosen fixed period of time, in exchange for an initial lump sum payment from the policyholder. The products can provide a fixed lump sum at maturity and/or options to surrender on non-guaranteed terms.

Deferred annuity contracts written by LGA contain a provision that, at maturity, a policyholder may move the account value into an immediate annuity, at rates which are either those currently in effect, or rates guaranteed in the contract.

### A.1.3.3.5 LIFETIME CARE PLAN

The Lifetime Care Plan provides a monthly payment to a UK registered care provider that helps meet the cost of care for the policyholder's life.

A policyholder can choose to receive a fixed monthly payment or opt to have escalation built in. A death benefit exists within the product so that if a policyholder dies within the first 6 months of the start date a percentage of the original premium less any payments already made is payable to the estate.

### A.1.3.3.6 LIFETIME MORTGAGES

Lifetime mortgages are a form of equity release mortgage that provide non-commercial borrowers with a loan secured against their main residence, without the need for regular repayments. They are regulated retail mortgages offered only to borrowers over the age of 55 through specialist intermediaries. Interest accrues over the term of the loan and is repayable at the time the principal becomes due. Loans can be advanced in a single lump sum amount or in several subsequent drawdowns of an agreed facility. All lifetime mortgages provide a no negative equity guarantee, which means that if the loan is repaid from the sale of the property and if the net sale proceeds are lower than the balance of the loan, the Group will accept the net sale proceeds as full settlement.

### A.1.3.3.7 RETIREMENT INTEREST ONLY MORTGAGES

A Retirement Interest Only (RIO) mortgage is a standard residential mortgage available for non-commercial borrowers above 55 years old. A RIO mortgage is very similar to a standard interest-only mortgage, with two key differences:

- the loan is usually only paid off on death, move into long-term care or sale of the house
- the borrowers only have to prove they can afford the monthly interest repayments and not the capital remaining at the end of the mortgage term.

No repayment solution is required as repayment defaults to sale of property.

### A.1.3.3.8 WORKPLACE & RETAIL SAVINGS

Workplace Savings provides corporate pension scheme solutions to enable companies to meet their auto-enrolment obligations. Workplace Savings acts as scheme operator and administrator for these products while the customers hold the individual or scheme level pension policies issued by LGAS. Our Workplace proposition is complemented by Retail Savings which provides digital savings products direct to individuals in the form of a Personal Pension or a Stocks and Shares ISA. The Personal Pension allows individuals to save for retirement, particularly those without access to a workplace scheme, like the self-employed. Contributions include basic rate tax relief and are invested in investment funds. Once the individual reaches the normal minimum pension age, they can access their funds flexibly. The Stocks and Shares ISA offers individuals a tax efficient product to save into investment funds.

### A.1.4 SIGNIFICANT BUSINESS OR OTHER EVENTS

*Disposal of CALA Group (Holdings) Limited (Cala)*

On 18 September 2024 the Group announced the disposal of 100% of the share capital of Cala to Ferguson Bidco Limited. The transaction completed on 31 October 2024.

The sale of Cala was based on an enterprise value of £1.35bn representing a commercially attractive valuation for shareholders generating c.£0.1bn in solvency capital.

*Sale of US insurance entity*

On 7 February 2025 the Group announced that it had agreed the sale of its US insurance entity, comprising its US protection and US PRT businesses, to Meiji Yasuda Life Insurance Company (Meiji Yasuda), a Japanese mutual life insurance company, for an equity value of $2.3bn (£1.8bn) payable in cash at completion (subject to certain purchase price adjustments). Following completion, Meiji Yasuda will own the Group's US protection business and have a 20% economic interest in its US PRT business, with L&G retaining 80% of existing and new PRT through reinsurance arrangements with Meiji Yasuda.

The transaction is expected to complete towards the end of 2025 and is subject to customary closing conditions and regulatory approvals.

*OECD update on Pillar II rules*

The UK has enacted legislation with effect from 1 January 2024 to apply a global minimum tax (Pillar II) in line with the Model Rules agreed by the Organisation for Economic Co-operation and Development (OECD). The Group is expected to be liable to UK top-up tax in 2024 at 15% in respect of profits arising in our global reinsurance hub in Bermuda. From 2025, the Group's Bermudan profits will be liable to local Bermudan corporate income tax (CIT) at 15%.

The OECD issued an update to its Administrative Guidance on Article 9.1 of the Global Anti-base Erosion Model Rules on 15 January 2025 to clarify application of the Pillar II rules to certain deferred tax assets existing on transition to the new rules. This update does not of itself change the recognition of the £340m deferred tax asset under Bermuda CIT at year end 2023.

The guidance changes the Pillar II treatment of the remaining deferred tax asset balance from 1 January 2027 such that for 2027 onwards it would no longer be considered valid in the calculation of covered taxes for Pillar II purposes. It is not possible to estimate the financial impact of this change. However, it is likely to result in additional UK top-up tax charges and a higher overall effective tax rate on Bermuda profits from 2027 or a material reduction in the £340m Bermuda deferred tax asset in 2025.

*Subordinated debt*

On 25 March the Group announced its intention to purchase and cancel existing Tier 2 Subordinated Notes due 2045, and to issue new Notes in replacement, in order to, amongst other things, proactively manage the Group's expected debt redemption profile.

## A.2 UNDERWRITING PERFORMANCE

We consider IFRS adjusted operating profit to be a good measure of the Group's and LGAS's underwriting performance. Adjusted operating profit measures the pre-tax result excluding the impact of investment volatility, economic assumption changes caused by changes in market conditions or expectations and exceptional items. Exceptional income and expenses which arise outside the normal course of business in the year, such as merger and acquisition and start-up costs, are excluded from adjusted operating profit. Adjusted operating profit for insurance contracts primarily reflects the release of profit from the contractual service margin (CSM) and risk adjustment (RA) in the period (adjusted for reinsurance mismatches), the unwind of the discount rate used in the calculation of the insurance liabilities and incurred expenses that are not directly attributable to the insurance contracts.

Variances between actual and long-term expected investment returns are excluded from adjusted operating profit, as are economic assumption changes to insurance contract liabilities caused by movements in market conditions or expectations (e.g. credit default and inflation), and any difference between the actual allocated asset mix and the target long-term asset mix on new pension risk transfer business. Assets held for future new pension risk transfer business are excluded from the asset portfolio used to determine the discount rate for annuities on insurance contract liabilities. The impact of investment management actions that optimise the yield of the assets backing the back book of annuity contracts is included within adjusted operating profit.

Shareholder funds include both the Group's traded investments portfolio and certain direct investments for which adjusted operating profit is based on the long-term economic return expected to be generated. Deviations from such long-term economic return are excluded from adjusted operating profit.

The adjusted operating profit is presented in the following sections. Information on premiums, claims and expenses, which can be considered as key elements of underwriting performance, is presented by Solvency II line of business in QRT IR.05.03 in Annex 1 of this report for the Group and LGAS templates.

## A.2.1 ADJUSTED OPERATING PROFIT BY DIVISION

### A.2.1.1 GROUP ADJUSTED OPERATING PROFIT

The table below shows the adjusted operating profit for the Group reported in the Group consolidated Annual report and accounts. These results are on an IFRS basis. Prior year comparatives have been restated to reflect the change in divisional structure announced on 12 June 2024 in the Capital Market Event.

| (£m) | 2024 | Restated 2023 |
|---|---|---|
| **Institutional Retirement** | **1,105** | 1,028 |
| **Asset Management** | **401** | 448 |
| **Retail** | **504** | 449 |
| - Insurance | 188 | 139 |
| - Retail Retirement | 316 | 310 |
| **Group debt costs** | **(216)** | (212) |
| **Group investment projects and expenses** | **(178)** | (182) |
| **Core operating profit** | **1,616** | 1,531 |
| Corporate Investments | **95** | 136 |
| **Total adjusted operating profit** | **1,711** | 1,667 |
| Investment and other variances | **(1,383)** | (1,577) |
| Profits/(losses) attributable to non-controlling interests | **4** | (14) |
| **Adjusted profit before tax attributable to equity holders** | **332** | 76 |

#### *Institutional Retirement*

Institutional Retirement continued to deliver strong adjusted operating profit, up 7% to £1,105m. Profit before tax of £548m (2023: £473m) was impacted by investment and other variances of £(557)m, mostly from increases in interest rates and inflation expectations.

#### *Asset Management*

In 2024, Asset Management adjusted operating profit was £401m (2023: £448m), reflecting increased investments to drive future growth, and smaller valuation uplifts on Pemberton compared to 2023. Adjusted operating profit from fee related earnings reduced to £256m (2023: £268m) due to increased investment to drive future growth. Profit before tax was £211m, with investment and other variances of £(190)m, driven primarily by the mark-to-market impact of higher interest rates.

#### *Retail*

Retail adjusted operating profit has increased 12% to £504m (2023: £449m). This is due to the growth in CSM and RA release and favourable experience variances. Profit before tax of £297m (2023: £278m) was impacted by investment variances in the annuity portfolio in line with Institutional Retirement.

## A.3 INVESTMENT PERFORMANCE

Investment performance is reported as investment return in the financial statements. The Group earns a return from holdings in financial instruments and property investments, held to back insurance and investment contracts on behalf of policyholders and as group capital.

The total investment return as reported in the Group financial statements in 2024 was £21,486m (2023: £33,048m), and for LGAS was £(1,498)m (2023: £4,897m). The total investment return comprises the expected return included in the IFRS adjusted operating profit plus the variance between actual and expected investment performance and movement in financial investments measured at fair value through other comprehensive income. As such, there is some element of duplication with the underwriting performance reported in A.2 above.

The total Solvency II investment return presented in table A.3.1 reflects the movement in the fair value of the investment portfolio of £21,272m (2023: £33,310m) and for LGAS £(1,763)m (2023: £5,149m). The primary driver of the difference to the total investment return per the financial statements is the return on portfolios reported under amortised cost. Solvency II investment return includes unrealised fair value gains and losses on financial investments at fair value through profit or loss, realised gains and losses, dividends, rent and interest. Dividends are accrued on an ex-dividend basis. Interest and rent are included on an accruals basis. Investment expenses are included in ‘Other administrative expenses’ found in Section A.4 below.

### A.3.1 INVESTMENT RETURN

The table below presents the Group’s actual investment income, gains and losses split by Solvency II asset class and the components of such income and expense.

| **Investment return (£m)** | **Income 2024** | **Gains and losses 2024** | Income 2023 | Gains and losses 2023 |
|---|---|---|---|---|
| Debt securities | **2,875** | **(2,446)** | 2,425 | 3,567 |
| Equities[1] | **2,798** | **(6,169)** | 2,749 | (1,798) |
| Derivatives | **-** | **(1,929)** | - | 945 |
| Other financial investments | **217** | **(624)** | 447 | (1,368) |
| Assets held for index-linked and unit-linked contracts | **7,667** | **18,883** | 6,382 | 19,961 |
| **Total** | **13,557** | **7,715** | 12,003 | 21,307 |

1. Includes holdings in collective investment vehicles and related undertakings (including participations).

The total gains and losses which were recognised directly in equity are disclosed in the Group’s Consolidated statement of comprehensive income within the Group’s Annual report and accounts.

The table below presents LGAS actual investment income and expenses split by Solvency II asset class:

| **Investment return (£m)** | **Income 2024** | **Gains and losses 2024** | Income 2023 | Gains and losses 2023 |
|---|---|---|---|---|
| Debt Securities | **2,410** | **(3,374)** | 2,427 | 1,387 |
| Equities | **269** | **(114)** | 226 | (59) |
| Derivatives | **-** | **(1,567)** | - | 1,525 |
| Property | **326** | **(66)** | 326 | (811) |
| Other assets | **115** | **238** | 171 | (43) |
| **Total** | **3,120** | **(4,883)** | 3,150 | 1,999 |

The total gains and losses which were recognised directly in equity are disclosed in the LGAS Statement of comprehensive income within the LGAS Report and Accounts.

### A.3.2 INVESTMENTS IN SECURITISATION

The Group holds securitisations with a market value of £2.3bn as at 31 December 2024 (2023: £1.9bn), of which £0.2bn (2023: £0.2bn) is held for index linked and unit linked contracts. Mortgage-backed securities and asset-backed securities amounted to £1.0bn and £1.3bn (2023: £0.9bn and £1.0bn) respectively.

LGAS holds securitisations with a market value of £629m as at 31 December 2024 (2023: £671m).

## A.4 PERFORMANCE OF OTHER ACTIVITIES

The Group's other material income includes:

- fees from fund management and investment contracts of £864m (2023: £825m)
- other operational income of £1,204m (2023: £1,571m).

Other operational income from contracts with customers includes house building revenue, revenue arising from professional services and insurance broker fees.

Expenses of the Group include:

| **Expenses (£m)** | **2024** | 2023 |
|---|---|---|
| Acquisition costs[1] | **175** | 149 |
| Finance costs | **372** | 347 |
| Staff costs | **1,309** | 1,309 |
| House building costs | **945** | 1,308 |
| Other administrative expenses | **818** | 1,092 |
| **Total** | **3,641** | 4,205 |

1. Acquisition costs comprise direct costs, such as initial commission, and the indirect costs of obtaining and processing new business.

The Group leases office buildings and other premises under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights. None of the leases are considered material. Details of the Group's operating leases is provided in Section D.1.1.8.

LGAS other operational income of £14m (2023: £11m) includes rebates of unit trust management fees received from Legal & General Investment Management Limited. LGAS other expenses of £313m (2023: £385m) comprise administrative expenses, management fees payable, corporate expenses and other charges.

LGAS leases offices and other premises under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights. None of the leases are considered material.

# B. System of Governance

## B.1 GENERAL INFORMATION OF THE SYSTEM OF GOVERNANCE

### B.1.1 THE STRUCTURE OF THE BOARDS

The Group Board of Legal & General Group Plc is responsible for the overall leadership of the Group. The role of the Board is to promote the long-term sustainable success of the Group, whilst simultaneously generating value for shareholders and contributing to wider society, by setting the Group's strategic objectives and monitoring performance against those objectives. The Board is led by the Group Chair, and as at 31 December 2024 comprised the Chair, two Executive Directors and ten non-executive directors. The day-to-day management of the Group is led by the Group Chief Executive Officer.

The Group Board meets formally on a regular basis and at each meeting considers business performance, strategic proposals and execution, material transactions and critical projects in the context of the Group's strategy, risk appetite, the interests of the Group's stakeholders and wider social purpose. The Chief Executive Officers of each business division are invited to attend on a cyclical basis to provide a more in-depth presentation on their division's underlying performance, including progress against strategy, key business initiatives and relevant stakeholders. The Board also considers group-wide strategic ambitions, material transactions and other material initiatives at each meeting. The Group and its subsidiaries operate within a clearly defined delegated authority framework which has been fully embedded across the Group. The delegated authority framework ensures that there is an appropriate level of Board contribution to, and oversight of, key decisions and that the day-to-day business is managed effectively. It also enables an appropriate level of debate, challenge, and support in the decision-making process.

L&G Group is managed across divisions rather than legal entities. The Group's core business divisions are:

- Institutional Retirement
- Asset Management
- Retail.

A Group business division delivers a number of centralised activities.

The LGAS board is accountable for the long-term success of the company by setting strategic objectives within the overall strategy defined by the Group Board and by monitoring performance against those objectives. The LGAS board is led by an independent non-executive director as the board's Chair, and as at 31 December 2024 comprised two Executive and four non-executive directors, including the Chair. The day-to-day management of the company is led by the LGAS Chief Executive Officer. LGAS's Chief Risk Officer and Chief Actuary are standing attendees.

The LGAS board meets formally on a regular basis. At each board meeting the Group Chief Financial Officer provides the board with an update on the underlying business performance of each of the business divisions. Each of the divisional Chief Executive Officers (CEO), as applicable to the LGAS business, are invited on a cyclical basis to give the company's board a more in-depth presentation on their division's underlying performance. On a regular basis the board receives formal reports from the Chief Risk Officer on risk and compliance issues impacting the company. The LGAS Audit Committee receives regular updates from Group Internal Audit.

LGAS operates within a clearly defined delegated authority framework. The delegated authority framework ensures that there is an appropriate level of board contribution to, and oversight of, key decisions and that the day-to-day business is managed effectively.

### B.1.2 DELEGATED AUTHORITIES

The Group Board delegated authority framework consists of a clearly defined schedule of matters reserved for the Group Board. The Matters Reserved for the Board are separated into eight broad categories: strategy and management; structure and capital; financial reporting and dividends; risk and internal control; corporate governance; key personnel and remuneration; product distribution and pricing; and brand. Those matters which are not reserved are delegated by the Board to group level committees and to the Group Chief Executive Officer (CEO). From 1 January 2024, a new executive governance framework was implemented to optimise decision making and enhance collaboration. The Group Management Committee (GMC) supports the Group CEO in exercising authorities, including but not limited to, the development and delivery of group-wide strategic and transformation matters, the Group Plan, and the management of the day-to-day operations of the Group within the framework of the Group Plan and the Group's risk appetite, as approved by the Group Board. The Group Chief Executive Officer delegates further decision-making onwards to various executive decision-making forums, as well as to his direct reports.

The GMC delegates duties and responsibilities to the decision-making forums of the sub-committees as follows:

- **Investment Committee** The purpose of the Committee is to consider and, if appropriate, approve Group and divisional transactions including capital investments, M&A transactions, certain direct investments, pension risk transfer transactions and other material group-wide investment-related matters that may arise falling within Plan and within certain thresholds.
- **Executive Risk Committee** (ERC) The purpose of the Committee is to oversee the Group's risk management framework, risk strategy, risk appetite and tolerance of enterprise, emerging and principal risks to which the Group may be exposed, provide guidance as to what constitutes acceptable risk taking and identify matters required for escalation to the Group Risk Committee (GRC) and GMC, forming recommendations on relevant items prior to escalation.
- **Executive Data and Technology Committee** (EDTC) The purpose of the EDTC is to oversee and endorse the Group's technology, data and cyber securities strategies, initiatives and operating model and review and oversee relevant investments, risks, and security frameworks in relation to technology, data and cyber.
- **Disclosure Committee** The committee is responsible for the management of inside information, the management of the disclosure process, the review and approval of disclosure announcements and the review of the effectiveness of the Group's system and policies for managing inside information.

The GMC has delegated various duties and responsibilities contained within the delegated authorities to the Group Chief Financial Officer (CFO), divisional CEOs and Treasury.

Each of the divisional CEOs then delegate onward to their direct reports the matters for which they have decision-making responsibility in relation to their area.

Each individual's schedule of delegated authorities operates in conjunction with their job description and relevant Risk and Capital Mandate. The Risk and Capital Mandates set the parameters of acceptable risk taking as regards the Group's core product lines and investment risk.

Matters delegated from the Group Board to group level Committees (Committees of the Group Board) are as follows:

- **Group Audit Committee** The primary responsibility of the committee is to assist the Board in discharging its responsibilities with regards to monitoring the integrity of the Group's financial statements, the oversight of the operational financial risk and internal control functions, external financial reporting and any formal associated announcements and reviewing financial reporting judgments contained in them, the independence of the Group's external auditors, the resourcing and plans on the Internal Audit department, and the adequacy and effectiveness of the control environment.
- **Group Risk Committee (GRC)** The purpose of the committee is to provide guidance to the Board with regard to the Group's risk appetite, to provide advice on what constitutes acceptable risk taking and to provide oversight of the Group's risk management policies and procedures. The Committee has oversight of the Group as a whole and, unless required otherwise by regulation, carry out the duties below for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate. This committee also serves as the risk committee for LGAS.
- **Group Remuneration Committee** The committee is responsible for determining and approving the framework of the remuneration policy for the Group and its subsidiaries and specifically to manage Executive Director remuneration and the remuneration of other designated senior managers.
- **Group Nominations and Corporate Governance Committee** The committee is responsible for leading the process for new appointments to the Group Board and for keeping under review the structure, size and composition of the Board. It is also responsible for, amongst other things, succession planning, overseeing and monitoring the Group's corporate governance framework, ensuring compliance with the UK Corporate Governance Code while promoting the highest standards of corporate governance across the Group.
- **Group Data and Technology Committee** The committee is responsible for providing oversight of, and guidance to, the Board with regards to all aspects of Information Technology, Cyber Security including IT and Information Security and Data and Analytics across the Group.

The GRC has oversight of the management of the risks associated with climate change to ensure exposures are in line with the Group's risk appetite, as well as oversight of the management practices that ensure these exposures are controlled. Management of risk associated with climate change has been delegated to the ERC, and in turn to a sub-committee of the ERC, the Group Environment Committee (GEC). The GEC provides the GRC with recommendations on any changes required, as and when they arise.

Matters delegated to the LGAS Audit Committee are as follows:

- to review the effectiveness of LGAS's systems of Internal Control
- to review the company's statutory financial statements and other statutory and regulatory reporting obligations, and receive reports from the company's external and internal auditors in relation to LGAS's business.

The minutes of each of the Group Committees are submitted to the Group Board for information after each meeting and the Chairs of the Committees provide updates to the Board on key items of business discussed, decisions taken and recommendations to the Board.

During the year LGAS had the following committees in place to assist the board in the management of the company's Workplace Pensions businesses:

- **Independent Governance Committee (IGC**): The IGC is chaired by an Independent Chair and is comprised of all independent members, who have been appointed because of their significant pension's industry experience. The IGC provides oversight of the Workplace Pension products specifically to assess the ongoing value for money for relevant policyholders delivered by these Registered Pension Schemes.

  The IGC meets five times per annum. The IGC produces an annual report to the LGAS board which is presented by the IGC's Chair. The minutes of the IGC together with a report of the key points discussed at the meeting are provided to the LGAS Board.

- **The Fund Risk Oversight Committee (FROC):** The FROC meets quarterly and the chair is appointed from within Workplace Savings by the MD and other FROC voting members. The FROC provides oversight of the development, management and operation of Unit-Linked Pension funds which are accessible through LGAS Workplace Pension products. The FROC's voting membership includes senior managers from L&G Retail and LGAS's Chief Actuary, who is a key function holder. A FROC update is received by the LGAS board on a half yearly basis.

To provide the LGAS board with the appropriate assurances that the committees are discharging their responsibilities effectively as delegated to them by the board, the board receives the minutes of meetings of these committees in the board papers for noting.

The company's business divisions are supported by the Group's Risk, Legal, Finance, HR, IT and Procurement and Internal Audit Functions.
The diagrams in Annex 2 illustrate the Group's governance framework.

### B.1.3 INSURANCE COMPANY SUBSIDIARY GOVERNANCE

The following L&G entities are classed as Solvency II regulated insurance companies:

- Legal and General Assurance Society Limited (LGAS)
- Legal and General Assurance (Pensions Management) Limited (PMC).

LGAS is the regulated entity through which the majority of the Group's UK individual and group insurance, pensions and annuities business is executed. The board of LGAS escalates matters to the Group Board as it deems necessary, and the minutes of the LGAS board meetings are submitted to the Group Board following each meeting.

PMC is a UK-based insurance entity providing a range of investment products to both UK and international clients. The Board of PMC reports into Legal & General Investment Management (Holdings) Limited (LGIMH)[1] and its minutes are submitted to the LGIMH Board for noting following each meeting. To the extent material issues arise in relation to the business of PMC, the Group Board has line of sight of these through LGIMH, the minutes of which are submitted to the Group Board following each meeting.

Each entity delegates responsibility for setting and delivering strategy and day-to-day operational matters to the Group CEO subject to the authority delegated to the Group CEO by the Group Board. The Group CEO onward delegates to the heads of the Group's business divisions.

[1] Legal & General Investment Management (Holdings) Limited was renamed to L&G – Asset Management Limited on 7 March 2025

## B.1.4 REMUNERATION POLICY AND PRACTICES

### B.1.4.1 PRINCIPLES OF THE REMUNERATION POLICY

Remuneration policy is consistent across the Group. In line with our remuneration principles, it is designed to reward, motivate and retain high performers in line with the risk appetite of the Group. The Group operates bespoke bonus plans where appropriate. However, the Remuneration Committee has ultimate discretion over all bonus plans. Bonuses above a certain threshold are subject to deferral.

A summary of the remuneration structure for employees is shown in the next page.

| | |
|---|---|
| **Base salary** | The Group aims to attract and retain key employees by paying salaries which deliver competitive total remuneration. Factors taken into account when determining salaries include:<br>• the nature, size and scope of the role<br>• the knowledge, skills and experience of the individual<br>• individual and overall business performance<br>• pay and conditions elsewhere in the Group<br>• appropriate external market data.<br>Salary levels for all employees are reviewed on an annual basis taking into account the above factors. However, this does not mean there is an annual increase for all employees. |
| **Annual variable pay** | The majority of employees participate in a discretionary bonus plan, unless an alternative plan applies based on the role. An employee will be considered for a discretionary bonus award based on performance over a one-year period, covering achievement against objectives, conduct and behaviours, the role performed during that year and internal relativities. Variable pay awards are set to ensure an appropriate balance between fixed and variable pay, and are designed to reward performance at the individual, business division, and overall group levels. |
| **Performance Share Plan (PSP)** | Participation in the PSP is offered to a small number of senior executives each year in recognition of the strategic and influential role that they hold in terms of driving company performance, as well as their individual contribution. Participation in the plan for one year does not guarantee participation in future years. Where appropriate, grants under the PSP may also be made for new employees who join the Group during the year in key roles. |
| **Other share plans and long-term incentives** | The Group operates a Share Bonus Plan (SBP) which provides the vehicle for deferral of annual bonuses in some cases and also allows for a limited number of awards of shares to high potential individuals and those with critical skills. |

| | |
|---|---|
| **Benefits** | All UK employees have access to private medical insurance as well as life insurance and income protection and family friendly policies (maternity, paternity, adoption and shared parental leave). |
| **Employee share plans** | All employees are given the opportunity to participate in a ShareSave plan and an Employee Share Purchase plan. These are both HMRC approved plans which offer all UK employees the opportunity to share in the success of the business. |
| **Non-executive Directors (NEDs)** | Fees for the Chair and NEDs are set at an appropriate level to reflect the time commitment required to fulfil the role, the responsibilities and duties of the positions, and typical practice in the FTSE 100 and amongst other financial institutions. |

Further details on the remuneration policy can be found in the Directors' Report on Remuneration of the Legal & General Group Plc Annual report and accounts.

### B.1.4.2 PERFORMANCE CRITERIA FOR REMUNERATION

Annual incentives are designed to reward financial and non-financial performance that supports the business strategy, taking into account the Group's risk appetite and personal contribution in the business context that it was delivered. Targets are specific, measurable, set at the beginning of the year and communicated to employees.

For Code Staff in the control functions (internal audit, regulatory compliance and risk), separate performance measures have been designed which exclude any direct linkage to financial performance. Code Staff is a category of role defined under applicable FCA Remuneration Codes (SYSC 19B, SYSC 19E and SYSC 19G) within the FCA Handbook. The name is taken from the FCA's Remuneration Code that interprets and applies these Directives for the UK. Broadly, Code Staff includes roles that are considered to have the authority to take risks that could directly, or indirectly, affect one or more firms within the Group and its investors.

Individual performance assessment is supported by a structured performance management framework. In reviewing an individual's performance against their objectives, the individual's approach to risk management (including environmental, social or governance risks) is considered when determining the overall level of bonus pay out. The bonus policy allows for zero bonus payments to be made when appropriate.

#### *Deferred bonus*

Under the Group-wide deferral arrangements a significant proportion of the annual bonus for senior employees is deferred into Group shares over a three-year period. The purpose of the deferral plan is to promote the sustainable long-term performance of the Group and to align the interests of our senior management with our shareholders.

Deferred awards for senior employees may be subject to forfeiture if the performance which led to a bonus being paid is found to be incorrect or in the event of personal misconduct. Annual incentive awards (including any deferred element) are subject to malus and clawback for material risk takers.

#### *Long-term incentives*

The Group provides long-term incentives which link reward with the long-term success and growth in value of L&G. Long-term incentive awards for most Group staff are conditional on the satisfaction of total shareholder return (TSR), financial performance conditions, and, since 2024, progress against our climate transition plan, which clearly aligns reward to the interests of shareholders and provides a degree of risk management (TSR reflects both underlying financial performance and the market's assessment of the quality and sustainability of those earnings). Financial performance has been assessed based on growth in earnings per share. In addition, there is an assessment of the overall Solvency II position.

The Remuneration Committee may exercise its discretion to scale back the vesting of awards if it was felt that the Group's financial performance did not justify the level of vesting (the Committee may not increase the award). The parameters which the Committee uses in making this assessment include market share, partnerships entered into and maintained, cost constraint, capital management, risk and shareholder perception.

Awards under the Group long-term incentive plan are subject to malus and clawback provisions.

### B.1.4.3 SUPPLEMENTARY PENSION OR EARLY RETIREMENT SCHEMES

All employees in the UK have the opportunity to participate in a defined contribution pension plan, or receive a cash allowance in lieu of pension, or receive a combination thereof.

There are no supplementary or early retirement schemes.

## B.1.5 MATERIAL TRANSACTIONS

There were no material transactions between key management personnel and the L&G group of companies during the period. All transactions between the Group and its key management personnel are on commercial terms which are no more favourable than those available to employees in general. Contributions to the post-employment defined benefit plans for the Group were £7m (2023: £134m).

## B.1.6 SOLVENCY II KEY FUNCTIONS

The Solvency II key functions within the Group's overall system of governance are the Risk Management and Solvency II Compliance functions led by the Group Chief Risk Officer; the Internal Audit function led by the Group Chief Internal Auditor; and the Actuarial function, led by the Chief Actuary. The activities of the Risk Management and Solvency II Compliance functions are mandated by the GRC. The Group Audit Committee establishes the role of the Group Internal Audit function through a formal Audit Charter. The overall resourcing and effectiveness of the Risk Management, Solvency II Compliance, and Actuarial functions are assessed through a combination of Internal Audit review activity and by the governance forums to which the functions report. The effectiveness of the Internal Audit function is considered by the Group Audit Committee which may periodically seek independent external expertise to undertake such a review.

*Risk management and Solvency II compliance*

The Group Chief Risk Officer (CRO) leads the Risk Management function, including the Solvency II Compliance function. The Group CRO reports functionally to the Chair of the GRC. Administratively, the Group CRO reports to the Group CEO. The Risk Management function includes specialist teams focusing on particular risk disciplines, supporting Risk Business Partners who are aligned to the divisional structure. The Group CRO is:

- independent of the business line, with an independent reporting line to the Chair of the GRC
- a provider of objective advice and guidance, oversight and challenge for all of the Group's risks
- involved, where appropriate, in all material decisions to influence and provide objective challenge (e.g. products, pricing, projects, strategy, etc).

LGAS has appointed a CRO to lead the Risk Management function for the company, including the Solvency II Compliance function, operating within the policies and frameworks set by the Group. The LGAS CRO reports functionally to the Chair of the LGAS board. Administratively, the LGAS CRO reports to the Group CRO and LGAS CEO. The LGAS CRO is:

- independent of the business line, with an independent reporting line to the Chair of the board
- a provider of objective advice and guidance, oversight and challenge for all of the company's risks
- involved, where appropriate, in all material decisions to influence and provide objective challenge (e.g. products, pricing, projects, strategy, etc.).

The CROs have a right to be heard in the setting of business strategy, product approval and capital planning activities, and may request revision to business proposals that may otherwise result in the Group operating outside agreed risk appetite. The Group CRO has authority to set and further refine risk limits within the parameters of the risk appetite agreed by the GRC. The Group CRO has the right of escalation to the GRC on any appropriate matters as they see fit.

Further detail is disclosed on Internal Audit in section B.5, and the Actuarial function in B.6.

## B.2 FIT AND PROPER REQUIREMENTS

### B.2.1 APPLICATION OF THE POLICY

The Group has an Employee Conduct Risk Policy which sets out the group-wide minimum requirements applicable across all Group entities and jurisdictions. This includes that regulated firms within the L&G Group must establish and implement adequate procedures to ensure all staff comply with the conduct rules and individuals subject to additional regulatory requirements are fit and proper.

### B.2.2 KEY REQUIREMENTS

The policy requires that all L&G employees (both permanent and temporary) comply with the FCA's six Conduct Rules, and that individuals who are responsible for running the entity or who are responsible for other key functions are at all times fit and proper. Individual fitness and propriety is formally confirmed on an annual basis and is reported to entity Boards.

The assessment of fitness and propriety covers the following factors:

- honesty, integrity and reputation
- competence and capability
- financial soundness.

#### B.2.2.1 L&G ASSESSMENT PROCEDURES

In support of the Group policy, defined processes are in place to ensure that the fitness and propriety of applicants is carefully considered before an application to the regulators to grant approval is submitted. An assessment will also be made before a notification is made to the regulators in relation to the appointment of a key function holder.

The Group will not support an application for approval or a notification if it is believed that the candidate fails to meet any element of the fit and proper test.

Each application will be looked at on its own merits, but the following principle generally applies to all applications:

- Has the candidate been open and honest with L&G and disclosed all relevant matters.

If the candidate has disclosed any incidents pertaining to their fitness and propriety, the following will be considered:

- the seriousness of the issue and the relevance to the specific role applied for
- the passage of time since the incident occurred
- whether the issue relates to an isolated incident or whether there is a pattern of adverse behaviour.

Fit and proper assessment criteria have been developed and each application will be considered against these criteria, regardless of the current approved status of the individual.
The criteria are:

- knowledge – does the individual have generic knowledge of the industry sector and specific knowledge of the firm
- qualifications – does the individual have prerequisite or supporting relevant qualifications
- skills – does the individual demonstrate the appropriate level of business and interpersonal skills
- behaviour – does the individual demonstrate the appropriate attitudes and standards of ethical behaviour
- expertise – does the individual achieve positive and fair outcomes and meet performance standards expected of the post.

The assessment criteria are also relevant in assessing the continuing fitness and propriety of approved persons.

#### B.2.2.2 MAINTAINING FITNESS AND PROPRIETY

Annually, individuals will be required to certify that there has been no change to the information provided at the point of approval and consequently, the fitness and propriety status is unchanged. The Group's Policies and Procedures place an obligation on approved persons to notify the Personal Responsibility Office and Chief Transformation and People Officer in the event of any pending or actual criminal, civil or other disciplinary charges, judgements, petitions for bankruptcy, or other actions or disciplinary measures whatsoever, against them or any entity, body or other entity with which he/she is, or has been, associated.

Should such a notification occur, the Group will assess the information to decide whether the individual remains fit and proper. If the assessment ultimately concludes that the individual can no longer remain as an approved person, a notification will be made to the regulators in line with the regulatory requirements.

The Group's performance management process is the primary mechanism for tracking ongoing competency, and the Group will take appropriate steps to monitor an individual's financial soundness on an ongoing basis.

## B.3 RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT

### B.3.1 RISK MANAGEMENT SYSTEM

L&G deploys a 'three lines of defence' risk governance model, whereby:

- business divisions are responsible for risk taking within the parameters of our risk appetite and accountable for managing risks in line with our risk policies
- risk functions led by the Group CRO provide objective challenge and guidance on risk matters
- Group Internal Audit providing independent assurance on the effectiveness of business risk management and the overall operation of the risk framework.

Understanding the risks to which we may be exposed and deploying strategies to ensure residual exposures remain within acceptable parameters is an integral part of our business. We seek to deeply embed the necessary capabilities to assess and price for those risks which we believe offer sustainable returns within each of our operating businesses, as well as ensuring the skill sets to closely manage those risk factors which could otherwise lead to unexpected outcomes. Our risk management framework supports informed risk taking by our businesses, setting out those rewarded risks for which we accept exposure, and the risks that we want to avoid, together with risk limits and standards of internal control to ensure exposures remain within our overall risk appetite.

### B.3.1.1 RISK APPETITE

The Risk Appetite Statements set out our overall attitude to risk, and the ranges and limits of acceptable risk taking. The GRC leads an annual review of the Group's risk appetite, assessing the continued appropriateness of our key measures and tolerances relative to the risk exposures of the Group. Additionally, as part of the annual planning cycle, assessment is made of the level of risk taking proposed in the Group plan and the capacity for risk taking within the overall appetite framework.
The Group's risk appetite is approved by the Group Board on the recommendation of the GRC and the Group CEO. The regular management information received by the Group Board and GRC includes the Group's risk appetite dashboard setting out actual positions relative to the key targets and limits set in our risk appetite.

LGAS's risk appetite is approved by the company's board. The company's risk appetite is set with regard to, but not unduly influenced by, the Group's risk appetite. The regular management information received by the LGAS board includes the company's risk appetite dashboard setting out actual positions relative to the key targets and limits set in our risk appetite.

### B.3.1.2 RISK TAKING AUTHORITIES

The parameters of acceptable risk taking defined within the Group's and LGAS's risk appetite are cascaded to business managers through 'Risk and Capital Mandates', empowering managers to make decisions that are consistent with the Group's appetite for risk.

The mandates articulate the product types and features that may be written; the asset classes that may be held; the target capital positions and ranges of earnings volatility within which the overall profile of risks should be managed; and tolerances for specific risk exposures. Activities that would result in a business operating outside agreed parameters require formal approval.

### B.3.1.3 RISK POLICIES

*Risk control*

We set formal policies for the management of market, insurance, credit, liquidity and non-financial risks. The policies specify our overall strategies for ensuring each risk type is managed in line with our risk appetite and the minimum control standards that should be applied in managing our significant risk exposures.

*Risk mitigation*

We deploy a range of risk management techniques to manage and mitigate risks, so as to control risk exposures in line with our risk limits. For example, we use derivative instruments to hedge unrewarded risks as part of our asset liability management activity, and reinsurance programmes to transfer significant aggregations and concentrations of insurance risk exposures. Our framework of controls includes documented underwriting policies and structured delegated pricing and underwriting authorities. It also includes investment policies which take into account the nature of our liabilities, guarantees and other embedded options given to policyholders.

### B.3.1.4 RISK IDENTIFICATION AND ASSESSMENT

*Review process*

We operate a risk identification and assessment process under which all our businesses regularly consider changes in the profile of existing and emerging risks. The assessment process evaluates the risks that are inherent in our products as well as those that are presented from changes in the environments that we operate in.

*Own Risk and Solvency Assessment (ORSA)*

Our risk identification and assessment process forms part of our broader ORSA process, our ongoing assessment of the risks to which the Group is exposed and an evaluation of the sufficiency of resources to sustain the business strategy over the horizon of the Group plan.

### B.3.1.5 RISK MANAGEMENT INFORMATION

Our risk management information framework is structured to support the review of ongoing and emerging risks and assess actual risk positions relative to the risk limits and targets that we set.

### B.3.1.6 RISK OVERSIGHT

The Group CRO, who is independent of the business line, supports the Group Board and its Risk Committee in articulating acceptable risk taking and ensuring the effective operation of our risk and capital framework. This includes ongoing assessment of the Group's capital requirements to confirm that they meet regulatory solvency requirements. Similar support is provided by the LGAS CRO to the company board.

The Group and LGAS CROs also provide objective challenge and guidance on a range of risk matters to business managers, including the risks implicit in product developments, business transactions and new asset classes, and strategies for managing risks in line with the Group's and LGAS's overall risk appetite.

### B.3.1.7 RISK COMMITTEES

The Group Board has ultimate responsibility for the Group's risk management framework. The GRC supported by the Group CRO, serves as the focal point for risk management activities. Details of the operation of the GRC are set out in the Legal & General Group Plc Annual report and accounts.

The Chair of the LGAS board is a member of GRC and the company's CEO, CFO and CRO attend the GRC meetings. Relevant papers are discussed at the LGAS board, and all papers with an impact on LGAS are made available to the LGAS board for information.

Beneath the GRC is a structure of formal risk oversight committees providing more focused review and challenge of specific risks to the Group, and reviewing the effectiveness of frameworks in place to manage those risks. The Group and LGAS boards own:

- the overall Risk Management framework
- the Group's and LGAS's risk appetite statements respectively.

The Group Board is the ultimate owner of the Group's regulatory relationships.

The GRC ensures the effectiveness of the overall risk management system and recommends to the Group Board material changes in risk appetite.

The executive governance framework includes an Executive Risk Committee (ERC), as a sub-committee of the GMC. Through the ERC, the Executive Directors are accountable for:

- the implementation and operation of the risk management system
- identifying, measuring, managing, monitoring and reporting risks within the business
- ensuring all business decisions are informed by risk-based measures by reference to the agreed risk appetite statements wherever appropriate
- ensuring appropriate risk taking and risk assurance resources are in place
- identifying matters which require escalation to the GRC.

The Group CRO leads the risk management function which provides the second line of defence across the Group.

Group Internal Audit provides the third line of defence across the Group. It provides assurance to the Group and LGAS Audit Committees, Executive Directors and risk management function that the design and operation of the risk management system is appropriate for all risk types.

### B.3.2 OWN RISK AND SOLVENCY ASSESSMENT (ORSA)

The purposes of the ORSA are to assess our risks and to evaluate whether we have sufficient financial resources to sustain the business strategy over the plan horizon across a range of scenarios. The Group ORSA process covers each Solvency II regulated insurer and the Group as a whole, including non-UK entities and non-insurance entities.

The ORSA process brings together, and is integrated with, our risk and capital management processes by which we identify, assess, monitor and measure our risks, review our business against risk appetite and tolerances, and project the solvency position over the business plan. The ORSA cycle is aligned with the strategic and business planning process so that the key elements can interact and inform forward-looking decision-making.

Both Group and LGAS boards are active in the ORSA and risk and capital management processes during the year. The ORSA policy was last reviewed by the GRC on behalf of the Group and LGAS boards in October 2024. The last ORSA report was approved, on behalf of the Group Board, by the GRC and by the LGAS board in February 2025.

*Integration of Group and subsidiary ORSA processes*

The Group is managed on a divisional basis. As such, ORSA (i.e. risk and capital management) responsibilities follow the Group’s divisional management structure. Regular ORSA processes are aligned with the strategic and business planning process, with divisions providing key ORSA inputs in line with the planning timetable and various Group functions coordinating and/or aggregating.

In line with previous ORSAs and our PRA waiver, the Group and LGAS ORSA report is a single document. This reflects the involvement of LGAS in most of the Group’s businesses. Other insurance entities produce a solo ORSA (or equivalent) report.

The core stages to the Group's ORSA process are as follows:

- Q1: findings from the annual ORSA cycle are discussed at the GRC and the LGAS Board
- Q2: the ORSA framework and policy is reviewed along with feedback from the GRC, LGAS Board and the PRA; stress and scenario tests are determined and recommended in order to provide divisions with sufficient time to model the results of those tests
- Q3: projections of capital requirements as part of the annual planning process; stress and scenario testing results inform the review of the plan
- Q4: formal ORSA reporting, including the CRO's review of the Plan and ORSA reports

Throughout the year, the Group monitors its performance against the current plan as well as monitoring risk and capital management information (MI).

### B.3.3 GOVERNANCE OF THE INTERNAL MODEL

The Group Board is ultimately responsible for ensuring the continued appropriateness of the design and operation of the Group's partial internal model (the Internal Model). This responsibility is discharged through the GRC, whilst the Group Risk Financial Risk Committee (GRFRC) oversees Internal Model activities. The overall appropriateness and effectiveness of the Internal Model depends upon the effective operation of the Group's and LGAS's established internal control system.

First line business management are responsible for implementing adequate and effective controls over the Internal Model as well as the Group's material product risk exposures, with the ongoing application and effectiveness of these overseen by second line Group and divisional risk teams and by Group Internal Audit in the third line of defence. Material concerns are escalated to operational and senior management for resolution. The status of remediation activity is monitored by Group and divisional risk teams, with significant issues escalated to the GRFRC and where necessary to the GRC.

This approach has ensured the implementation of adequate controls over the ongoing appropriateness of the design and operation of the Internal Model, and these controls are subject to effective governance and oversight.

The Group Internal Model Governance Policy sets out the governance framework for the Group's Internal Model, which is designed to mitigate the risks to the Internal Model. This complements the Group's existing system of governance, highlighting specific requirements in respect of the Internal Model to ensure that it operates properly on a continuous basis, including ensuring that controls relating to the Internal Model are implemented in accordance with the Group Internal Control Policy and are adequate and effective at all times.

The Internal Model governance framework is outlined in the table below:

| Board/Committee | Responsibilities |
|---|---|
| **Group Board** | Ensuring the ongoing appropriateness of the design and operation of the Internal Model. This responsibility is discharged through the GRC, subject to certain matters being reserved for its direct attention. |
| **Legal entity boards** | Ensuring the ongoing appropriateness of the design and operation of their parts of the Internal Model; use and challenge of the model in decision making; ensuring that the model's scope remains appropriate; and ensuring that appropriate validation is performed. |
| **Group Risk Committee (GRC)** | Monitoring the performance and appropriateness of the Internal Model, including ensuring that related controls are adequate, effective, and implemented in line with the Group's Internal Model Governance Policy. |
| **Group Risk Financial Risk Committee (GRFRC)** | Overseeing the design, development and operation of the Internal Model to ensure that it operates as expected on a continuous basis to meet the Group's regulatory and economic requirements for risk-based capital management. This includes reviewing the effectiveness of internal controls as they relate to the Internal Model through the receipt of relevant reports and MI. |

## B.3.3.1 INTERNAL MODEL CONTROLS

The first line business divisions are responsible for operating a robust control framework to manage exposures and mitigate unacceptable outcomes (per the Group's risk appetite). This includes the implementation of controls to mitigate key risks associated with the processes that they are responsible for, and to ensure that these are regularly reviewed and remain fit for purpose. Day-to-day responsibility for ensuring that internal controls are in place and are operating effectively over Internal Model related processes is delegated to Internal Model Controllers (IMCs). IMCs provide first line management of the Internal Model across all relevant legal entities and business divisions. Key responsibilities include ensuring compliance of their area with the requirements of the Group Internal Model Governance Policy and the Group Internal Control Policy.

Oversight of the internal control system is provided by the Group and divisional risk teams.

### B.3.3.1.1 CHANGES OVER THE REPORTING PERIOD

There were no significant changes in respect of Internal Model governance over the reporting period. A key governance expectation from the Solvency UK reforms is the attestation by the CRO as to the ongoing compliance of the Internal Model. This was met through the Group Internal Model Validation report.

### B.3.3.1.2 INTERNAL MODEL VALIDATION

The Group validation policy and associated standards define the Group's validation framework and capture the requirements of the PRA Rulebook, Supervisory Statements, and Statements of Policy. The framework requires an annual validation cycle for the Group's partial internal model (the Internal Model). This has been performed in relation to the production of the SCR as at 31 December 2024. The objective is to produce a robust, proportionate and demonstrably complete approach to validation overseen by the Group CRO.
There is an annual assessment of which aspects of the Internal Model must be independently validated. Independent validation is carried out mainly by the second line, sometimes by a first line team from a different business division, or sometimes by an external party. Independent validators must demonstrate how independence is met and state any limitations on independence.

Requirements for each annual cycle are specified in the Validation Terms of Reference. Respective validators outline approach, activities, tools and aspects of the model in Validation Work Programmes. The results, conclusions and consequences including remediation are detailed in independent validation reports or validation reports prepared by the first line. These are presented to GRFRC for approval.

*Validation activity*

Internal Model validation activity for the reporting period covered the whole of the Internal Model. The level of validation undertaken was consistent with the level of risk incurred. Independent validation was performed on those areas identified as most material to the Internal Model's operation and results. The outputs are validation reports, highlighting key findings, strengths, weaknesses, limitations and remediation actions.

## B.4 INTERNAL CONTROL SYSTEM

The Group's internal control policy requires that each division's internal control system shall at least include administrative and accounting procedures, an internal control framework, appropriate reporting arrangements at all levels of the undertaking and a compliance function.

The Group's internal control framework seeks to ensure that:

- an organisational structure is defined, with clarity of roles, responsibilities and reporting lines
- appropriate management information and reporting processes are defined
- frameworks for decision making (including the delegation of authority) are articulated
- clear segregation of duties is in place
- conflicts of interest are managed
- administrative and accounting procedures are aligned with the Group's requirements
- personnel have sufficient skills, knowledge and expertise to discharge their responsibilities (including those relating to the regulatory environment)
- adequate and orderly records of business are maintained
- the security of customer data and other internal records is ensured
- business procedures combat financial crime
- processes are in place to deal with policyholder claims and complaints
- the integrity of manual and computerised business systems is ensured
- processes ensure assessment of the possible impact of any changes in the legal environment.

The Group's Board and Audit Committee, alongside the principal subsidiaries' operating boards and respective Audit Committees, oversee the adequacy and effectiveness of the internal control framework, primarily through the receipt of assurances in support of the UK Corporate Governance Code, as well as reports from Group Internal Audit, external auditors and assurance providers, and risk teams in the second line of defence.

### B.4.1 SOLVENCY II COMPLIANCE FUNCTION

The Group has defined the Solvency II compliance function as being responsible for:

- advising the Group and LGAS boards and their sub-committees on compliance with the requirements of the PRA Rulebook and its associated laws, regulations and administrative provisions
- advising the Group and LGAS boards on the possible impact of any changes in the legal environment on operations of the undertaking concerned and the identification and assessment of compliance risk
- developing and managing the Group and LGAS Solvency II Compliance Policy, which inter alia sets out the responsibilities, competencies and reporting duties of the (Solvency II) compliance function
- establishing and operating the Group and LGAS Solvency II Compliance Plan that details the activities the function will undertake in relation to compliance risk.

The Group has defined the Group CRO role as the functional head of Solvency II Compliance at the group level, with the Risk, Actuarial, Group Finance and HR functions delivering activities in support of the Solvency II Group Level Compliance Function. The LGAS CRO is the functional head of Solvency II Compliance at an LGAS level, with the Solvency II Group Level Compliance Function supporting this.

The Group's Solvency II Compliance Plan is defined as the review activities performed by the compliance function to support it in advising the Group Board and its sub-committees on compliance in relation to Solvency II matters.

## B.5 INTERNAL AUDIT FUNCTION

Group Internal Audit (GIA) is an independent and objective assurance and advisory function whose primary purpose is to support the Group Audit Committee (GAC) and executive management in strengthening the Group's ability to create, protect and sustain value by providing them with risk-based, independent and objective assurance, advice, insight and foresight. GIA's responsibilities towards LGAS align with its responsibilities towards the Group.

GIA also supports Group and LGAS Executive Management in accomplishing business objectives by adopting a systematic and disciplined approach to the evaluation and improvement of the design and effectiveness of the Group and LGAS risk management, control and governance processes.

GIA carries out:
- independent reviews and audits of the controls mitigating the key risks in all areas of the business, prioritised according to the relative risk of each assignment as determined by the Group Chief Internal Auditor (GCIA) in conjunction with senior management
- reviews of major business change initiatives
- reviews of risk management and internal control processes.

GIA's work may also include reviewing relevant 'lessons learned' analyses following significant adverse events. The role of GIA's involvement in any events will generally be determined as part of the audit planning process or on an ad hoc basis, where required.

GIA is responsible for the development of an internal audit plan, with a corresponding delivery timetable and budget. The plan typically details proposed audits over the next twelve months. GIA reviews the plan regularly and advises the Group and LGAS boards, through the Group and LGAS Audit Committees, of any material alterations to it. Any impact of resource limitations and significant interim changes are communicated promptly to the GAC.

The annual Internal Audit plan is developed using a risk-based methodology, including input from executive and non-executive senior management. Prior to submission of the audit plan and budget to the GAC for approval, the plan is discussed with appropriate Executive and Senior Management. Any significant deviation from the approved internal audit plan is communicated through the activity reporting process.

The scope of GIA's role encompasses, but is not limited to, the examination and evaluation of the adequacy of the governance, risk management and internal control processes in relation to the Group and LGAS defined goals, risk appetite and objectives. There is no aspect of the Group from which GIA is restricted from incorporating in its scope as it delivers on its mandate. Internal control objectives considered by Group Internal Audit include:
- effectiveness of design and operation of processes and their actual outcomes, assessed against the Group's established values, ethics, risk appetite and policies
- the appropriateness of the organisation's risk and control culture, including the attitude and approach taken by all levels of management to risk management and internal control

- efficiency of operations, and use of resources
- compliance with policies, plans, procedures, laws and regulations
- reliability and integrity of management and financial information processes, including the means to identify, measure, classify, and report such information
- safeguarding of assets.

The GCIA reports functionally to the Chair of the GAC and administratively to the Group CEO. The GCIA has right of attendance at all or part of any of the Group's governance and risk committees.

A written audit report is issued by the GCIA (or designee) following the conclusion of each audit and is distributed as appropriate. Significant audit reports are communicated to the Group and LGAS Audit Committees (as appropriate) through the GCIA's Audit Committee reports.

The Internal Audit activity remains free from interference by anyone within the Group and LGAS. This includes the choice of business areas to audit, procedures, frequency, timing, or the content of the GIA reports. This ensures that GIA can maintain a necessary independent and objective perspective.

Internal auditors have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair internal auditors' judgement.

Internal auditors will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal auditors will make a balanced assessment of all the relevant circumstances and will not lose their objectivity when forming judgements.

The GCIA is responsible for maintaining a professional GIA staff with sufficient knowledge, skills and experience. Each internal auditor is responsible for continually developing and applying the competencies necessary to fulfil their professional responsibilities. In addition to its retained team, GIA may supplement the permanent resources with auditors and subject matter experts from outside the organisation who will adopt the principles of GIA's methodology and standards.

The GCIA is also responsible for ensuring that GIA maintains a quality assurance programme and continuous improvement plan. In addition, the GCIA commissions an external quality review of GIA at least every five years. This includes a comprehensive review of GIA's mandate and charter; strategy; methodologies; processes; risk assessment; internal audit plan; resourcing and talent development; and evaluation of GIA's compliance with applicable standards, guidance and codes of practice.

The GCIA confirms to the GAC, at least annually, the organisational independence of Internal Audit activity.

## B.6 ACTUARIAL FUNCTION

The actuarial function is split along legal entity lines, with the principal operating subsidiaries having actuarial functions. Entities in the US and Bermuda have their own actuarial teams but are not UK insurers. They are therefore supported by the Group Actuarial Function team in respect of Solvency II reporting.

The PRA requires that firms should appoint a Chief Actuary who should fulfil the role of Head of Actuarial Function and hold the Chief Actuary role as set out under the PRA's senior insurance managers regime. For L&G, Actuarial Functions (and Chief Actuaries) are required for LGAS and PMC. Additionally, a Group Chief Actuary is required for the Group Actuarial Function.

The Chief Actuary of each entity presents an annual report to their respective Boards summarising the activities of the actuarial function that:

- supports compliance with the requirements on the calculation of technical provisions (TPs)
- provides the opinions on the underwriting policy and reinsurance arrangements
- contributes to the effectiveness of the risk management systems more widely.

These reports are shared with the Group Chief Actuary.

The requirements covering TP calculations are addressed through various activities, including, in particular, Actuarial Function reviews of divisional and entity level calculations and the membership of oversight committees. A number of reports during the year were provided to the Group and legal entity boards (or board committees) on the data, models, methodologies, assumptions and results of the Solvency II TPs calculation.

Oversight of underwriting and reinsurance by the Actuarial Function is provided by regular discussions with key business division personnel from both the first and second lines, review of papers and attendance of pricing and capital committees (or sub-committees) to provide input and challenge to pricing, reinsurance and capital requirements for new business. Business division reports are produced annually on underwriting and reinsurance. Each Chief Actuary (including the Group Chief Actuary) provides an overall report and opinion to their respective boards.

The Actuarial Functions contribute to the effective implementation of the risk management system through various activities and the membership of a number of key divisional, entity and Group Committees with risk and financial reporting responsibilities. Areas of focus include: the Internal Model and SCR; the ORSA; identifying, measuring and monitoring risks; Asset Liability Matching (including Matching Adjustment and liquidity management); product pricing; financial reporting; and business plans.

The Chief Actuaries have a right to be heard in the setting of business strategy, product approval and capital planning activities, and may request revision to business proposals that may otherwise conflict with the overall underwriting policy or the adequacy of reinsurance arrangements.

The LGAS Chief Actuary reports functionally to the LGAS CRO and is a standing attendee at the LGAS board. The LGAS Chief Actuary shares copies of all Actuarial Function reports with the Group Chief Actuary. The Group Chief Actuary has the right of escalation to the GRC on any appropriate matters as he or she sees fit.

## B.7 OUTSOURCING

The Group's Third Party Risk Management Policy sets out the framework and minimum standards of control and governance that the Group expects to be applied in the management of risks associated with outsourced supplier service arrangements across the Group, including LGAS. The policy specifies that an activity should not be outsourced where it would materially impair the quality of the Group's system of governance; unduly increase the Group's exposure to operational risk; impair the ability of supervisory authorities to monitor the Group's compliance with its obligations; or undermine continuous and satisfactory service to the Group's policyholders.

The policy requires that for all outsourced arrangements a rigorous evaluation and supplier selection process is undertaken having regard for the financial stability, resilience, expertise, ability and capacity of the supplier to deliver the required service. The policy also specifies that a written contract must be in place which includes: a service level agreement; the conditions under which the arrangement may be terminated; provisions for the orderly transition of services to another provider or the Group if the contract is terminated; a defined mechanism to resolve disputes arising out of or relating to the contract; appropriate contingency plans should the supplier be unable to provide the required service; and provision for the continued availability of any software upon which the Group is reliant. Contracts must also ensure access to the providers' premises, business management and any data relating to the outsourced activity, by the Group's Internal Audit, Risk and Compliance functions, its external auditors and Supervisory Authorities; and appropriate warranties that L&G and client data is adequately protected against unauthorised access at all times. All outsourced arrangements must be managed under the direction of a named L&G relationship manager. The Risk Function maintains oversight of the management of outsourcing arrangements established by the first line business operations.

A number of outsourcing arrangements are used by the Group and LGAS, either directly or through relationships established by the broader L&G relationship manager, for a range of operational functions and activities. The material outsourcing arrangements include those for the provision of the following:

- IT infrastructure, operations support and development
- data storage and hosting
- telephony and data connectivity services
- document printing and fulfilment activities
- fund pricing and valuations.

Service providers for these activities are primarily based in the UK, Ireland and India.

Insourcing is the use by one group company of another group company for the supply of business facilities or services. Both the Group's and LGAS's core insourced relationships are as follows:

- investment management services provided by Legal & General Investment Management Limited
- treasury services by Legal & General Finance Plc
- employee, IT (through the Group's shared service IT function), and procurement services by Legal & General Resources Limited.

Legal & General Resources Limited is the main employment company for staff in the UK, and is also the company through which group-wide contracts for the supply of goods and services for L&G's UK businesses are placed.

## B.8 ANY OTHER INFORMATION

### B.8.1 ADEQUACY OF THE SYSTEM OF GOVERNANCE

The Group Executive Risk Committee (which reports to the GMC) undertakes an annual review of the Group's risk management framework and broader system of governance (which includes LGAS) to confirm its adequacy given the nature, scale and complexity of the risks inherent in its business. The most recent review was in February 2025, where the Committee concluded that the Group's risk framework aligns with the Group's key risk exposures and operated effectively during 2024 in identifying material risk exposures.

### B.8.2 SENIOR MANAGERS AND CERTIFICATION SCHEME

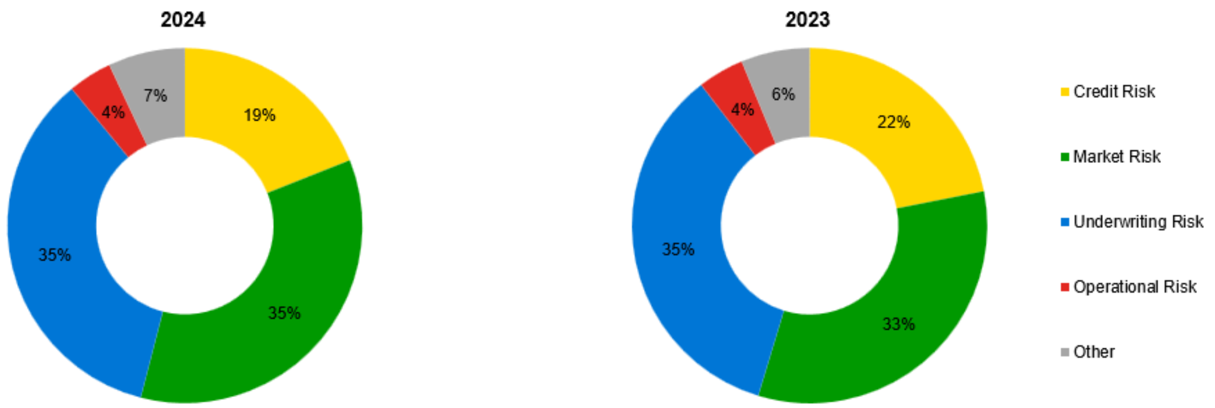
In line with requirements of the Senior Managers and Certification Regime, which was introduced from 10 December 2018, both the Group and LGAS have implemented a framework identifying material risk takers, the annual certification of senior managers of prescribed functions, prescribed responsibilities, individual accountability, the reporting of breaches to the regulator and additional training.

# C. Risk Profile

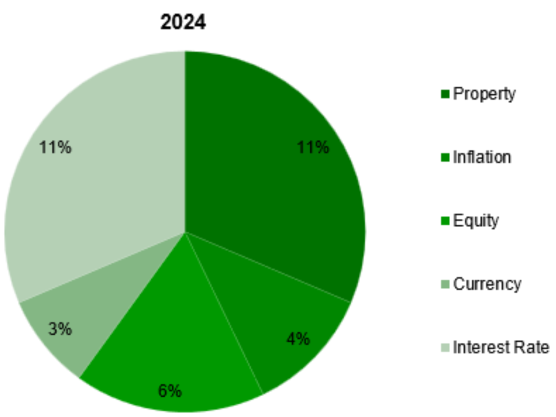
*Measures used to assess risks*

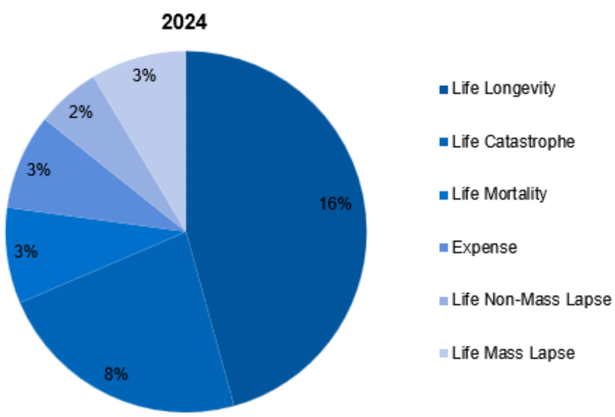
Our risk-based capital model (the Internal Model) seeks to provide a quantitative assessment of both the Group's and LGAS's risk exposures. It forms part of the suite of tools that we use to evaluate our strategic plans, set risk appetite, allocate capital and evaluate product pricing. We also use our capital model to assess significant transactions, including large PRT deals. The key output from our capital model is the generation of capital requirements. We calibrate our model to a 99.5% value at risk confidence level over one year, equivalent to ensuring that we hold sufficient capital to survive our assessment of a 1-in-200 year event. In terms of capital requirement, credit and longevity risks remain our most significant risks. Market risks, which includes equity, property and interest rate risks, are also material risks for which we hold capital.

Below is the percentage breakdown of the Group's pre-diversified Solvency Capital Requirements by major risk categories on a regulatory basis:



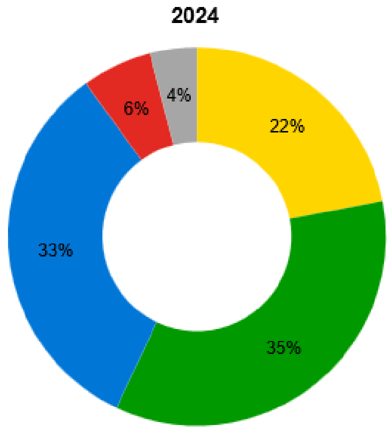

A further breakdown of market and underwriting risks in 2024 is shown below:

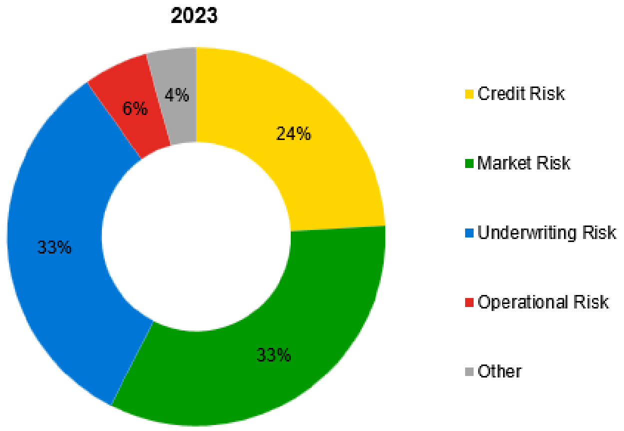


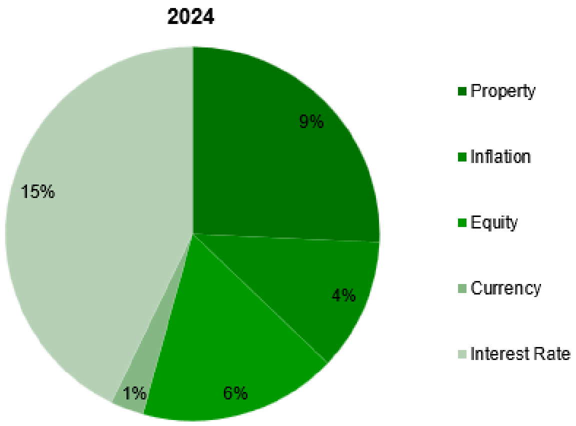

The financial risks associated with Asset Management's business are directly borne by the investors in its funds and therefore do not contribute directly to the risk disclosures above.

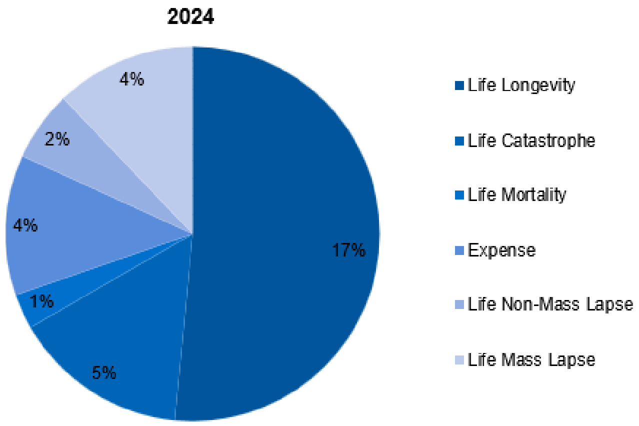
Below is the percentage breakdown of LGAS pre-diversified Solvency Capital Requirement by major risk categories on a regulatory basis:




A further breakdown of LGAS market risk and underwriting risks in 2024 is shown below:



### *Prudent Person Principle*

All investments held by insurance and reinsurance undertakings should be managed in accordance with the 'Prudent Person Principle'. The Prudent Person Principle requires companies to only invest in assets and instruments:

- whose risks can be properly identified, measured, monitored, managed, controlled and reported
- that ensure the security, quality, liquidity and profitability of the portfolio as a whole
- that are appropriate to the nature and duration of insurance and reinsurance liabilities
- that are in the best interest of policyholders and beneficiaries.

The Group and LGAS risk appetite for credit and market risk is set in accordance with the Prudent Person Principle. Group credit risk, market risk, liquidity risk and asset liability management policies define the Group's policy for the management of assets and the framework that supports its practical application and have been defined in line with the Group risk appetite and the Prudent Person Principle.

The policies are applicable to all entities in the L&G Group and any exemptions from the policy must be authorised by the Group CRO.

All divisions are required to invest their assets in line with Group policies. Compliance with the Group policies is monitored through the Group's risk framework described in Section B System of Governance of this report. The following processes support the Group in ensuring it meets the Prudent Person Principle:

- Risk and Capital Mandates set out the parameters of acceptable risk taking, including the approach taken to ensuring investment decisions are made in accordance with the Prudent Person Principle
- it is the responsibility of each business to ensure that adherence to the Risk and Capital Mandates are appropriately monitored with any exceptions escalated to the divisional risk committees and relevant Group committees
- the Group Risk Financial Risk Committee oversees the effectiveness of the overall framework for managing compliance with the Prudent Person Principle.

# C.1 UNDERWRITING RISK

## C.1.1 RISK EXPOSURE AND CONTROLS

Both the Group and LGAS are exposed to underwriting (also known as insurance) risk as a consequence of offering the principal products outlined in Section A.1.3. Underwriting risk is the exposure to loss arising from experience being different to that anticipated. Detailed below are the principal underwriting risks to which the Group and LGAS are exposed, presented by reference to the Group's business divisions, with associated mitigating activities:

| Principal risks | Division | Control to mitigate the risk |
|---|---|---|
| ***Longevity, mortality & morbidity risks*** | | |
| For contracts providing death benefits, higher mortality rates would lead to an increase in claims costs. The cost of health related claims depends on both the incidence of policyholders becoming ill and the duration over which they remain ill. Higher than expected incidence or duration would increase costs over the level currently assumed in the calculation of liabilities. | Retail | The pricing of protection business is based on assumptions as to future trends in mortality and morbidity having regard to past experience. Underwriting criteria are defined setting out the risks that are unacceptable and the terms for non-standard risks presented by the lives to be insured. Extensive use of reinsurance is made within the UK retail protection business, placing a proportion of all risks meeting prescribed criteria. Mortality and morbidity experience is compared to that assumed within the pricing and reserving basis with variances subject to actuarial investigation. |
| For annuity contracts, the Group is exposed to the risk that mortality experience is lower than assumed. Lower than expected mortality would require payments to be made for longer and increase the cost of benefits provided. Lifetime mortgage business also explicitly has some exposure to the life expectancy of borrowers. | Institutional Retirement and Retail | Annuity business is priced having regard to current levels and trends in improvements in future mortality. Enhanced annuities, which are priced taking account of impairments to life expectancy, are subject to specific underwriting criteria. Certain annuitant mortality risks, including enhanced annuities, are placed with reinsurers. The Group regularly reviews its mortality experience and industry projections of longevity and adjusts the pricing and valuation assumptions accordingly. The selective use of reinsurance acts to reduce the impact of significant future variations in life expectancy. In pricing lifetime mortgage business, account is taken of levels and trends in mortality rates in setting the amounts that are advanced to borrowers relative to the value of the property on which the loan is secured. |
| ***Persistency risk*** | | |
| In the early years of a policy, lapses may result in a loss to the Group, as the acquisition costs associated with the contract would not have been recovered from product margins. | Retail | The pricing and valuation assumptions for protection business include provision for policy lapses. Lapse risk is somewhat mitigated by reinsurance. Actual trends in policy lapse rates are monitored against these assumptions with variances being subject to actuarial investigation. |

| Principal risks | Division | Control to mitigate the risk |
|---|---|---|
| ***Expense Risk*** | | |
| In pricing long-term insurance business, assumptions are made as to the future cost of product servicing. A significant adverse divergence in actual expenses experience could reduce product profitability. | Institutional Retirement and Retail | In determining pricing assumptions, account is taken of expected price and wage inflation, with stress testing used to evaluate the effect of significant deviations. Actual product servicing costs are monitored relative to the costs assumed within the product pricing basis, with variances investigated. |
| ***Concentration (catastrophe) risk*** | | |
| Insurance risk may be concentrated in geographic regions, altering the risk profile of the Group. The most significant exposure of this type arises for group protection business, where a single event could result in a large number of related claims. | Retail | Group protection business contracts include an 'event limit' capping the total liability under the policy from a single event. Excess of loss reinsurance further mitigates loss from the exposure. Additionally, exposure by location is monitored to ensure there is a geographic spread of risk. Catastrophe reinsurance cover also mitigates loss from concentrations of risk. |
| ***Epidemic (catastrophe) risk*** | | |
| The spread of an epidemic could cause large aggregate claims across the Group's portfolio of protection businesses. | Retail | The pricing basis for protection business includes an assessment of potential claims as a result of epidemic risks. Quota share and excess of loss reinsurance contracts are used by individual and group protection, respectively, to further mitigate the risk. Depending on the nature of an epidemic, mortality experience may lead to a reduction in the cost of claims for annuity business. Pricing for new business can also be updated to reflect the change in expected claims. |

### C.1.2 INSURANCE SPECIAL PURPOSE VEHICLES (SPVS)

Both the Group and LGAS have no SPVs authorised under the Group Supervision part of the PRA Rulebook.

### C.1.3 RISK CONCENTRATION AND MANAGEMENT

There is limited potential for single incidents to give rise to a large number of claims across the different contract types written by the Group and LGAS. However, there are potentially material correlations of insurance risk with other types of risk exposure. The Group's and LGAS's capital model seeks to measure risk correlations particularly those that would tend to be more acute as the underlying risk scenarios become more extreme. An example of the accumulation of risk is the correlation between reinsurer credit risk with mortality and morbidity exposures.

While exposure to concentration risk is an inherent aspect of writing insurance business, we have limited appetite for the scale or frequency of events anticipated in product pricing materially diverging from expectations as a consequence of significant accumulations of exposure to a single event or counterparty. Where required, we will set limits on the aggregate values for individual lives that we will insure, and the minimum geographic spread of insurance business that we will accept. Reinsurance arrangements are also used to mitigate our risk.

Concentrations of risk are reported as part of the Group's risk monitoring and reporting framework. The risk management reports presented at divisional and Group risk committees provide both qualitative and quantitative information on concentration risks, as well as on material risk drivers and mitigating actions taken where exposures are outside acceptable tolerances.

## C.2 MARKET RISK

### C.2.1 RISK EXPOSURE AND CONTROLS

The Group and LGAS are exposed to market risk as a consequence of offering the principal products outlined in Section A.1.3. Market risk is the risk of adverse financial impact resulting, directly or indirectly, from fluctuations in interest rates, foreign currency exchange rates, equity indices and property prices. Market risk arises due to fluctuations in both the value of liabilities and the value of investments held.

Detailed below are the principal market risks to which the Group and LGAS are exposed:

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| ***Investment performance risk*** | | |
| The Group is exposed to the risk that the income from, and value of, assets held to back insurance liabilities and capital requirements do not perform in line with investment and product pricing assumptions leading to a potential financial loss. | Asset Management, Institutional Retirement and Retail | Models are used to assess the impact of a range of future return scenarios on investment values and associated liabilities in order to determine optimum portfolios of invested assets. For annuities, which are sensitive to interest rate and inflation risk, analysis of the liabilities is undertaken to create a portfolio of securities, the value of which changes in line with the value of liabilities when interest rates change. |
| For unit linked contracts, there is a risk of volatility in asset management fee income due to the impact of interest rate and market price movements on the fair value of the assets held in the linked funds, on which investment management fees are based. There is also the risk of expense over-runs should the market depress the level of charges which could be imposed. | Asset Management and Retail | The risk is managed through maintaining a diversified range of funds in which customers may invest. The performance of linked investment funds relative to their investment objectives is subject to regular monitoring. Periodic assessment is also made of the long-term profitability to the Group of these funds. For some contracts the Group has discretion over the level of management charges levied. |
| ***Property risk*** | | |
| Lifetime mortgages include a no negative equity guarantee which transfers a potential loss exposure to the Group as a result of low house price inflation and an exposure to specific properties which may experience lower house price inflation for whatever reason. | Institutional Retirement and Retail | To mitigate the risk, maximum loan to value ratios are set for all lending with further underwriting criteria setting out acceptable properties for lending purposes. Policy terms also require properties to be fully insured and maintained, including the right of inspection. The diversification of lending by property type and geographic region seeks to control exposures to specific aspects in the property market. |

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| Asset Management businesses build homes across the residential market, invest in large commercial and residential development projects and along with Institutional Retirement manage several developed real estate assets. Corporate Investments also has exposure to residential and commercial property. The Group is exposed to the risk that the income from, and the value of, property assets held to back insurance liabilities and capital requirements do not perform in line with investment and product pricing assumptions leading to a potential financial loss. Valuations of real estate assets depend both on property-specific and wider market drivers. Properties under development can be exposed to additional risks which impact investment performance, including significant increases in the cost of materials or disruption to supply chains. The Group's revenue streams are exposed to residential sales achieved, as well as the volume of transactions, both of which may be affected by the performance of the housing market. Revenue streams may also be impacted by significant increases in the cost of raw materials or disruption to supply chains. | Asset Management, Corporate Investments and Institutional Retirement | Diversification by geographic region and property type avoids concentration of exposures to specific areas of the property market. Commercial property exposure in the Institutional Retirement annuity portfolio is relatively limited and is predominantly underpinned by long term leases with investment grade tenants. Property development activity is relatively limited and where appropriate, key methods are adopted to manage development risk, such as fixed price construction contracts, forward sales, diversification of contracting counterparties and pre-leasing. |
| ***Currency risk*** | | |
| To diversify credit risk within the annuities business corporate bond portfolio, investments are held in corporate bonds denominated in non-sterling currencies. Asset Management also invest in overseas assets. Fluctuations in the value of, or income from, these assets relative to liabilities denominated in sterling could result in unforeseen foreign exchange losses. | Asset Management, Institutional Retirement and Retail | To mitigate the risk of loss from currency fluctuations, currency swaps and forwards are used to hedge exposures to corporate bonds denominated in currencies other than sterling. Hedging arrangements are placed with strongly rated counterparties with collateral requirements being subject to regular review and reconciliation with the counterparties. The hedges do not eliminate all currency risk and the Group retains some residual risk. |
| The consolidated international subsidiaries and financial instruments of subsidiaries are translated into sterling in the consolidated accounts. Changes in the sterling value can impact consolidated equity but may be mitigated by associated hedging transactions. | Group | To mitigate the risk of loss from currency translation the Group continuously monitors its exposure and executes appropriate hedging transactions when necessary. Hedging arrangements are placed with strongly rated counterparties with collateral requirements being subject to regular review and reconciliation with the counterparties. |

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| ***Inflation risk*** | | |
| Inflation risk is the potential of realising a loss because of relative or absolute changes in inflation rates. Annuity contracts may provide for future benefits to be paid taking account of changes in the level of inflation. Annuity contracts in payment may include an annual adjustment for movements in price indices. | Institutional Retirement and Retail | The investment strategy for the annuities business takes explicit account of the effect of movements in price indices on contracted liabilities. Significant exposures that may adversely impact profitability are hedged using inflation swaps. Annuity contracts also typically include caps and floors on the annual increase in inflation linked benefit payments. The hedges do not eliminate all inflation risk and the Group retains some residual risk. |
| ***Interest rate risk*** | | |
| Interest rate risk is the risk that the Group is exposed to lower returns or loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets and liabilities arising from changes in underlying interest rates. | Group, Institutional Retirement and Retail | To mitigate the risk that guarantees and commitments are not met, financial instruments are purchased, which broadly match the nature and terms of the expected policy benefits payable. The composition of the investment portfolio is governed by the nature of the insurance or savings liabilities, the expected rate of return applicable on each class of asset and the capital available to meet the price fluctuations of each asset class, relative to the liabilities they support. |

## C.2.2 RISK CONCENTRATION AND MANAGEMENT

Both the Group and LGAS hold a significant portfolio of investment assets to meet our obligations to policyholders. Investment classes include equities, bonds, properties, and cash. Some exposure to concentration risk is an inherent aspect of operating significant portfolios of investment assets.

Concentrations of risk are reported as part of the Group's risk monitoring and reporting framework. The risk management reports presented at divisional and Group risk committees provide both qualitative and quantitative information on concentration risks, as well as on material risk drivers and mitigating actions taken where exposures are outside acceptable tolerances.

## C.3 CREDIT RISK

### C.3.1 RISK EXPOSURE AND CONTROLS

The Group is exposed to credit risk as a consequence of offering the principal products outlined in Section A.1.3. Credit risk is the risk of a financial loss as a result of the default or failure of third parties to meet their payment obligations to the Group, or variations in market values as a result of changes in expectations related to those risks.

Detailed below are the principal credit risks to which the Group and LGAS are exposed:

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| ***Bond default and rating downgrade risk*** | | |
| A significant portfolio of corporate bonds and commercial loans are held to back the liabilities arising from writing insurance and annuities business. Whilst the portfolio is diversified, the asset class is inherently exposed to the risk of issuer default and rating downgrade, with the possibility of financial loss. | Institutional Retirement and Retail | Portfolio level and specific issuer limits are set by financial strength rating, sector and geographic region to limit exposure to a default event. Issuer limits are regularly reviewed to take account of changes in market conditions, sector performance and the re-assessment of financial strength by rating agencies and the Group's own internal analysis. Exposures are monitored relative to limits. Financial instruments are also used to mitigate the impact of rating downgrades and defaults. If appropriate, actions are taken to trade out investments at risk of default. |
| ***Reinsurance counterparty risk*** | | |
| Exposure to insurance risk is mitigated by ceding part of the risks assumed to the reinsurance market. Default of a reinsurer would require the business to be re-brokered potentially on less advantageous terms, or for the risks to be borne directly resulting in possible financial loss. The Group is required to carry an element of associated credit risk capital on its balance sheet should the business not be re-brokered on the same terms. | Institutional Retirement and Retail | When selecting new reinsurance partners for its business, the Group considers only companies which have a minimum credit rating equivalent to A- unless collateralised. For each reinsurer, exposure limits are determined based on credit ratings and projected exposure over the term of the treaty. Actual exposures are regularly monitored relative to these limits. Similarly, for longevity and credit risk syndication transactions, the Group targets the use of strongly rated counterparties and seeks to ensure that positions are fully collateralised. The adequacy and quality of collateral is subject to ongoing monitoring. |
| ***Property lending counterparty risk*** | | |
| As part of our asset diversification strategy, we hold property lending and sale and leaseback investments. We are inherently exposed to the risk of default by a borrower or tenant. | Asset Management, Institutional Retirement and Retail | Each property lending and sale and leaseback investment transaction is subject to a due diligence process to assess the credit risks implicit in the transaction and confirm that any risk of default has been appropriately mitigated. We also protect our interests by taking security over the underlying property associated with each investment transaction. |

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| ***Banking counterparty risk*** | | |
| The Group is exposed to potential financial loss should banks or the issuers of financial instruments default on their obligations to us. We are also exposed to counterparty risks in respect of the providers of settlement and custody services. | Group, Asset Management, Institutional Retirement and Retail | The Group controls its exposures to banking counterparties and the issuers of financial instruments using a framework of counterparty limits. These limits take account of the relative financial strength of the counterparty as well as other bank counterparty exposures that the Group may have. Limits are subject to regular review with actual exposures monitored against limits. The Group has defined criteria for the selection of custody and settlement services. The financial strength of providers is regularly reviewed. |

### C.3.2 RISK CONCENTRATION AND MANAGEMENT

A significant portfolio of corporate bonds is held to back the liabilities arising from writing annuities. Exposure to concentrations of credit risk within the portfolio can arise from events impacting a specific sector or geography or through concentrations of exposure to an individual counterparty. Accumulations of exposures to credit risk in relation to individual counterparties can also arise through holdings in cash, equities, bonds, and property and through reinsurance and as a result of delegated premium collection arrangements. We have limited appetite for the scale or frequency of events anticipated in investment management strategies materially diverging from expectations as a consequence of significant accumulations of exposure to a single event or counterparty. Where required, we will set limits on the maximum aggregate exposures to investment, banking and reinsurance counterparties, sectors and geographies.

The Group and LGAS manage the credit concentration risk by setting quantitative limits on maximum exposures to counterparties. The Group Financial Risk Committee is responsible for reviewing the aggregate exposures for the Group and the extent to which specific limits are required for concentrations by counterparty, sector and geographic areas. Where exposures are identified as being outside acceptable ranges adjudicated by the GRFRC, it will initiate action with the relevant businesses to manage the exposure.

## C.4 LIQUIDITY RISK

### C.4.1 RISK EXPOSURE AND CONTROLS

Liquidity and collateral risk is the risk that the Group and LGAS, though solvent, either does not have sufficient financial resources available to enable it to meet its obligations as they fall due, or can secure them only at excessive cost.

The Group and LGAS exposure to liquidity risk primarily arises from contingent events including pandemic mortality, and cash flow timing differences, such as claims due to policyholders and other operational cash flows. The Group and LGAS are also exposed to 'collateral risk' under derivatives contracts which could require the firm to post assets eligible as collateral on short notice.

Detailed below are the principal liquidity risks to which the Group and LGAS are exposed:

| Principal risks | Division | Controls to mitigate the risk |
|---|---|---|
| ***Contingent event risk*** | | |
| Events that result in liquidity risk include a pandemic that could lead to significantly higher levels of claims than would normally be expected, or extreme events impacting the timing of cash flows or the ability to realise investments at a given value within a specified timeframe. | Group, Corporate Investments and Retail | The Group seeks to ensure that it meets its obligations as they fall due and avoids incurring material losses on forced asset sales in order to meet those obligations. A limited level of contingent liquidity risk is, however, an accepted element of writing insurance contracts. It is furthermore a consequence of the markets in which the Group operates and the execution of investment management strategies. However, the Group's insurance businesses seek to maintain sufficient liquid assets and standby facilities to meet a prudent estimate of the cash outflows that may arise from contingent events. The level of required liquidity is identified using techniques including stress tests for shock events and the profile of actual liquid assets is regularly compared to the required liability profile. The Group’s treasury function provides formal facilities to other areas of the Group to cover contingent liquidity requirements arising from more extreme events and where investment assets may not be readily realisable.<br><br>The Group holds certain non-core assets in its Corporate Investments unit which are available for disposal. Our principal mitigation against timing or valuation risk on these assets is that we are not a forced seller – we have significant pools of liquidity and available actions across the Group which can be deployed to manage these risks. |
| ***Collateral liquidity risk*** | | |
| Within the annuities business, the use of financial instruments to hedge default, interest rate, currency and inflation risks can require the posting of collateral with counterparties at short notice. | Asset Management, Institutional Retirement and Retail | The Group seeks to manage the risk of collateral calls by maintaining a pool of asset which are eligible to be posted under its various collateral arrangements. The collateral pool is sixed to be able to withstand a range of severe but plausible stresses, plus an additional risk-buffer for prudence. The Group also maintains a series of management actions to mitigate against highly-severe shocks. |
| ***Investment liquidity risk*** | | |
| Direct lending, sale and leaseback investments and lifetime mortgage business are inherently illiquid forms of investment, with limited secondary markets to realise the value of assets outside agreed redemption terms. | Asset Management, Institutional Retirement and Retail | Given the illiquid nature of the annuity and other liabilities the Group is able and willing to take advantage of the premium offered by illiquid assets. The Group, however, sets limits on the overall exposure to illiquid investments taking account of the nature and type of liabilities that the assets are held to meet. |

### C.4.2 LIQUIDITY RISK MANAGEMENT

The Group and LGAS do not seek exposure to liquidity risk as a part of their business model but accept that exposure to liquidity risk can arise as a consequence of the markets in which they operate, the products that they write and through the execution of investment management strategies.

The Group seeks to manage its funds and liquidity requirements on a pooled basis and to ensure that the Group maintains sufficient liquid assets and standby facilities to meet a prudent estimate of its net cash outflows. In addition, it ensures that, even under plausible but unlikely severe conditions, the Group has access to the funds necessary to cover all outgoings such as surrenders, withdrawals and maturing liabilities.

It is the Group's policy that business divisions remain self-sufficient from a liquidity perspective by maintaining sufficient liquid assets and assessing the appropriateness of the composition of the assets in terms of their nature, duration and liquidity to meet obligations as they fall due. The business divisions also need to maintain sufficient eligible assets to meet collateral requirements that arise from their normal business activities and under the two defined liquidity stress scenarios. To the extent that a business division has insufficient liquid assets to meet its obligations, it is required to have a committed credit facility (standby facility) with the Group Treasury function to cover the risk exposure.

As at 31 December 2024, the Group had £3,757m (2023: £4,235m) of cash and cash equivalents in shareholder funds and a £1.5bn syndicated committed revolving credit facility in place, provided by a number of its key relationship banks, maturing in August 2029.

### C.4.3 LIQUIDITY STRESS TESTING

The exposure to liquidity risk is measured by a liquidity coverage ratio (LCR) under two prescribed liquidity stress scenarios. The main purpose of the liquidity stress testing is to ensure that the Group maintains adequate liquidity for stress events and compliance is noted in the approved risk appetite, which is defined in the Group Liquidity Risk Policy. As a Group standard, liquidity stress testing is performed monthly or more frequently if needed. A risk appetite is then set by the Group Risk Policy to ensure that the Group can meet these requirements which is done by calculating the LCR. The LCR is defined as total sources of liquidity divided by total liquidity requirements and is calculated separately for each business division, entity and Group Treasury. The LCRs are stressed over a 3 months and 12 months scenario by assuming that all committed cash flows that are due in the next 3 months and 12 months are paid immediately rather than as they fall due, this includes dividend payments and expenses. The LCRs as at 31st December were above the risk appetite set by the policy of 110%.

The Group Treasury function works with the business divisions to ensure that, at a local and entity level an overarching Group Liquidity Management Framework was approved. This Framework sets out how liquidity is to be managed across Group and the business units. It sets out permitted resources, assumptions in calculating LCRs and standard management reporting. The frameworks and assumptions are reviewed and reaffirmed annually.

## C.5 OPERATIONAL RISK

### C.5.1 RISK EXPOSURE AND MANAGEMENT

Operational risk is defined as loss arising from inadequate or failed internal processes, people, systems or external events. Potential for exposure to operational risk extends to all of the Group's businesses. The Group has constructed a framework of internal controls to minimise material loss from operational risk events recognising that no system of internal control can completely eliminate the risk of error, financial loss, fraudulent action, or reputational damage.

Mitigation techniques are deployed via the Group's internal control framework, which comprises the systems, processes and procedures that ensure business operations are conducted so as to meet our obligations to all stakeholders, comply with regulation and legislation, and minimise the risk of material error or fraud. We aim to implement effective controls (both preventative and detective) to reduce operational risk exposures, except where the costs of such controls exceed the expected benefits. We accept that no system of control will fully eliminate the risk of financial loss or reputational damage, and we expect all employees to report weaknesses and deficiencies as soon as they are identified.

Dependency on a single supplier (both internal and external to the Group and LGAS) to provide a product or service supporting a critical business function can give rise to concentrations of operational risk. Techniques deployed to mitigate this include business continuity and recovery plans in the event of a supplier failure, a defined mechanism to resolve disputes relating to a contract, and orderly exit and termination plans. Further details are provided in Section B.7 Outsourcing.

The loss distributions for operational risk are built through scenario analysis, where we seek to estimate what a 1:20 through to a 1:200 year event would look like in financial terms for risks such as product design error, fraud and cyber incident. The scenarios take account of our controls, historic experience and events seen by peers.

## C.6 OTHER MATERIAL RISKS

*Macroeconomic environment*

The global economic outlook remains uncertain with the potential for external shocks to knock economies and markets off course. Our businesses are primarily exposed to economic conditions in the UK and US. Central bank interest rates were cut during 2024 in the UK and US, however there remains uncertainty around the pace and timing of any further cuts and there is no guarantee of a 'soft landing' for either economy.

Geopolitical risk factors remain elevated – this includes ongoing conflicts in Ukraine and the Middle East, and the impact of a resurgence of populist and nationalist politics on domestic and international policy. Asset values, including commercial and residential property prices, remain susceptible to reappraisal should the current economic outlook deteriorate, as well as from a range of geopolitical factors. During 2024, we have seen signs of commercial property markets stabilising, although transaction volumes remain low and the office sector continues to show pressure. Within our construction businesses, supply chain pressure and cost inflation appear to be moderating, although we remain vigilant over cost inflation being absorbed by the supply chain. Labour shortages also continue to present risk.

### *Climate change*

As a significant investor in financial markets, commercial real estate and housing, we are exposed to climate related transition risks, and the impact this has on asset valuation and the economy. Our interests in property assets may also expose us to physical climate change related risks, including flood risks. We are also exposed to reputation and climate related litigation risks should our responses to the threats from climate change be judged not to align with the expectations of environment, social and governance (ESG) groups. We measure the carbon intensity targets of our investment portfolios, and along with specific investment exclusions for carbon intensive sectors, we have set overall reduction targets aligned with the 1.5°C ‘Paris’ objective, including setting near term science-based targets to support our long-term emission reduction goals.

Alongside managing exposures, we monitor the political and regulatory landscape, and as part of our climate strategy we engage with regulators and investee companies in support of climate action. Climate risk considerations are also embedded in the risk management of each of our underlying risks (e.g. market and insurance risk), and throughout the risk management processes (e.g. ORSA and Internal Model validation).

The Board regularly considers the potential financial and reputational impact of the Group’s principal risks on our ability to deliver the business plan, and we regularly refresh our principal risks to reflect current market and economic conditions as well as changes in our risk profile.

## C.7 ANY OTHER INFORMATION

There were no significant events other than those covered above.

## C.7.1 SENSITIVITIES

As part of the ORSA process, a range of stress tests are carried out. The following sensitivities are provided to give an indication of how the Group and LGAS Solvency II surplus as at 31 December 2024 would have changed in a variety of events. These are all independent stresses to a single risk. In practice, the balance sheet is impacted by combinations of stresses and the combined impact can be different from adding together the impacts of the same stresses in isolation. It is expected that, particularly for market risks, adverse stresses will happen together.

The tables below show the results of sensitivity testing for both the Group and LGAS:

*Group sensitivities*

| Risk | Description | Impact on net of tax capital surplus as at 31 Dec 2024 (£bn) | Impact on Solvency II coverage ratio as at 31 Dec 2024 (%) |
|---|---|---|---|
| CREDIT | Credit spreads widen by 100bps assuming an escalating addition to all ratings[1,2] | 0.2 | 9 |
| | Credit spreads widen by 100bps assuming a level addition to all ratings[1] | 0.2 | 13 |
| | Credit spreads narrow by 100bps assuming a level reduction to all ratings[1] | (0.6) | (18) |
| | Credit spreads of sub investment grade assets widen by 100bps assuming a level addition to ratings[1,3] | (0.1) | (3) |
| | Credit migration[4] | (0.5) | (8) |
| MARKET | 15% fall in property markets[5] | (0.8) | (10) |
| | 25% fall in equity markets[6] | (0.5) | (5) |
| | 100bps increase in risk-free rates | (0.0) | 11 |
| | 100bps decrease in risk-free rates[7] | (0.2) | (14) |
| | 50bps increase in future inflation expectation | 0.1 | (1) |
| NON-MARKET | 1% decrease in annuitant base mortality[8] | (0.1) | (2) |
| | 10% increase in maintenance expenses[9] | (0.3) | (5) |

*LGAS sensitivities*

| Risk | Description | Impact on net of tax capital surplus as at 31 Dec 2024 (£bn) | Impact on Solvency II coverage ratio as at 31 Dec 2024 (%) |
|---|---|---|---|
| CREDIT | Credit spreads widen by 100bps assuming an escalating addition to all ratings[1,2] | 0.3 | 13 |
| | Credit spreads widen by 100bps assuming a level addition to all ratings[1] | 0.3 | 18 |
| | Credit spreads narrow by 100bps assuming a level reduction to all ratings[1] | (0.5) | (21) |
| | Credit spreads of sub investment grade assets widen by 100bps assuming a level addition to ratings[1,3] | (0.1) | (3) |
| | Credit migration[4] | (0.3) | (7) |
| MARKET | 15% fall in property markets[5] | (0.4) | (11) |
| | 25% fall in equity markets[6] | (0.3) | (5) |
| | 100bps increase in risk-free rates | 0.0 | 11 |
| | 100bps decrease in risk-free rates[7] | 0.1 | (14) |
| | 50bps increase in future inflation expectation | 0.0 | (2) |
| NON-MARKET | 1% decrease in annuitant base mortality[8] | (0.1) | (2) |
| | 10% increase in maintenance expenses[9] | (0.2) | (6) |

1. The spread sensitivity applies to the Group's and LGAS's corporate bond (and similar) holdings, with no change in long-term default expectations. Restructured lifetime mortgages are excluded as the underlying exposure is mostly to property.
2. The stress for AA bonds is twice that for AAA bonds, for A bonds it is three times, for BBB four times and so on, such that the weighted average spread stress for the portfolio is 100 basis points. To give a 100bps increase on the total portfolio, the spread stress increases in steps of 32bps, i.e. 32bps for AAA, 64bps for AA etc.
3. No stress for bonds rated BBB and above. For bonds rated BB and below the stress is 100bps. The spread widening on the total portfolio is smaller than 1bp as the Group holds less than 1% in bonds rated BB and below. The impact is primarily an increase in SCR arising from the modelled cost of trading downgraded bonds back to a higher rating in the stress scenarios in the SCR calculation.
4. Credit migration stress covers the cost of an immediate big letter downgrade on 20% of all assets where the capital treatment depends on a credit rating (including corporate bonds, and sale and leaseback rental strips; lifetime mortgage senior notes are excluded). Downgraded assets in our annuities portfolio are assumed to be traded to their original credit rating, so the impact is primarily a reduction in Own Funds from the loss of value on downgrade. The impact of the sensitivity will depend upon the market levels of spreads at the balance sheet date.
5. Assets stressed include residual values from sale and leaseback, the full amount of lifetime mortgages and direct investments treated as property.
6. This relates primarily to equity exposure by the Group but will also include equity-based mutual funds and other investments that receive an equity stress (for example, certain investments in subsidiaries). Some assets have factors that increase or decrease the stress relative to general equity levels via a beta factor.
7. In the interest rate down stress negative rates are allowed, i.e. there is no floor at zero rates.
8. The stress assumes that the full impact of the change in base mortality is immediately recognised.
9. A 10% increase in the assumed unit costs and future costs of investment management across all long-term insurance business lines.

The above sensitivity analysis does not reflect all management actions which could be taken to reduce the impacts. In practice, the Group actively manages its asset and liability positions to respond to market movements. Allowance is made for the recalculation of the Loss Absorbing Capacity of Deferred Tax for all stresses, assuming full capacity remains available post stress.

The impacts of these stresses are not linear; therefore, these results should not be used to extrapolate the impact of a smaller or larger stress. The results of these tests are indicative of the market conditions prevailing at the balance sheet date. The results could be different if performed at an alternative reporting date.

In addition to the sensitivities in the table above, the Group and LGAS also consider other highly unlikely events in managing the business.

### C.7.2 MATERIAL CHANGES TO THE RISK PROFILE OVER THE REPORTING PERIOD

As part of the ORSA, the Group and LGAS have reviewed all material risks and continue to recognise longevity improvements, credit and market risks as our key risk exposures. It is expected that these will continue to be the primary risk exposures for the Group and LGAS.

# D.Valuation for Solvency II Purposes[2]

Unless otherwise stated, assets and liabilities have been recognised in accordance with International Financial Reporting Standards (IFRS), as adopted by the UK.

The table below illustrates the difference between IFRS equity and Solvency II excess of assets over liabilities for the Group:

| (£m) | Group 2024 | LGAS 2024 | Group 2023 | LGAS 2023 |
|---|---|---|---|---|
| Solvency II excess of assets over liabilities | **12,499** | **9,236** | 13,329 | 9,857 |
| IFRS equity | **3,511** | **3,503** | 4,784 | 4,302 |
| **Difference** | **8,988** | **5,733** | 8,545 | 5,555 |

The difference for Group consists of valuation differences between Solvency II and IFRS, the adoption of Calculation Method 2 and differences arising from the consolidation approach. The difference for LGAS represents valuation differences between IFRS and Solvency II only.

The difference in each of the component parts of the Group's Solvency II excess of assets over liabilities to the valuation under IFRS is shown below:

| **As at 31 December 2024 (£m)** | Notes | **Differences in the consolidation approach** | **Conversion to aggregation under Calculation Method 2** | **Solvency II valuation differences** | **Total** |
|---|---|---|---|---|---|
| | | **Note 1** | **Note 2** | **Note 3** | |
| Assets | D.1 | **(50,868)** | **(12,700)** | **(3,101)** | **(66,669)** |
| Technical provisions | D.2 | **-** | **11,163** | **12,964** | **24,127** |
| Other liabilities | D.3 | **50,784** | **2,065** | **(1,319)** | **51,530** |
| **Net increase/(decrease)** | | **(84)** | **528** | **8,544** | **8,988** |

| As at 31 December 2023 (£m) | Notes | Differences in the consolidation approach | Conversion to aggregation under Calculation Method 2 | Solvency II valuation differences | Total |
|---|---|---|---|---|---|
| | | Note 1 | Note 2 | Note 3 | |
| Assets | D.1 | (55,356) | (10,817) | (1,967) | (68,140) |
| Technical provisions | D.2 | - | 9,698 | 12,475 | 22,173 |
| Other liabilities | D.3 | 55,323 | 1,552 | (2,363) | 54,512 |
| Net increase/(decrease) | | (33) | 433 | 8,145 | 8,545 |

Individual assets and liabilities have been valued separately and can offset each other, where permitted, in accordance with IFRS accounting principles. These include deferred tax asset and liabilities where there is a right of offset and linked derivative liabilities with index-linked and unit-linked assets.

2. The calculation of the Risk Margin, Solvency Capital Requirement and Transitional Measures on Technical Provisions, referenced within this section, are not subject to audit.

Assets and liabilities (other than deferred tax) have been valued:

- on a going concern basis
- in accordance with Section 9 of the Valuation part of the PRA Rulebook and where specifically provided for by the PRA Rulebook
- where IFRS valuation is consistent with Section 9 of the Valuation part of the PRA Rulebook has been adopted, therefore Solvency II economic value is equal to IFRS fair value unless otherwise stated
- where more than one valuation method is permitted by IFRS, only valuation methods that are consistent with Section 9 of the Valuation part of the PRA Rulebook are applied.

Where the valuation of assets and liabilities is the same under IFRS, a description of the bases, methods and main assumptions can be found in the accounting policies and notes of the Group's Annual report and accounts.

Where there are material differences in valuation, these are described in the relevant sections below.

### *NOTE 1 - CONSOLIDATION APPROACH*

The consolidated balance sheet incorporates the assets, liabilities and equity of the parent company and all the insurance or reinsurance undertakings, third-country insurance or reinsurance undertakings, insurance holding companies, mixed financial holding companies, ancillary services undertakings and special purpose vehicles to which risk has been transferred, drawn up to 31 December each year. All of the consolidated entities' intra-group balances and transactions are eliminated in full.

Subsidiaries are those entities (including special purpose entities) over which the Group directly or indirectly has control in accordance with the Group's policy for IFRS 10 (when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee).

Subsidiary undertakings which are credit institutions, investment firms and financial institutions, alternative investment fund managers, UCITS management companies, institutions for occupational retirement provision or non-regulated undertakings carrying out financial activities are reflected as the proportional share of the undertakings' own funds according to the relevant sectoral rules (incorporating any relevant regulatory waivers). These undertakings are included in the Holdings in Related Undertakings line in the Solvency II balance sheet. This differs from the IFRS treatment whereby most subsidiaries are fully consolidated in the Group balance sheet.

Other subsidiaries are incorporated into the Solvency II balance sheet using the adjusted equity method. The adjusted equity method requires the participation to be presented as a single line item in the balance sheet, valued at the share of the excess assets over liabilities, calculated on a Solvency II basis. These undertakings are included in the Holdings In Related Undertakings Line in the Solvency II balance sheet. This differs from the IFRS treatment whereby most subsidiaries are fully consolidated in the Group balance sheet.

Other entities that are under joint arrangements and recognised as financial investments at fair value under IAS 28 on the IFRS balance sheet are treated and valued the same under Solvency II.

The presentational differences between the Solvency II and IFRS balance sheets created by the application of subsidiary rules under Solvency II, along with any valuation difference created by applying sectoral rules, result in a decrease in net assets of £84m (2023: decrease of £33m) in the Solvency II balance sheet.

## *NOTE 2 – CALCULATION METHOD 2*

The Group was granted approval to use Calculation Method 2 with local statutory equivalence for certain firms. As at 31 December 2024 this approach applies to the following companies:

- Banner Life Insurance Company (Banner Life)[3]
- William Penn Life Insurance of New York (William Penn)[3]
- First British Vermont Reinsurance Company II Limited[3]
- First British Vermont Reinsurance Company III Limited[3]
- First British Bermuda Reinsurance Company III Limited[3]
- First British Vermont Reinsurance Company IV Limited[3]
- Legal & General Reinsurance Company No.2 Limited
- Legal & General America Reinsurance Limited[3].

These companies, which are fully consolidated in the IFRS Group balance sheet, have been deconsolidated under Solvency II, and included as participations with a local regulatory value.

The impact of reclassifying the Method 2 firms as participations, along with the adjustment in net value, was an increase in net assets of £528m (2023: increase of £433m) under Solvency II.

The full list of related undertakings, along with its method of consolidation can be found in form IR.32.01, shown in Annex 1 of this report.

## *NOTE 3 - SOLVENCY II VALUATION DIFFERENCES*

Valuation differences between Solvency II and IFRS resulted in an increase in the excess of assets over liabilities of £8,544m (2023: £8,145m) on the Solvency II balance sheet. Details of the valuation differences are described in the following sections.

## D.1 ASSETS

The Group's assets as at 31 December 2024 under Solvency II are £477,498m (2023: £453,955m) compared to the total value of assets under IFRS of £544,167m (2023: £522,095m).

| **As at 31 December (£m)** | Note | **2024** | 2023 |
|---|---|---|---|
| Solvency II Valuation of Assets | | **477,498** | 453,955 |
| IFRS Valuation of Assets | | **544,167** | 522,095 |
| **Difference** | | **(66,669)** | (68,140) |
| Explained by: | | | |
| Differences in the consolidation approach | | **(50,868)** | (55,356) |
| Conversion to aggregation under Calculation Method 2 | | **(12,700)** | (10,817) |
| Solvency II valuation differences | D.1.1 | **(3,101)** | (1,967) |
| **Total** | | **(66,669)** | (68,140) |

[3] The Group announced the sale of its US insurance entity on 7 February 2025, which includes William Penn Life Insurance Company of New York and Banner Life Insurance Company. Refer to A.1.4 for details.

## D.1.1 SOLVENCY II VALUATION DIFFERENCES

The Group's assets and the impact of valuation differences under IFRS are shown below:

| **Assets as at 31 December 2024 (£m)** | Notes | **Solvency II** | **IFRS** | **Variance** | **Differences due to IFRS valuation differences** |
|---|---|---|---|---|---|
| Goodwill | D.1.1.1 | **-** | **30** | **(30)** | **(11)** |
| Intangible assets | D.1.1.1 | **-** | **450** | **(450)** | **(279)** |
| Deferred tax assets | D.3.2 | **-** | **1,741** | **(1,741)** | **(1,741)** |
| Property, plant and equipment held for own use | D.1.1.8 | **32** | **395** | **(363)** | - |
| Investments (other than assets held for index-linked and unit-linked contracts) | | **135,896** | **511,312** | **(375,416)** | **(1,121)** |
| *Property (other than for own use)* | | ***117*** | ***9,822*** | ***(9,705)*** | - |
| *Holdings in related undertakings, including participations* | D.1.1.2 | ***16,835*** | ***872*** | ***15,963*** | **(5)** |
| *Equities* | | ***321*** | ***181,804*** | ***(181,483)*** | - |
| *Bonds* | D.1.1.3 | ***65,663*** | ***241,212*** | ***(175,549)*** | ***(1,116)*** |
| *Collective investments undertakings* | | ***1,431*** | ***19,930*** | ***(18,499)*** | - |
| *Derivatives* | | ***51,411*** | ***51,192*** | ***219*** | - |
| *Deposits other than cash equivalents* | | ***118*** | ***6,480*** | ***(6,362)*** | - |
| Assets held for index-linked and unit-linked contracts | | **320,503** | **-** | **320,503** | - |
| Loans and mortgages | D.1.1.4 | **7,169** | **6,990** | **179** | **295** |
| Reinsurance recoverables | D.1.1.5 | **7,146** | **9,165** | **(2,019)** | **(1,323)** |
| Deposits to cedants | | **438** | **-** | **438** | - |
| Insurance and intermediaries receivables | D.1.1.6 | **471** | **-** | **471** | **471** |
| Reinsurance receivables | D.1.1.7 | **698** | **30** | **668** | **643** |
| Receivables (trade, not insurance) | D.1.1.8 | **4,710** | **8,917** | **(4,207)** | **(35)** |
| Cash and cash equivalents | | **435** | **4,606** | **(4,171)** | - |
| Any other assets, not shown elsewhere | | **-** | **531** | **(531)** | - |
| **Total Assets** | | **477,498** | **544,167** | **(66,669)** | **(3,101)** |

| Assets as at 31 December 2023 (£m) | Notes | Solvency II | IFRS | Variance | Differences due to IFRS valuation differences |
|---|---|---|---|---|---|
| Goodwill | D.1.1.1 | - | 73 | (73) | (73) |
| Intangible assets | D.1.1.1 | - | 477 | (477) | (414) |
| Deferred tax assets | D.3.2 | - | 1,714 | (1,714) | (1,714) |
| Property, plant and equipment held for own use | D.1.1.8 | 21 | 433 | (412) | - |
| Investments (other than assets held for index-linked and unit-linked contracts) | | 118,342 | 491,673 | (373,331) | (851) |
| *Property (other than for own use)* | | *187* | *8,893* | *(8,706)* | - |
| *Holdings in related undertakings, including participations* | D.1.1.2 | *17,928* | *616* | *17,312* | *(6)* |
| *Equities* | | *299* | *166,886* | *(166,587)* | - |
| *Bonds* | D.1.1.3 | *60,420* | *247,078* | *(186,658)* | *(845)* |
| *Collective investments undertakings* | | *1,589* | *19,660* | *(18,071)* | - |
| *Derivatives* | | *37,835* | *41,140* | *(3,305)* | - |
| *Deposits other than cash equivalents* | | *84* | *7,400* | *(7,316)* | - |
| Assets held for index-linked and unit-linked contracts | | 314,649 | - | 314,649 | - |
| Loans and mortgages | D.1.1.4 | 7,080 | 6,808 | 272 | 309 |
| Reinsurance recoverables | D.1.1.5 | 5,278 | 7,306 | (2,028) | (1,220) |
| Deposits to cedants | | 505 | - | 505 | - |
| Insurance and intermediaries receivables | D.1.1.6 | 1,394 | - | 1,394 | 1,394 |
| Reinsurance receivables | D.1.1.7 | 656 | 78 | 578 | 555 |
| Receivables (trade, not insurance) | D.1.1.8 | 5,671 | 8,642 | (2,971) | 47 |
| Cash and cash equivalents | | 359 | 2,946 | (2,587) | - |
| Any other assets, not shown elsewhere | | - | 1,945 | (1,945) | - |
| Total Assets | | 453,955 | 522,095 | (68,140) | (1,967) |

LGAS assets as at 31 December 2024 and the impact of valuation differences under IFRS are as below:

| **Assets as at 31 December 2024 (£m)** | Notes | **Solvency II** | **IFRS** | **Differences due to IFRS valuation differences** |
|---|---|---|---|---|
| Intangible assets | D.1.1.1 | **-** | **279** | **(279)** |
| Deferred tax assets | D.3.2 | **-** | **1,034** | **(1,034)** |
| Property, plant and equipment held for own use | D.1.1.8 | **31** | **31** | **-** |
| Investments (other than assets held for index-linked and unit-linked contracts) | | **129,145** | **130,296** | **(1,151)** |
| *Property (other than for own use)* | | ***117*** | ***117*** | ***-*** |
| *Holdings in related undertakings, including participations* | D.1.1.2 | ***1,199*** | ***1,234*** | ***(35)*** |
| *Equities* | | ***315*** | ***315*** | ***-*** |
| *Bonds* | D.1.1.3 | ***70,293*** | ***71,405*** | ***(1,112)*** |
| *Collective investments undertakings* | | ***6,038*** | ***6,042*** | ***(4)*** |
| *Derivatives*[1] | | ***51,182*** | ***51,182*** | ***-*** |
| *Deposits other than cash equivalents* | | ***1*** | ***1*** | ***-*** |
| Assets held for index-linked and unit-linked contracts | | **23** | **23** | **-** |
| Loans and mortgages | D.1.1.4 | **7,169** | **7,169** | **-** |
| Reinsurance recoverables | D.1.1.5 | **119,005** | **102,079** | **16,926** |
| Deposits to cedants | | **438** | **-** | **438** |
| Insurance and intermediaries receivables | D.1.1.6 | **469** | **-** | **469** |
| Reinsurance receivables | D.1.1.7 | **673** | **30** | **643** |
| Receivables (trade, not insurance) | D.1.1.8 | **3,884** | **3,884** | **-** |
| Cash and cash equivalents | | **311** | **311** | **-** |
| **Total Assets** | | **261,148** | **245,136** | **16,012** |

1. IFRS derivative asset figure has been adjusted to net down £2.3bn of derivative asset and derivative liability. No impact on net balance sheet position. This adjustment is made for presentational purposes as the variance reported in this table is specific to valuation differences between IFRS and SII basis.

| Assets as at 31 December 2023 (£m) | Notes | Solvency II | IFRS | Differences due to IFRS valuation differences |
|---|---|---|---|---|
| Intangible assets | D.1.1.1 | - | 275 | (275) |
| Deferred tax assets | D.3.2 | - | 1,136 | (1,136) |
| Property, plant and equipment held for own use | D.1.1.8 | 22 | 22 | - |
| Investments (other than assets held for index-linked and unit-linked contracts) | | 117,936 | 118,791 | (855) |
| *Property (other than for own use)* | | *187* | *187* | *-* |
| *Holdings in related undertakings, including participations* | D.1.1.2 | *898* | *898* | *-* |
| *Equities* | | *292* | *292* | *-* |
| *Bonds* | D.1.1.3 | *70,912* | *71,767* | *(855)* |
| *Collective investments undertakings* | | *8,017* | *8,017* | *-* |
| *Derivatives* | | *37,629* | *37,629* | *-* |
| *Deposits other than cash equivalents* | | *1* | *1* | *-* |
| Assets held for index-linked and unit-linked contracts | | 15 | 15 | - |
| Loans and mortgages | D.1.1.4 | 7,080 | 7,080 | - |
| Reinsurance recoverables | D.1.1.5 | 103,410 | 86,481 | 16,929 |
| Deposits to cedants | | 505 | - | 505 |
| Insurance and intermediaries receivables | D.1.1.6 | 1,391 | - | 1,391 |
| Reinsurance receivables | D.1.1.7 | 633 | 78 | 555 |
| Receivables (trade, not insurance) | D.1.1.8 | 5,018 | 5,024 | (6) |
| Cash and cash equivalents | | 256 | 256 | - |
| Total Assets | | 236,266 | 219,158 | 17,108 |

### D.1.1.1 GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets have no active market and therefore are not recognised in the Solvency II balance sheet.

For the Group, this results in a £11m (2023: £73m) valuation difference arising on goodwill. The prior year included goodwill associated with Cala, which was disposed of during the year.

For intangible assets, the difference for the Group was £450m (2023: £477m), of which £101m arises from the consolidation approach, £70m (2023: £63m) from the Calculation Method 2 treatment, with the balance of £279m (2023: £414m) reflected as a valuation difference. For LGAS, the valuation difference is £279m (2023: £275m).

### D.1.1.2 HOLDINGS IN RELATED UNDERTAKINGS, INCLUDING PARTICIPATIONS

The Group differences arise from investments in associates which include intangible and goodwill assets. These are eliminated under Solvency II, reducing the holdings in related undertakings, including participations, by £5m (2023: £6m).

LGAS has participations that are not quoted in active markets. Under Solvency II, these are valued using an adjusted equity method where the value of the investment is determined as LGAS's share of the subsidiary's net assets, valued in accordance with the Solvency II valuation rules. The holdings in related undertakings for LGAS has been reduced by £35m (2023: £nil).

### D.1.1.3 BONDS

IFRS 9 was implemented from 1 January 2023 where a group of bonds are accounted for at amortised cost. Under Solvency II, they are remeasured at fair value instead.

For the Group, this results in a £1,112m (2023: £845m) valuation difference arising on bonds. For LGAS, this results in a £1,116m (2023: £855m) valuation difference.

### D.1.1.4 LOANS AND MORTGAGES

The Group and LGAS have recognised Lifetime Mortgage business within this asset class. Lifetime Mortgage business is written in Legal & General Home Finance Limited before beneficial ownership is transferred to LGAS. The transfer value of the assets includes a margin which brings the value closer in line with similar assets available in the market. In the Group IFRS balance sheet the increase in value on the transfer of the Lifetime Mortgage business is reversed as it represents a profit on intercompany transfers. On the Solvency II balance sheet the value, including the margin, is used as a proxy of fair value for the Lifetime Mortgage business. This gives rise to a valuation difference of £295m (2023: £309m) on loans and mortgages.

### D.1.1.5 REINSURANCE RECOVERABLES

The reinsurance recoverable and gross liabilities are calculated consistently with the best estimate liability in all cases, save that there is an allowance for the probability weighted best estimate of external reinsurer default (further details can be found in D.2).

The value of the reinsurance recoverable for the Group has reduced by £2,019m (2023: £2,028m) under Solvency II. Of this, £696m (2023: £808m) is due to the removal of the IFRS reinsurance recoverables in relation to entities aggregated under Calculation Method 2. The remaining difference of £1,323m (2023: £1,220m) is primarily driven by the different valuation methodology in calculating Technical Provisions (TPs).

The value of the reinsurance recoverables for LGAS under Solvency II is higher than that under IFRS basis by £16,926m (2023: £16,929m), primarily driven by the different presentation and valuation methodology in calculating TPs relating to funds withheld, which are included within TPs under IFRS, but as Deposits from reinsurers under Solvency II (see section D.3.2).

### D.1.1.6 INSURANCE AND INTERMEDIARIES RECEIVABLES

Insurance and intermediaries receivables value is based on the discounted cash flows arising from the receivable adjusted for the risk of default. The balance represents premium receivables which have been included in TP under IFRS but are being shown as insurance and intermediaries receivables under Solvency II basis. This gives rise to a presentation difference of £471m (2023: £1,394m) for Group and £469m (2023: £1,391m) for LGAS.

### D.1.1.7 REINSURANCE RECEIVABLES

The reinsurer's share of unpaid claims on investment contracts is included in the IFRS technical provisions (investment contracts) and is fair valued. Under Solvency II the balance is shown as reinsurance receivables. For Group, this results in a presentational difference of £643m (2023: £555m) but is shown above as a valuation difference, offset within Technical Provisions. For LGAS, the corresponding difference is £643m (2023: £555m).

### D.1.1.8 LEASES

There are directly held investment properties which appear on the Group Solvency II balance sheet where Group companies act as a lessor. The investment properties are carried at fair value and the Group's policy is to let investment properties to tenants through operating leases. The leases have varying terms, escalation clauses and renewal rights.

A number of properties are accounted for as finance leases. These leases which have a weighted average duration to maturity of 34 years as at 31 December 2024 are included in the Solvency II balance sheet under Receivables (trade, not insurance) at a value equal to the present value of future lease payments of £531m (2023: £530m) for the Group and £223m (2023: £246m) for LGAS.

Lease arrangements where the Group acts as the lessee are disclosed in section A.4.

Additionally, the company leases office buildings, vehicles, IT equipment and investment properties under non-cancellable operating lease agreements. Under IFRS 16, lease standard, such leases are recognised in both the IFRS and Solvency II balance sheets under Property, plant & equipment held for own use with a corresponding lease liability under Payables (trade, not insurance), which is measured under IFRS 16 and represents fair value in all material aspects. Lease arrangements where LGAS acts as the lessee are disclosed in section A.4.

Other receivables include prepayments and accrued income which are held at cost less impairment under both Solvency II and IFRS. Given the nature of these assets which is short duration, the amortised cost best represents fair value in all material aspects.

### D.1.1.9 CHANGES IN ASSUMPTIONS AND VALUATION BASES

There have been no significant changes in assumptions, valuation bases or estimations for assets in the reporting period.

### D.1.2 VALUATION UNCERTAINTY

Both the Group and LGAS values their assets in accordance with Section 5 of the Valuation part of the PRA Rulebook. Valuations of assets are underpinned by a system of processes and controls to ensure that both the Group and LGAS comply with Section 5 of the Valuation part of the PRA Rulebook. Included within these processes is an assessment of valuation uncertainty and the extent to which asset valuations are appropriate in light of uncertainties that exist. This process focuses on, although is not limited to, assets that are valued using alternative valuation techniques. The Group and LGAS have concluded that its assets are valued in accordance with Valuation 5 of the PRA Rulebook and appropriately reflect consideration of valuation uncertainty.

The uncertainty contained within reinsurance recoverables will be similar to the uncertainty in technical provisions, covered in section D.2.4.

*Climate risk*

Both the Group and LGAS asset portfolios can be exposed to climate change risk through both:

- transition risks from the move to a low-carbon economy and the impact this has on asset valuations and the economy
- physical risks from the impact on asset holdings as a result of severe weather events and longer-term shifts in climate.

Exposure to the physical risks of climate change is minimised in the direct investment portfolio through rigorous assessment of potential investments, particularly in ensuring there is low susceptibility to extreme weather events.

Both Group and LGAS assets are valued, where possible, using standard market pricing sources or appropriately qualified external valuers and therefore reflect current market sentiments around climate risk.

## D.2 TECHNICAL PROVISIONS (TPs)[4]

The Group's technical provisions are split below by Solvency II line of business. The table includes a comparison of Solvency II BEL to IFRS liabilities.

| **Technical provisions as at 31 December 2024 (£m)** | **Non-life (excluding health)** | **Health (similar to life)** | **Life (excluding health, index-linked and unit-linked)** | **Index-linked and unit-linked insurance** | **Total** |
|---|---|---|---|---|---|
| Best Estimate Liabilities | **44** | **197** | **73,762** | **321,289** | **395,292** |
| Risk Margin | **-** | **5** | **974** | **62** | **1,041** |
| Transitional Measure on Technical Provisions[1] | **-** | **-** | **(608)** | **(77)** | **(685)** |
| **Technical provisions total** | **44** | **202** | **74,128** | **321,274** | **395,648** |
| IFRS[2] | **-** | **981** | **95,896** | **322,728** | **419,605** |
| IFRS to SII BEL variance[3] | **44** | **(784)** | **(22,134)** | **(1,439)** | **(24,313)** |
| **IFRS to SII TP variance** | **44** | **(779)** | **(21,768)** | **(1,454)** | **(23,957)** |

| Technical provisions as at 31 December 2023 (£m) | Non-life (excluding health) | Health (similar to life) | Life (excluding health, index-linked and unit-linked) | Index-linked and unit-linked insurance | Total |
|---|---|---|---|---|---|
| Best Estimate Liabilities | 84 | 299 | 71,341 | 314,419 | 386,143 |
| Risk Margin | - | 4 | 1,107 | 81 | 1,192 |
| Transitional Measure on Technical Provisions[1] | - | - | (970) | - | (970) |
| Technical provisions total | 84 | 303 | 71,478 | 314,500 | 386,365 |
| IFRS[2] | - | 821 | 91,610 | 315,887 | 408,318 |
| IFRS to SII BEL variance[3] | 84 | (522) | (20,269) | (1,468) | (22,175) |
| IFRS to SII TP variance | 84 | (518) | (20,132) | (1,387) | (21,953) |

1. The granularity of the TMTP allocation has been increased following Solvency II UK Reforms, with no change to the overall balance sheet. The equivalent unit-linked amount of TMTP for December 2023 is £(50)m.
2. The balance does not include reinsurance contract liabilities of £170m (2023: £220m).
3. Refer to note D.2.2 for reconciliation between the valuation of IFRS technical provisions and solvency II gross BEL.

4. Risk Margin and Transitional Measures on Technical Provisions are not subject to audit.

A summary of LGAS technical provisions by Solvency II line of business is set out below. The table includes a comparison of Solvency II BEL to IFRS liabilities.

| **Technical provisions as at 31 December 2024 (£m)** | **Non-life (excluding health)** | **Health (similar to life)** | **Life (excluding health, index-linked and unit-linked)** | **Index-linked and unit-linked insurance** | **Total** |
|---|---|---|---|---|---|
| Best Estimate Liabilities | **44** | **197** | **76,562** | **92,428** | **169,231** |
| Risk Margin | **-** | **5** | **650** | **34** | **689** |
| Transitional Measure on Technical Provisions[1] | **-** | **-** | **(472)** | **(77)** | **(549)** |
| **Technical provisions total** | **44** | **202** | **76,740** | **92,385** | **169,371** |
| IFRS[2] | **-** | **981** | **84,857** | **93,296** | **179,134** |
| IFRS to SII BEL variance[3] | **44** | **(784)** | **(8,295)** | **(868)** | **(9,903)** |
| **IFRS to SII TP variance** | **44** | **(779)** | **(8,117)** | **(911)** | **(9,763)** |

| Technical provisions as at 31 December 2023 (£m) | Non-life (excluding health) | Health (similar to life) | Life (excluding health, index-linked and unit-linked) | Index-linked and unit-linked insurance | Total |
|---|---|---|---|---|---|
| Best Estimate Liabilities | 84 | 299 | 74,056 | 78,986 | 153,425 |
| Risk Margin | - | 4 | 769 | 46 | 819 |
| Transitional Measure on Technical Provisions[1] | - | - | (773) | - | (773) |
| Technical provisions total | 84 | 303 | 74,052 | 79,032 | 153,471 |
| IFRS[2] | - | 821 | 82,097 | 79,741 | 162,659 |
| IFRS to SII BEL variance[3] | 84 | (522) | (8,041) | (755) | (9,234) |
| IFRS to SII TP variance | 84 | (518) | (8,045) | (709) | (9,188) |

1. The granularity of the TMTP allocation has been increased following Solvency II UK Reforms, with no change to the overall balance sheet. The equivalent unit-linked amount of TMTP for December 2023 is £(50)m.
2. The balance does not include reinsurance contract liabilities of £1m (2023: £9m).
3. Refer to note D.2.2 for reconciliation between the valuation of IFRS technical provisions and solvency II gross BEL.

## D.2.1 SOLVENCY II VALUATION BASIS

### D.2.1.1 METHODOLOGY

The Technical Provisions (TPs) are calculated as the sum of the Best Estimate Liabilities (BEL) and the Risk Margin (RM) less the Transitional Measure on Technical Provisions (TMTP), calculated in line with PRA approvals. The BEL reflects the probability-weighted average of future cash flows, taking into account the time value of money (expected present value of future cash flows) using the relevant risk-free interest rate term structure (including applying the Matching Adjustment where relevant). Deterministic valuation techniques are used to calculate the BEL.

The main cash flows cover premiums, future financial obligations of policyholder benefits, and expenses of running the business (including investment expense and commission payments). The management actions used in the calculation of the TPs consider the time delays and costs applicable to their implementation.

The BEL is calculated gross, i.e. without deduction of the amounts recoverable from reinsurance contracts and reinsurance special purpose vehicles but includes expenses in respect of these arrangements. The BEL is calculated at a level deemed appropriate for homogeneous risk groupings, at a minimum by line of business segmented according to Rule 10.1 of the Technical Provisions part of the PRA Rulebook.

Future premiums are only considered for the period up to where the policyholder or the Group has the option to establish, renew, extend, increase or resume the insurance contract, except for US Term business ceded to LGAS and Legal & General Reinsurance Company Limited, where the contract boundary is the maximum age in the contract, typically age 95 for Term assurance business.

Business not included in the cash flow projections on materiality grounds is explicitly allowed for in the BEL through manual adjustments. There are two instances where modelling simplifications are used, namely in the allowance for catastrophe risk (e.g. epidemic and event risks) and mass lapse risk, where data is limited and the probability weighted mean is not allowed for in the BEL. For these risks there is some offsetting amount in SCR.

The RM represents the amount that a market participant would expect to pay as compensation for risk in excess of the BEL (as defined in the PRA Rulebook for Solvency II firms). It is calculated separately from the BEL. In practice, it is calculated as the present value of the cost of capital to the firm of holding the SCR for certain defined risks (referred to here as the RM capital requirement), to meet adverse deviations on the underlying best estimate cash flows over the full run-off of the business. The RM covers underwriting risk, credit risk associated with reinsurance contracts and operational risk. Future new business is not allowed for in the RM. No allowance is made for the loss-absorbing capacity of deferred taxes as referred to in Rule 4B.1 (11) Technical Provisions part of the PRA Rulebook.

The RM is calculated for each entity as a whole, allowing for diversification between the risks within the entity. The discount rate used in the cost of capital calculation is the relevant basic risk-free rate (excluding Matching Adjustment). The cost of capital rate is set to 4% as prescribed in Rule 1.2 of the Technical Provisions part of the PRA Rulebook (2023: cost of capital rate 4%, as prescribed in the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023 (2023/1347, Regulation 7B)). In addition, an annual risk tapering factor of 0.9 is applied to the projected RM capital requirement, with a floor of 0.25 (2023: 0.9).

Where investment management agreements are in place between Legal & General Investment Management Limited and other Group subsidiaries, at a legal entity level the TPs are calculated using investment expenses on a fees (rather than costs) basis. On Group consolidation there is an adjustment to reduce this provision to the cost basis to eliminate any intra-group profit.

The calculation of the TPs is dependent on the quality of the data underlying the calculations. The data has been assessed, as required by Rule 12 of the Technical Provisions part of the PRA Rulebook. This assessment has concluded that the quality and sufficiency of data used in the preparation of the above TPs is such as to enable a reliable and adequate calculation of the technical provisions.

Further information on material elements of the technical provisions by division is set out below:

#### D.2.1.1.1 INSTITUTIONAL RETIREMENT AND ANNUITIES WITHIN RETAIL

*Best Estimate Liabilities (BEL)*

Deterministic actuarial projection models are used, in line with the methodology described above.

In addition, insurance undertakings are permitted to apply a Matching Adjustment (MA) to the relevant risk-free interest rate term structure when calculating the BEL for certain portfolios of life insurance obligations, subject to prior approval by the supervisory authorities. Both the Group and LGAS have been approved by the PRA to use a MA when calculating the BEL for the majority of its annuity business. This has been applied in line with the approved application.

*Risk Margin (RM)*
The RM capital requirement is projected forward for each future year over the run-off of the business.

Longevity is the most material component of the RM capital requirement and the calculation of the projection of future longevity risk allows for more accuracy than for other risks. Best estimate and stressed future cash flows are projected to capture the capital requirement at future points in time and the discounted cost of capital is derived. The capital requirement for other risk sub-groups are projected using a proxy approach, i.e. the projected capital requirements are estimated using appropriate carrier variables.

The Matching Adjustment Portfolio in Institutional Retirement and Retail is not assumed to be ring fenced for the purpose of the Risk Margin calculation.

### D.2.1.1.2 LEGAL & GENERAL RETAIL (INSURANCE CONTRACTS)

*Best Estimate Liabilities (BEL)*
Deterministic actuarial projection models are used, in line with the methodology described above.

*Risk Margin (RM)*
The RM is projected for each future year over the run-off of the business by risk sub-group. The projected RM is estimated, using appropriate proxy carrier variables, e.g. sum assured.

For reinsurance accepted into LGAS from Legal & General America (LGA), the RM capital requirement is projected over the run-off of the business, with run-off factors determined by projecting the in-force business with real world best estimate assumptions to discrete points in the future. The capital requirement in intermediate years is calculated using linear interpolation. Stresses are applied to the individual non-hedgeable risk types. The RM capital requirement as at the valuation date is projected forward using these run-off factors.

### D.2.1.1.3 UNIT LINKED (INCLUDING WORKPLACE SAVINGS)

*Best Estimate Liabilities (BEL)*
For valuation purposes, the projected cash flows for unit linked business assume no future premium payments in line with the definition of the contract boundary. The BEL is calculated as a combination of the bid value of policyholder units and a discounted value of future expected cash flows (i.e. expected fee income less expenses) over a suitable projection period using risk-free rates of return and best estimate experience assumptions.

The projection period differs for pooled business and segregated contracts, reflecting their inherently different contractual terms and conditions.

For the segregated business, the assets under management are excluded from the Solvency II balance sheet since these assets remain in the clients' possession. For the purposes of setting technical provisions under Solvency II rules, for segregated contracts the methodology directly reflects the Group's unilateral right to terminate the provided services upon one month's notice. Accordingly, the present value of future projected profits on segregated contracts would be calculated using a one month projection period, and applying this as a reduction in balance sheet liabilities. In practice, the value is taken to be zero. This proportionate approach gives materially the same overall result on the Solvency II basis.

*Risk Margin (RM)*
The RM is projected forward using appropriate proxy carrier variables for each relevant risk; for example, the operational risk component is based upon the projected value of funds under management. This is appropriate since movements in fund sizes can be expected to impact transaction volumes and hence impact operational risks.

### D.2.1.2 MAIN ASSUMPTIONS

This section covers the assumptions used in the calculation of the BEL for the Group's and LGAS's long-term insurance business.

Cash flow projections are determined using best estimate assumptions for each component of cash flow and for each policy group. The best estimate assumptions used in the valuation of the Solvency II BEL are broadly consistent with those used in respect of IFRS, with the exception of expense assumptions.

The best estimate assumptions are derived by reference to the most recent experience and any relevant market data e.g. future mortality improvement factors derived with reference to industry standard models issued by the Continuous Mortality Investigation.

Assumptions are set by following an established methodology which has been discussed with Group and LGAS Boards.

Assumptions are set for homogeneous risk groups to avoid introducing distortions that might arise from combining business with different characteristics. Further details of the main assumptions are provided in Annex 3 of this report.

### D.2.1.2.1 ECONOMIC ASSUMPTIONS

The economic assumptions have been set such that they reflect the economic conditions at the valuation date.

*Risk-free yield curve*
The yield curve used in the calculation of the TPs follows the methodology used by the PRA in their production of the technical information. The methodology applied is to construct zero coupon base rates from the underlying swap rates. The Group and LGAS use a continuously compounding version of this rate.

The Group and LGAS have received approval from the PRA to apply a MA, which allows for an increase to be applied to the risk-free yield curve for the MA portfolios. No other adjustments have been made to the risk-free rate.

*Inflation*
Expense inflation rates have been set by reference to external indicators as at the valuation date. Assumptions for claims inflation, such as for RPI-linked annuities, are set using an assessment of inflation implied by UK government bond yields or inflation swap curves.

*Unit growth*
For the calculation of the non-unit BEL on linked contracts, an assumption regarding the rate of future unit growth is required. The assumption made is that the growth rate before charges is the same as the risk-free discount rate.

### D.2.1.2.2 NON-ECONOMIC ASSUMPTIONS

*Expenses*
The cash flows used to calculate the BEL take into account administrative, investment, claims and acquisition expenses, allowing for future expense inflation. The assumptions for long-term maintenance unit costs are set based on the forecast expenses, suitably adjusted where necessary, and include overhead expenses in line with the approved methodology.

*Mortality and morbidity*
Regular investigations of mortality and morbidity experience against appropriate base tables are conducted, with the portfolio segmented by groups of contracts that are expected to exhibit similar mortality and/or morbidity trends. An investigation is normally carried out from time to time (typically every three years) to review the fit of the experience to an appropriate base mortality table. In other years, assumptions are compared to the results of the most recent experience investigations and revised where the experience implies a shift that is likely to be due to more than random fluctuation. The best estimate assumptions allow for claims incurred, but not reported, by the investigation date.

The assumption for annuitant mortality is set as a combination of a base table (i.e. the rate of mortality currently experienced by annuitants) plus future improvements (i.e. how the rates of mortality will change over time).
The mortality basis for retail protection business is set as a base table plus an allowance for deterioration in respect of contracts with critical illness cover benefits. Future mortality improvement assumptions are made for term and whole of life products.

For some classes where the reserves are insensitive to the chosen level of mortality, no investigation is carried out, but an assumption is set in line with available data.

*Persistency*
Persistency experience can include lapses, partial withdrawals and early retirement, where relevant. Persistency rates are reviewed annually for most products to determine the best estimate. This investigation generally uses three years of data with a six-month delay, to allow for lapses that the Group or LGAS have not been notified of at the date of the investigation, to generate weighted average (by premium) lapse rates. The long-term persistency assumptions are set using these lapse rates. Alternative approaches are used if it is considered that the exposure is insufficient for the experience to be credible, observed lapse rates are excessively volatile or it is expected that the lapse experience will change in future.

*Spouse demography*
For bulk purchase annuities, assumptions are required where an annuitant's spousal data is not available. These assumptions include the proportion of annuitants within the portfolio who are eligible for a spouse's benefit at the valuation date, and the difference in age between married couples at the time of death of the primary annuitant.

Regular investigations are carried out (at least every three years) to determine these assumptions by examining the experience of the portfolio and comparing these to published population projections.

Further details of the main assumptions are provided in Annex 3 of this report.

### D.2.1.3 MATERIAL CHANGES IN ASSUMPTIONS COMPARED TO THE PREVIOUS REPORTING PERIOD

The most material changes to assumptions from the previous reporting period to the current reporting period are listed below.

- mortality assumptions for UK annuity business have been updated to reflect the most recent experience, and annuitant mortality trend assumptions have been updated to the CMI 2022 model, with no change to the long-term improvement rates. In total, these changes led to a reduction in BEL for the Group of £294m gross of reinsurance, £69m net of reinsurance and for LGAS a reduction in BEL of £294m gross of reinsurance, £53m net of reinsurance
- there were minor changes to expense assumptions, persistency assumptions and mortality assumptions for insurance business, all to reflect the latest experience. In total, all of these changes increased BEL by approximately £200m.

### D.2.1.4 TRANSITIONAL MEASURES

The Group and LGAS do not apply the transitional risk-free interest rate-term structure.

Both the Group and LGAS apply the Transitional Measure on Technical Provisions (TMTP). The TMTP was recalculated at 31 December 2024 in accordance with Transitional Measure on Technical Provisions part of the PRA Rulebook.

As at 31 December 2024 the impact of not applying the transitional measure is provided in the table below:

| As at 31 December 2024 (£m) | Group Regulatory basis | Group Impact | Group Adjusted balance | LGAS Regulatory basis | LGAS Impact | LGAS Adjusted balance |
|---|---|---|---|---|---|---|
| Technical provisions | 395,648 | 685 | 396,333 | 169,371 | 549 | 169,920 |
| SCR[1] | 6,848 | 20 | 6,868 | 4,204 | 0 | 4,204 |
| MCR | | | | 1,388 | 5 | 1,393 |
| Basic Own Funds | 14,256 | (527) | 13,729 | 9,236 | (412) | 8,824 |
| Eligible Own Funds for SCR | 15,876 | (527) | 15,349 | 9,236 | (412) | 8,824 |
| Eligible Own Funds for MCR | | | | 9,236 | (412) | 8,824 |
| Capital coverage ratio | 232% | (9)% | 223% | 220% | (10)% | 210% |
| MCR coverage ratio | | | | 665% | (32)% | 633% |

1. The Solvency Capital Requirement is not subject to audit.

The TMTP has been calculated in line with PRA approvals and is not subject to audit.

### D.2.1.5 VOLATILITY ADJUSTMENT

Both the Group and LGAS do not apply a volatility adjustment.

### D.2.1.6 MATCHING ADJUSTMENT (MA)

In common with other UK annuity providers, the Group and LGAS have received approval from the PRA to apply a MA, in line with Rule 2.1 of the Matching Adjustment part of the PRA Rulebook.

The MA is applied as an addition to the risk-free interest rate term structure and applies to individual annuities and certain bulk purchase annuity schemes that meet the approved eligibility criteria. The assets contained within the MA portfolios are predominantly corporate bonds, but also long-term direct investments held in MA-eligible structures, such as infrastructure investments and lifetime mortgages. Included within the MA is the Fundamental Spread, which represents an allowance for the risk of default and downgrade.

In accordance with the PRA Rulebook, Matching Adjustment Attestations have been provided to the PRA for Group and LGAS by their respective Chief Financial Officers. The Attestations confirm for each entity that, as at 31 December 2024, the Fundamental Spread used in calculating the MA reflects compensation for all retained risks, and the MA can be earned with a high degree of confidence from the assets held in the relevant portfolio of assets.

As at 31 December 2024 the impact of removing the approval to use a MA is provided in the table below:

| As at 31 December 2024 (£m) | Group Regulatory basis | Group Impact | Group Adjusted balance | LGAS Regulatory basis | LGAS Impact | LGAS Adjusted balance |
|---|---|---|---|---|---|---|
| Technical provisions | 395,648 | 9,286 | 404,934 | 169,371 | 7,047 | 176,418 |
| SCR[1] | 6,848 | 13,056 | 19,904 | 4,204 | 9,122 | 13,326 |
| MCR | | | | 1,388 | 1,938 | 3,326 |
| Basic Own Funds | 14,256 | (7,188) | 7,068 | 9,236 | (5,285) | 3,951 |
| Eligible Own Funds for SCR | 15,876 | (7,188) | 8,688 | 9,236 | (5,285) | 3,951 |
| Eligible Own Funds for MCR | | | | 9,236 | (5,285) | 3,951 |
| Capital coverage ratio | 232% | (188)% | 44% | 220% | (190)% | 30% |
| MCR coverage ratio | | | | 665% | (546)% | 119% |

1. The Solvency Capital Requirement is not subject to audit.

Losing MA approval is a remote risk for the business; however, Rule 3.3.4 (1)(b) of the Reporting part of the PRA Rulebook requires the disclosure of the impact of a change to zero of the MA. We have an extensive controls framework to ensure our ongoing MA compliance and we have a regular dialogue with the PRA about our MA strategy.

The impact of long-term guarantees and transitional measures is disclosed in IR.22.01 (see Annex 1) using a cumulative approach, losing first TMTP and then also MA. The tables above reflect only the loss of either TMTP or MA. As a result, the results above may look different to those disclosed in IR.22.01.

## D.2.2 RECONCILIATION BETWEEN THE VALUATION OF IFRS TP AND SOLVENCY II GROSS BEL

The table below bridges the BEL under Solvency II to the IFRS liabilities:

| (£m) | Group 2024 | LGAS 2024 | Group 2023 | LGAS 2023 |
|---|---|---|---|---|
| **Closing IFRS liabilities**[1] | 419,605 | 179,133 | 408,318 | 162,659 |
| Removal of entities aggregated under Calculation Method 2 | (11,163) | - | (9,698) | - |
| Non-economic assumptions | 942 | 872 | 960 | 932 |
| Economic assumptions | 2,330 | 4,307 | 2,869 | 4,754 |
| Methodology differences[2] | (16,422) | (15,081) | (16,306) | (14,920) |
| **Closing Solvency II gross BELs** | 395,292 | 169,231 | 386,143 | 153,425 |

1. The balance does not include reinsurance contract liabilities of £170m (2023: £220m) for Group and £1m (2023: £9m) for LGAS.
2. Includes the removal of IFRS Risk Adjustment and Contractual Service Margin.

*Removal of entities aggregated under Calculation Method 2*

The Group has been granted approval to use Calculation Method 2 for the consolidation of the entities listed in section D Note 2. This reduces the Solvency II BEL by £11.2bn for entities consolidated under Calculation Method 2. The NAV contribution of these entities is brought through in the Solvency II balance sheet as participations.

*Non-economic Assumptions*

The increase in liabilities from non-economic assumption differences relates to differences in assumptions around future renewal and investment expenses. The IFRS 17 and SII BELs use consistent best estimate assumptions for other non-economic assumptions.

*Economic Assumptions*

The increase in liabilities from economic assumption differences primarily relates to the differences between discounting the cash flows at a risk-free interest rate term structure plus liquidity premium under IFRS and the risk-free interest rate term structure plus MA for eligible liabilities under Solvency II.

*Methodology differences*

The majority of this line includes the removal of the IFRS Risk Adjustment and Contractual Service Margin, which do not form part of the SII BEL. Other methodology changes arise from differences in the accounting treatment of negative non-unit liabilities, outstanding claims, which are included in the IFRS liabilities but not included in the BEL, and from differences in the consolidation of intra-group reinsurance.

### D.2.3 REINSURANCE RECOVERABLES

The calculation of the reinsurance recoverable asset is consistent with the calculation of the gross BEL described above, except that where a MA is applied to the gross BEL on eligible business, the equivalent reinsurance recoverable asset will be discounted at the risk-free interest rate term structure, excluding MA. The reinsurance recoverable asset is adjusted for the best estimate probability of reinsurer default and includes an allowance for the timing difference between recoveries and reinsurance payments.

Reinsurance recoverables are described in Section D.1.1.5 above. The Group and LGAS have no SPVs authorised under the Group Supervision part of the PRA Rulebook.

The Group held reinsurance recoverables of £7,146m as at 31 December 2024 (2023: £5,278m), of which £7,069m (2023: £5,051m) is related to Life business (excluding health, index-linked and unit-linked).

Table below illustrates the adjustments made to BEL for reinsurance recoverables for LGAS:

| **As at 31 December 2024 (£m)** | **Gross technical provisions** | **Reinsurance recoverables** | **Net technical provisions** |
|---|---|---|---|
| Index-linked and unit-linked insurance | **(92,385)** | **93,232** | **847** |
| Other life insurance | **(76,741)** | **25,696** | **(51,045)** |
| Health insurance | **(201)** | **49** | **(152)** |
| Non-life non-proportional property reinsurance | **(44)** | **28** | **(16)** |
| **Total** | **(169,371)** | **119,005** | **(50,366)** |

| As at 31 December 2023 (£m) | Gross technical provisions | Reinsurance recoverables | Net technical provisions |
|---|---|---|---|
| Index-linked and unit-linked insurance | (79,032) | 79,653 | 621 |
| Other life insurance | (74,051) | 23,530 | (50,521) |
| Health insurance | (303) | 163 | (140) |
| Non-life non-proportional property reinsurance | (85) | 64 | (21) |
| Total | (153,471) | 103,410 | (50,061) |

### D.2.4 LEVEL OF UNCERTAINTY ASSOCIATED WITH THE VALUE OF TECHNICAL PROVISIONS (TP)

The assumptions underpinning the Technical Provisions calculations are the best estimate view of the Group and LGAS. As one of the UK's largest life insurers, both the Group and LGAS have a significant amount of data regarding their own historic experience. Experience investigations using this data are undertaken regularly and the results are used to inform the choice of best estimate assumptions. This is augmented by expert judgement, in particular where past experience is not considered to be an appropriate reflection of future expectations.

The Group and LGAS remain exposed to certain key areas of risk, including:

- future levels of mortality for UK and US annuity business. This remains a material source of uncertainty, but experience is closely monitored, and assumptions are reviewed regularly, taking into account the latest available data
- market conditions. TP can be very sensitive to changes in certain economic conditions, including inflation, interest rates, credit default rates, and equity markets. The Group and LGAS has strategies in place to limit the exposure to these risks, but a certain level of uncertainty remains
- early termination rates. Policyholder behaviour can be unpredictable. In some cases, decisions made by policyholders to terminate policies can have a significant impact on TP. This is a particular risk for US Term business where lapse rates are subject to a shock lapse at the end of the level term period.

The level of uncertainty in TP is mitigated through the use of reinsurance to reduce exposure to particularly significant risks such as life expectancy.

## D.3 OTHER LIABILITIES

The Group's other liabilities under Solvency II are £69,351m (2023: £54,261m) compared to the total value of other liabilities under IFRS of £120,881m (2023: £108,773m).

| Other liabilities (£m) | 2024 | 2023 |
|---|---|---|
| Solvency II valuation of other liabilities | **69,351** | 54,261 |
| IFRS valuation of other liabilities | **120,881** | 108,773 |
| **Difference** | **51,530** | 54,512 |
| Explained by: | | |
| Differences in the consolidation approach | **50,784** | 55,323 |
| Conversion to aggregation under Calculation Method 2 | **2,065** | 1,552 |
| Solvency II valuation differences | **(1,319)** | (2,363) |
| **Difference** | **51,530** | 54,512 |

Changes to the consolidation approach and use of Calculation Method 2 are as described above in Section D.1. Details of the Group's other liabilities and the impact of valuation differences under IFRS are shown below for the Group:

| **Other liabilities as at 31 December 2024 (£m)** | Notes | **Solvency II** | **IFRS** | **Variance** | **Differences due to IFRS valuation** |
|---|---|---|---|---|---|
| Provisions other than technical provisions | | **59** | **149** | **(90)** | **-** |
| Pension benefit obligations | | **-** | **3** | **(3)** | **-** |
| Deposits from reinsurers | D.3.1 | **269** | **-** | **269** | **269** |
| Deferred tax liabilities | D.3.2 | **1,037** | **197** | **840** | **777** |
| Derivatives | | **56,446** | **57,873** | **(1,427)** | **-** |
| Debts owed to credit institutions | D.3.3 | **712** | **3,988** | **(3,276)** | **-** |
| Insurance and intermediaries payables | D.3.4 | **597** | **49** | **548** | **549** |
| Reinsurance payables | D.3.5 | **251** | **-** | **251** | **251** |
| Payables (trade, not insurance) | | **6,576** | **54,899** | **(48,323)** | **(131)** |
| Subordinated liabilities | D.3.6 | **3,404** | **3,711** | **(307)** | **(384)** |
| Any other liabilities, not shown elsewhere | D.3.7 | **-** | **12** | **(12)** | **(12)** |
| **Total** | | **69,351** | **120,881** | **(51,530)** | **1,319** |

| Other liabilities as at 31 December 2023 (£m) | Notes | Solvency II | IFRS | Variance | Differences due to IFRS valuation |
|---|---|---|---|---|---|
| Provisions other than technical provisions | | 151 | 244 | (93) | - |
| Pension benefit obligations | | - | 14 | (14) | - |
| Deposits from reinsurers | D.3.1 | - | - | - | - |
| Deferred tax liabilities | D.3.2 | 902 | 107 | 795 | 709 |
| Derivatives | | 40,329 | 43,821 | (3,492) | - |
| Debts owed to credit institutions | D.3.3 | 720 | 2,432 | (1,712) | 45 |
| Insurance and intermediaries payables | D.3.4 | 657 | 92 | 565 | 567 |
| Reinsurance payables | D.3.5 | 1,601 | - | 1,601 | 1,601 |
| Payables (trade, not insurance) | | 6,440 | 58,336 | (51,896) | (213) |
| Subordinated liabilities | D.3.6 | 3,461 | 3,688 | (227) | (307) |
| Any other liabilities, not shown elsewhere | D.3.7 | - | 39 | (39) | (39) |
| Total | | 54,261 | 108,773 | (54,512) | 2,363 |

LGAS other liabilities as at 31 December 2024 and the impact of valuation differences under IFRS are as below:

| **Other liabilities as at 31 December 2024 (£m)** | Notes | **Solvency II** | **IFRS** | **Differences due to IFRS valuation** |
|---|---|---|---|---|
| Provisions other than technical provisions[1] | | **27** | **27** | **-** |
| Deposits from reinsurers | D.3.1 | **18,464** | **-** | **18,464** |
| Deferred tax liabilities | D.3.2 | **877** | **-** | **877** |
| Derivatives[2] | | **56,249** | **56,249** | **-** |
| Debts owed to credit institutions | | **4** | **4** | **-** |
| Insurance and intermediaries payables | D.3.4 | **593** | **44** | **549** |
| Reinsurance payables | D.3.5 | **251** | **-** | **251** |
| Payables (trade, not insurance) | | **6,076** | **6,175** | **(99)** |
| Any other liabilities, not shown elsewhere | D.3.7 | **-** | **-** | **-** |
| **Total** | | **82,541** | **62,499** | **20,042** |

| Other liabilities as at 31 December 2023 (£m) | Notes | Solvency II | IFRS | Differences due to IFRS valuation |
|---|---|---|---|---|
| Provisions other than technical provisions[1] | | 22 | 22 | - |
| Deposits from reinsurers | D.3.1 | 18,379 | - | 18,379 |
| Deferred tax liabilities | D.3.2 | 716 | - | 716 |
| Derivatives | | 40,145 | 40,145 | - |
| Debts owed to credit institutions | | 4 | 4 | - |
| Insurance and intermediaries payables | D.3.4 | 656 | 89 | 567 |
| Reinsurance payables | D.3.5 | 1,248 | - | 1,248 |
| Payables (trade, not insurance) | | 11,768 | 11,926 | (158) |
| Any other liabilities, not shown elsewhere | D.3.7 | - | 2 | (2) |
| Total | | 72,938 | 52,188 | 20,750 |

1. IFRS include the provision recognised on an onerous contract which reflected in the BELs under SII.
2. As noted in D.1, IFRS derivative liability figure has been adjusted to net down £2.3bn of derivative asset and derivative liability. No impact on net balance sheet position. This adjustment is made for presentational purposes as the variance reported in this table is specific to valuation differences between IFRS and SII basis.

## D.3.1 DEPOSITS FROM REINSURERS

Deposits from reinsurers represent funds withheld payable from LGAS to Legal & General Reinsurance Company Limited (L&G Re) of £18.2bn and external funds withheld payable of £0.3bn entered during 2024 on non-proportionate UK PRT reinsurance.

The fund withheld balance has been included in TP under IFRS and being shown as deposits from insurers under Solvency II basis. This gives rise to a presentation difference for Group of £269m (2023: Nil) and LGAS of £18,464m (2023: £18,379m).

## D.3.2 DEFERRED TAX LIABILITIES

Deferred tax asset and liabilities are valued and measured in accordance with IFRS principles, with the exception that the carrying value of assets and liabilities for the calculation of temporary differences are the carrying values ascribed under Solvency II. Deferred tax is recognised on unused losses to the extent that it is probable that future taxable profits will arise, against which the losses can be utilised. There is an immaterial amount of non-expiring unused losses, for which no deferred tax asset is recognised on the Solvency II balance sheet.
Differences between the value of deferred tax assets and liabilities under Solvency II and IFRS arise mainly on the valuation of technical provisions, investments and intangible assets. Under IFRS, the adoption of IFRS 17 and IFRS 9 resulted in the recognition of a £1,356m net deferred tax asset on the IFRS balance sheet.

The net deferred tax liability on the Group's Solvency II balance sheet of £1,037m (2023: £902m) and the equivalent net deferred tax liability on the IFRS balance sheet are summarised below:

| Deferred tax (£m) | Solvency II 2024 | IFRS 2024 | Solvency II 2023 | IFRS 2023 |
|---|---|---|---|---|
| Deferred tax assets | - | 1,741 | - | 1,714 |
| Deferred tax liabilities | (1,037) | (197) | (902) | (107) |
| **Net deferred tax assets/(liabilities)** | **(1,037)** | **1,544** | (902) | 1,607 |

| As at 31 December 2024 (£m) | Solvency II | IFRS |
|---|---|---|
| Deferred acquisition expenses | 1 | - |
| Difference between the tax and accounting value of insurance contracts and other assets and liabilities | (1,269) | 1,509 |
| Realised and unrealised gains on investments | 14 | (176) |
| Excess of depreciation over capital allowances | 9 | 9 |
| Accounting provisions and other | (1) | - |
| Trading losses | 139 | 139 |
| Acquired intangibles | 70 | - |
| **Net deferred tax assets/(liabilities)** | **(1,037)** | **1,481** |
| 'Holdings In Related Undertakings Line' on Solvency II balance sheet | | 42 |
| Net deferred tax liabilities valued on a Method 2 on Solvency II balance sheet | | 21 |
| **Net deferred tax assets/(liabilities) – IFRS balance sheet** | | **1,544** |

There are no material unrecognised deferred tax assets.

LGAS has a total deferred tax liability on the Solvency II balance sheet of £877m (2023: £716m) and a deferred tax asset on the IFRS balance sheet of £1,034m (2023: £1,136m), comprised of the following material components:

| Deferred tax (£m) | Solvency II 2024 | IFRS 2024 |
|---|---|---|
| Difference between the tax and accounting value of insurance contracts and other assets and liabilities | (1,081) | 1,184 |
| Realised and unrealised gains/(losses) on investments | 117 | (167) |
| Excess of depreciation over capital allowances | 8 | 8 |
| General provision | 9 | 9 |
| Acquired intangibles | 70 | - |
| **Total deferred tax asset/(liability)** | **(877)** | **1,034** |

None of the above deferred tax assets or liabilities have an expiration date.

### D.3.3 DEBTS OWED TO CREDIT INSTITUTIONS

Under IFRS, debts owed to credit institutions are held at amortised cost less impairment. On the Solvency II balance sheet bank loans are valued at fair value, excluding changes in own credit risk. This is no valuation difference for the Group for 2024 (2023: £45m).

### D.3.4 INSURANCE AND INTERMEDIARIES PAYABLES

All insurance payables are measured at fair value in line with IFRS. Outstanding claims which are included in insurance contract liabilities under IFRS are presented as payables under Solvency II, and this gives rise to a presentational difference of £549m (2023: £567m) which is offset by a corresponding difference in Technical Provisions.

### D.3.5 REINSURANCE PAYABLES

Reinsurance payables are valued at fair value in line with IFRS. Reinsurance premium payable which are included in reinsurance assets under IFRS are presented as payables under Solvency II, and this gives rise to a presentational difference of £251m (2023: £1,601m) for Group and £251m (2023: £1,248m) for LGAS, which is offset by a corresponding difference in reinsurance recoverables.

In 2023, the Group signed a letter of commitment for a reinsurance arrangement on PRT business and the reinsurance contract was signed after year end. This results in a difference in valuation between IFRS and Solvency II. Under IFRS, the premium payable will not be recognised until the contract signing date.

### D.3.6 SUBORDINATED LIABILITIES

Under IFRS subordinated liabilities are held at amortised cost less impairment. On the Solvency II balance sheet subordinated liabilities are valued at fair value, excluding changes in own credit risk.

The fair value of subordinated liabilities is determined by utilising a pricing function where the yield has been adjusted to exclude changes in own credit (equal to current risk free rate plus credit spread at inception). This has been derived as follows:

- the 'risk free' rate is equal to the rate of a UK treasury bond with similar maturity date and other characteristics to the Group subordinated debt instrument at the balance sheet date
- the 'credit spread' is equal to the spread of the Group subordinated debt instrument as at the date it was issued (as opposed to the balance sheet date).

This gives rise to a valuation difference of £384m (2023: £307m) between Solvency II and IFRS.

### D.3.7 ANY OTHER LIABILITIES, NOT SHOWN ELSEWHERE

The balance represents deferred income liabilities. Similar to the treatment of intangible assets, deferred income liabilities are not recognised in the Solvency II balance sheet. This gives rise to a valuation difference for the Group of £12m (2023: £39m) and Nil (2023: £2m) for LGAS.

### D.3.8 CHANGES IN ASSUMPTION AND VALUATION BASES

There have been no significant changes in assumptions, valuation bases or estimations for other liabilities in the reporting period.

## D.4 ALTERNATIVE METHODS FOR VALUATION

L&G has in place a group-wide valuation policy, which sets out the requirements to ensure that all assets across the Group, using alternative valuation methods, are governed, controlled and valued in a manner that is appropriate and consistent with the requirements of Section 11A of the Conditions Governing Business part of the PRA Rulebook. This policy includes a requirement for ensuring valuation models are reviewed on a timely basis to compare the adequacy of assets and liabilities against experience.

A Group Asset Valuation Committee (the Committee) monitors the application of the processes and compliance with the Group policy. This includes setting the policies to ensure appropriate documentation, including documentation of the models, significant assumptions and limitations, sensitivities and an assessment of the resulting valuations.

The Committee is responsible for the oversight of asset valuations for each of the Solvency II regulated entities, for Legal & General Capital Investments Limited, L&G Re2 and the US business, to confirm its asset values for Calculation Method 2. The Committee receives management information relating to each significant entity on their assessments of valuation uncertainty and provides oversight and challenge to these.

Whilst the Committee reviews all assets to which the shareholder has some exposure, its main focus is on assets which present the highest level of valuation uncertainty. These assets include:

### *Private Credit (including commercial real estate loans)*

These are illiquid private assets and valuations are derived by using a discounted future cash flow approach with yields based on selected comparator bonds with similar durations and investment grades, combined with an assumption on the initial spread of the investment.

Valuation uncertainty is assessed by adjusting the discount rate for reasonable alternative assumptions in relation to duration and credit quality of the counterparty.

### *Income strips*

These are property investment assets with lease durations typically in excess of 30 years. This asset class is valued using a yield to maturity discounted future cash flow approach based on comparator bond durations and investment grades, combined with assumptions on initial spread and future inflation factors.

The valuation uncertainty element has been assessed by calculating sensitivities to fixed income yields, property yields and a fixed sensitivity in line with applicable case law. Each sensitivity is then weighted appropriately to determine an overall sensitised value.

### *Lifetime mortgage loans*

There is no relevant market-observable value for lifetime mortgage assets. However, the amount paid to acquire the assets at outset is objective and is assumed to be the market value of the loan at the start date.

Each lifetime mortgage loan is valued by projecting the expected proceeds and discounting at an appropriate discount rate. The main component of the spread is an estimate of the expected spread if the loan were issued on terms currently offered on new loans (with comparable LTVs). This spread will change over time and aims to capture movements in the illiquidity premium available from investing in such lifetime mortgage assets.

To project the expected proceeds, the assumptions include expected future property prices, volatility of property price growth, costs of selling the properties, the expected impact of the no negative equity guarantee, decrement rates (mortality, morbidity and prepayment, as well as timing lags), and running expenses. Valuation uncertainty has been assessed by applying sensitivities to those key valuation assumptions.

The asset valuation has been subjected to a variety of sensitivity tests covering reasonable ranges.

### *Investment property*

Due to the non-heterogeneity of the property portfolio, the valuation of the Group's investment property assets are provided by external valuation experts on a quarterly basis which are calibrated to recent precedent transactions in the market place. The external valuations are performed in line with professional valuation standards as prescribed by the Royal Institute of Chartered Surveyors.

Valuation uncertainty has been estimated by using various sensitivity analyses, by property type, to property yields and a sensitivity in line with applicable case law. Each sensitivity is then weighted appropriately to determine an overall sensitised value.

*Sale and Leaseback arrangements*

For Group companies, these are valued as investment property.

The Sale and Leaseback transactions are valued quarterly by CBRE, a commercial real estate services and investment firm, who also provide a market value and a vacant possession value, both of which are used to split the value of the Sale and Leaseback assets into a rental cash flow stream and a property residual value. External property valuations are performed in line with professional valuation standards as prescribed by the Royal Institute of Chartered Surveyors. The Sale and Leaseback assets in LGAS are held through securitised notes and classified as debt instruments.

*Non-traded or illiquid bonds and equities*

Illiquid fixed income securities are valued using a price from the counterparty broker to the deal where possible. Where this is not available, the Group uses the purchase or issue price. Illiquid equity valuations are derived in line with IPEV guidelines, by establishing a valuation with reference to relevant market, income and cost factors. These valuations are subject to internal review through independent asset valuation committees. Where possible, the valuations are reviewed by independent expert valuation companies.

Following the completion of these processes the Group has concluded that its assets are valued appropriately in accordance with the Valuation part of the PRA Rulebook and appropriately reflect consideration of valuation uncertainty.

### D.4.1 ADEQUACY OF THE VALUATION COMPARED TO EXPERIENCE

Where possible, the Group policy aims to value its assets using prices obtained from independent pricing providers. Where independent pricing is obtained, quality checks are performed to ensure valuations are appropriate. These include comparisons to like prices received from multiple providers, comparisons to previous day or period reported prices, spread tolerances built within the pricing, benchmarking to relevant indices and other tolerance-based analyses. Deviations from tolerances are investigated and reported through the relevant asset governance process.

For assets where mark-to-market valuations from independent pricing providers are not available, the Group performs reviews to validate and verify the continued suitability of the model for valuation purposes. This includes verification of the information, data, assumptions and output of the model, and a review of the model to ensure that it is still appropriate. The latter might consider external factors such as developments in standard modelling techniques for the asset in question, or internal factors such as evidence of the valuation against purchases or disposals of similar assets.

# E. Capital Management[5]

## E.1 OWN FUNDS

### E.1.1 OBJECTIVES FOR MANAGING OWN FUNDS

Both the Group and LGAS boards have established Risk Appetite statements to set the overall objective for capital; entities aim to maintain an appropriate buffer of capital resources over the minimum regulatory capital requirements. The boards set a quantitative risk appetite for the Solvency II coverage ratio and this is used to monitor the position relative to the risk appetite.

The Group Management Committee (including its sub-committee the Investment Committee, previously the Group Capital Committee) considers and approves matters such as capital allocation, new product lines, large transactions and capital investments, mergers and acquisition transactions, direct investments and other material group-wide matters that may arise.

The Group's capital position is monitored by the Group Management Committee and GRC on a monthly basis or more frequently if deemed appropriate. These committees identify if actions are required in order to maintain the Group capital position.

Each year both the Group and LGAS prepare a five-year Capital Plan, consistent with their respective strategic and business plans, to forecast how the capital position is expected to develop over the business planning period and to consider the impact of the strategy on the capital position. Performance against the Capital Plan is monitored on a regular basis and is used to inform decisions on the entity's capital structure and dividend policy.

Regarding the Group's capital management, a combination of methods, as referred to in Sections 11 to 12 of the Group Supervision part of the PRA Rulebook is used to calculate the Group solvency. The method used for each individual undertaking in the Group is described in Column C0260 of the QRT IR.32.01 (shown in Annex 1 of this report).

There have been no significant changes in the objectives for managing Own Funds in the year.

5. The calculation of the Risk Margin, Solvency Capital Requirement and Transitional Measures on Technical Provisions, referenced within this section, are not subject to audit.

## E.1.2 QUANTITATIVE EXPLANATION OF OWN FUNDS

The components of IFRS equity and Solvency II Own Funds for the Group as at 31 December 2024 are as follows:

| (£m) | IFRS Equity 2024 | Solvency II Own Funds 2024 | IFRS Equity 2023 | Solvency II Own Funds 2023 |
|---|---|---|---|---|
| Ordinary shares | **147** | **147** | 149 | 149 |
| Share premium | **1,036** | **1,036** | 1,030 | 1,030 |
| Preference share (Tier 1 notes) | **495** | **495** | 495 | 495 |
| Retained earnings and other reserves | **1,833** | **-** | 3,110 | - |
| Reconciliation reserve | **-** | **10,247** | - | 11,635 |
| Own funds of other financial sectors[1] | **-** | **547** | - | - |
| Subordinated liabilities | **-** | **3,404** | - | 3,460 |
| **Total** | **3,511** | **15,876** | 4,784 | 16,769 |

1. In 2023, the own funds of Other financial sectors were included within the Reconciliation reserve. Follow the presentation change requirement from Solvency II UK Reform on 31 December 2024, own funds of other financial sectors are disclosed separately from the reconciliation reserve.

The components of IFRS equity and Solvency II Own Funds for LGAS as at 31 December 2024 are as follows:

| (£m) | IFRS Equity 2024 | Solvency II Own Funds 2024 | IFRS Equity 2023 | Solvency II Own Funds 2023 |
|---|---|---|---|---|
| Ordinary shares | **651** | **651** | 651 | 651 |
| Share premium | **1,049** | **1,049** | 1,049 | 1,049 |
| Retained earnings and other reserves | **1,803** | **-** | 2,602 | - |
| Reconciliation reserve | **-** | **7,536** | - | 8,157 |
| **Total** | **3,503** | **9,236** | 4,302 | 9,857 |

## E.1.3 STRUCTURE, AMOUNT, AND QUALITY OF BASIC OWN FUNDS

All Group Own Funds have been assessed as Basic Own Funds. There are no ancillary Own Fund items included in total Own Funds. Basic Own Funds have been assessed against Section 3, 3A and 3B of the Own Funds part of the PRA Rulebook.

The structure and quality of the Group's Own Funds by tier is as follows:

| **As at 31 December 2024 (£m)** | Notes | **Total** | **Tier 1 Unrestricted** | **Tier 1 Restricted** | **Tier 2** | **Tier 3** |
|---|---|---|---|---|---|---|
| Ordinary share capital (gross of own shares) | E.1.4.1 | **147** | **147** | **-** | **-** | **-** |
| Share premium account related to ordinary share capital | E.1.4.1 | **1,036** | **1,036** | **-** | **-** | **-** |
| Restricted Tier 1 notes | E.1.4.2 | **495** | **-** | **495** | **-** | **-** |
| Reconciliation reserve[1] | E.1.4.3 | **10,247** | **10,247** | **-** | **-** | **-** |
| Own funds of other financial sectors[2] | | **547** | **547** | **-** | **-** | **-** |
| Subordinated liabilities | E.1.4.5 | **3,404** | **-** | **-** | **3,404** | **-** |
| **Total Basic Own Funds** | | **15,876** | **11,977** | **495** | **3,404** | **-** |
| Restrictions to Own Funds | E.1.5 | **-** | **-** | **-** | **-** | **-** |
| Total Eligible Own Funds to cover the SCR | | **15,876** | **11,977** | **495** | **3,404** | **-** |
| Total Eligible Own Funds to cover the MCR[3,4] | | **11,201** | **10,357** | **495** | **349** | **-** |

| As at 31 December 2023 (£m) | Notes | Total | Tier 1 Unrestricted | Tier 1 Restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| Ordinary share capital (gross of own shares) | E.1.4.1 | 149 | 149 | - | - | - |
| Share premium account related to ordinary share capital | E.1.4.1 | 1,030 | 1,030 | - | - | - |
| Restricted Tier 1 notes | E.1.4.2 | 495 | - | 495 | - | - |
| Reconciliation reserve[1] | E.1.4.3 | 11,635 | 11,635 | - | - | - |
| Subordinated liabilities | E.1.4.5 | 3,460 | - | - | 3,460 | - |
| Total Basic Own Funds | | 16,769 | 12,814 | 495 | 3,460 | - |
| Restrictions to Own Funds | E.1.5 | (223) | (223) | - | - | - |
| Total Eligible Own Funds to cover the SCR | | 16,546 | 12,591 | 495 | 3,460 | - |
| Total Eligible Own Funds to cover the MCR[3,4] | | 12,317 | 11,443 | 495 | 379 | - |

1. Excludes £27m (2023: £20m) of other non-available own funds, see E.1.5.
2. In 2023, the own funds of Other financial sectors were included within the Reconciliation reserve. Follow the presentation change requirement from Solvency II UK Reform on 31 December 2024, own funds of other financial sectors are disclosed separately from the reconciliation reserve.
3. Excludes Own Funds from Other financial sectors firms and from the undertakings included via Calculation Method 2.
4. Tier 2 funds eligible to meet the MCR are capped at 20% of the MCR, as specified in Article 82 of the Delegated Regulation.

An analysis of significant movements in the items of Basic Own Funds during the period is provided in Section E.1.4. Further details on the restrictions to Own Funds are provided in Section E.1.5.

Group Own Funds are based on the consolidated Group IFRS balance sheet, from which all intra-group transactions have been eliminated, and Solvency II adjustments are performed net of intra-group transactions.

All of LGAS's Own Funds have been assessed as Basic Own Funds. There are no Ancillary Own Fund items included in total Own Funds. Basic Own Funds have been assessed against Section 3, 3A and 3B Own Funds of the PRA Rulebook and have accordingly all been categorised as Tier 1 unrestricted own funds.

There are no items of Own Funds subject to transitional arrangements for LGAS.

## E.1.4 DETAILS OF OWN FUNDS ITEMS AND ANALYSIS OF SIGNIFICANT MOVEMENTS IN OWN FUNDS DURING THE YEAR

### E.1.4.1 ORDINARY SHARE CAPITAL AND SHARE PREMIUM

As at 31 December 2024, the Group had an aggregate issued and paid up ordinary share capital of £147m (2023: £149m) and share premium of £1,036m (2023: £1,030m). The share premium increased by £6m during the year as a result of the issuance of shares for savings related share options exercised during the year under employee share option schemes.

As at 31 December 2024, LGAS had an aggregate issued and paid up ordinary share capital of £651m (2023: £651m) and share premium of £1,049m (2023: £1,049m).

### E.1.4.2 RESTRICTED TIER 1 NOTES

On 24 June 2020, Legal & General Group Plc issued £500m of 5.625% perpetual restricted Tier 1 contingent convertible notes. The notes are callable at par between 24 March 2031 and 24 September 2031 (the First Reset Date) inclusive and every 5 years after the First Reset Date. If not called, the coupon from 24 September 2031 will be reset to the prevailing five year benchmark gilt yield plus 5.378%. The notes have no fixed maturity date. Optional cancellation of coupon payments is at the discretion of the issuer and mandatory cancellation is upon the occurrence of certain conditions. The Tier 1 notes are therefore treated as equity and coupon payments are recognised directly in equity when paid. During the year coupon payments of £28m were made (2023: £28m). The notes rank junior to all other liabilities and senior to equity attributable to owners of the parent. On the occurrence of certain conversion trigger events the notes are convertible into ordinary shares of the issuer at the prevailing conversion price. The notes are treated as restricted Tier 1 own funds for Solvency II purposes. The Solvency II value of these notes at 31 December 2024 was £495m (2023: £495m).

### E.1.4.3 RECONCILIATION RESERVE

The Reconciliation reserve is a core component of Basic Own Funds. The following table sets out how the reconciliation reserve is determined:

| (£m) | Group 2024 | LGAS 2024 | Group 2023 | LGAS 2023 |
|---|---|---|---|---|
| Excess of assets over liabilities | **12,499** | **9,236** | 13,329 | 9,857 |
| Ordinary share capital | **(147)** | **(651)** | (149) | (651) |
| Share premium account | **(1,036)** | **(1,049)** | (1,030) | (1,049) |
| Preference share (Tier 1 notes) | **(495)** | **-** | (495) | - |
| Deductions for participations in financial and credit institutions[1] | **(547)** | **-** | - | - |
| Other non-available own funds[2] | **(27)** | **-** | (20) | - |
| **Reconciliation reserve** | **10,247** | **7,536** | 11,635 | 8,157 |

1. The own funds of participations in financial and credit institutions are shown as a separate item from the reconciliation reserves following the change in reporting requirements of Solvency II UK reform.
2. Details of other non-available own funds are provided in E.1.5.

The Reconciliation Reserve is predominantly made up of the excess of assets over liabilities, adjusted for ordinary share capital, the share premium account and restricted Tier 1 notes, which are presented as separate components of Own Funds.

### E.1.4.4 ANALYSIS OF MOVEMENT IN OWN FUNDS

An analysis of significant movements in Own Funds during the year is provided below:

| (£m) | Group Own Funds | LGAS Own Funds |
|---|---|---|
| Own Funds as at 31 December 2023 | **16,546** | **9,857** |
| Net surplus generation | **1,971** | **1,036** |
| Dividend paid | **(1,230)** | **(1,199)** |
| Share buyback | **(201)** | **-** |
| Other operating and non-operating variances | **(1,210)** | **(457)** |
| **Own Funds as at 31 December 2024** | **15,876** | **9,237** |

The decrease in the Group's Own Funds is primarily from £1,210m of other operating and non-operating variances as well as dividend payments of £1,230m to shareholders during the year. These were offset by the net surplus generation of £1,971m from the books of existing and new business, which includes the release of Risk Margin and TMTP.

The decrease in LGAS total Own Funds is primarily from the dividend payments of £1,199m to Legal & General Insurance Holdings Limited (LGAS's immediate parent) and £457m of other operating and non-operating variances during the year, offset by the net surplus generation of £1,036m from the books of existing and new business.

Other operating and non-operating variances include experience variances, market movements and assumption changes, including those described in Section D.2.1.3.

### E.1.4.5 SUBORDINATED LIABILITIES

In assessing the quality of each material Own Fund item, the Group has considered, along with the outstanding duration, the extent to which it is available against the following criteria:

- rank on insolvency before policyholder or non-subordinated creditors
- encumbrances or connected transactions
- obligation to pay distributions or coupons whilst in breach of the SCR
- ability to redeem without supervisory approval.

The Group's subordinated liabilities are given in the following table:

| Solvency II Own Funds classification | Coupon rate (%) | Issue date | Maturity date | Call date[1] | Issue amount | Solvency II value 2024 (£m) | Solvency II value 2023 (£m) |
|---|---|---|---|---|---|---|---|
| Tier 2[2] | 5.500 | 27/06/2014 | 27/06/2064 | 27/06/2044 | £600m | **493** | 545 |
| Tier 2 | 5.375 | 27/10/2015 | 27/10/2045 | 27/10/2025 | £600m | **594** | 588 |
| Tier 2 | 5.250 | 21/03/2017 | 21/03/2047 | 21/03/2027 | $850m | **666** | 650 |
| Tier 2 | 5.550 | 24/04/2017 | 24/04/2052 | 24/04/2032 | $500m | **358** | 362 |
| Tier 2 | 5.125 | 14/11/2018 | 14/11/2048 | 14/11/2028 | £400m | **367** | 372 |
| Tier 2 | 3.750 | 26/11/2019 | 26/11/2049 | 26/11/2029 | £600m | **515** | 524 |
| Tier 2 | 4.500 | 01/05/2020 | 01/11/2050 | 01/11/2030 | £500m | **411** | 419 |
| **Total subordinated debt** | | | | | | **3,404** | 3,460 |

1. Notes are callable every 5 years following the first call date.
2. Subject to transitional arrangements.

The Group has concluded that all subordinated liabilities are available following assessment against the criteria listed above.

Over 2024 the value of the subordinated debt decreased by £56m to £3,404m (2023: £3,460m). This was driven by the changes in the risk-free rates used for the Solvency II valuation of subordinated liabilities which are reflected within Other operating and non-operating variances in Section E.1.4.4.

The Group has performed a review of each of the debt instruments treated as Group capital resources under the Solvency I regime against the required features in the Solvency II regulations and the transitional measures. The instruments have been classified under the Solvency II transitional arrangements as required.

The specific rationale for one of the instruments being subject to transitional arrangements rather than Solvency II compliant in their own right is as follows: Solvency II requires the suspension of repayment or redemption of instruments in case of non-compliance with SCR or upon insolvent issuer winding up. It also requires mandatory coupon deferral upon breach of SCR. This instrument does not contain either one or both of these features.
LGAS has no subordinated liabilities.

### E.1.5 RESTRICTIONS TO OWN FUNDS

A number of non-insurance regulated entities across the Group (e.g. Legal & General Investment Management (Holdings) Limited[6]) have an additional regulatory capital requirement above the capital requirement (sectorial basis) used in the Solvency Capital Requirement (SCR) calculation. These entities' Own Funds items are eligible to meet the SCR of the regulated subsidiary but historically cannot be made available to cover the Solvency Capital Requirements of firms elsewhere in the Group, resulting in a restriction to be reflected in the Group Eligible Own Funds.

From 2024 year end, the sectoral restriction of regulated non-insurance firms in relation to capital requirements has been removed from as restriction to own funds and is included as an increase to the SCR. As at 31 December 2024 the impact on restriction is £nil (2023: £223m).

As at 31 December 2024 there were no restrictions on the Own Funds for any of the Matching Adjustment Portfolios (MAPs) within the Group and LGAS (2023: nil).

The Group has set aside an additional £27m in relation to the L&G MasterTrust arrangement and treated it as a non-available own funds item during 2024 (2023: £20m).

[6] Legal & General Investment Management (Holdings) Limited was renamed to L&G – Asset Management Limited on 7 March 2025.

## E.1.6 RECONCILIATION BETWEEN IFRS EQUITY AND EXCESS OF ASSETS OVER LIABILITIES

The reconciliation between IFRS equity and Solvency II excess of assets over liabilities for Group is shown below:

| (£m) | Notes | 2024 | 2023 |
|---|---|---|---|
| IFRS equity | | **3,511** | 4,784 |
| Solvency II Excess of assets over liabilities | | **12,499** | 13,329 |
| **Difference** | | **8,988** | 8,545 |
| Explained by: | | | |
| Elimination of intangibles[1] | | **(278)** | (448) |
| Difference in the valuation of investment assets | D.1.1.3 | **(1,116)** | (845) |
| Conversion to aggregation under the Calculation Method 2 | D | **528** | 433 |
| Difference in the valuation of technical provisions | | **11,686** | 11,036 |
| - Valuation differences on technical provisions | D.2 | **12,964** | 12,475 |
| - Valuation differences on reinsurance recoverables | D.1.1.5 | **(1,323)** | (1,220) |
| - Valuation differences on insurance and intermediaries receivables | D.1.1.6 | **471** | 1,394 |
| - Valuation differences on reinsurance receivables | D.1.1.7 | **643** | 555 |
| - Valuation differences on deposits from reinsurers | D.3.1 | **(269)** | - |
| - Valuation differences on insurance and intermediaries payables | D.3.4 | **(549)** | (567) |
| - Valuation differences on reinsurance payables | D.3.5 | **(251)** | (1,601) |
| Revaluation of subordinated debt and debts owed to credit institutions[2] | D.3 | **384** | 262 |
| Other valuation differences[3] | | **302** | 530 |
| Deferred tax impacts | D.3.2 | **(2,518)** | (2,423) |
| **Total** | | **8,988** | 8,545 |

1. Includes £11m (2023: £73m) of deferred acquisition costs and goodwill, £279m (2023: £414m) of intangible assets less £12m (2023: £39m) of deferred income liabilities.
2. Includes valuation differences of £(384)m (2023: £(307)m) related to subordinated debt and nil (2023: £45m) related to debts owed to credit institutions.
3. Other valuation differences primarily include fair value adjustments in respect of lifetime mortgages as explained in D.1.1.4.

The reconciliation between IFRS equity and Solvency II excess of assets over liabilities for LGAS is shown below:

| (£m) | Notes | 2024 | 2023 |
|---|---|---|---|
| IFRS equity | | **3,503** | 4,302 |
| Solvency II Excess of assets over liabilities | | **9,236** | 9,857 |
| **Difference** | | **5,733** | 5,555 |
| Explained by: | | | |
| Elimination of intangibles | | **(279)** | (275) |
| Difference in the valuation of investment assets | D.1.1.3 | **(1,112)** | (855) |
| Difference in the valuation of technical provisions | | **8,975** | 8,374 |
| - Valuation differences on technical provisions | D.2 | **9,763** | 9,188 |
| - Valuation differences on reinsurance recoverables | D.1.1.5 | **16,926** | 16,929 |
| - Valuation differences on deposits to cedants | | **438** | 505 |
| - Valuation differences on insurance and intermediaries receivables | D.1.1.6 | **469** | 1,391 |
| - Valuation differences on reinsurance receivables | D.1.1.7 | **643** | 555 |
| - Valuation differences on deposits from reinsurers | D.3.1 | **(18,464)** | (18,379) |
| - Valuation differences on insurance and intermediaries payables | D.3.4 | **(549)** | (567) |
| - Valuation differences on reinsurance payables | D.3.5 | **(251)** | (1,248) |
| Other valuation differences[1] | | **60** | 163 |
| Deferred tax impacts | D.3.2 | **(1,911)** | (1,852) |
| **Total** | | **5,733** | 5,555 |

1. Other valuation differences include fair value adjustments.

An explanation of the material movements in each of the component parts of the Solvency II excess of assets over liabilities, including a qualitative explanation for the valuation adjustments, is presented in Section D Valuation for Solvency II purposes.

## E.2 SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT[7]

### E.2.1 SOLVENCY CAPITAL REQUIREMENT (SCR)

The total SCR for the Group as at 31 December 2024 was £6,848m (2023: £7,389m), net of the loss-absorbing capacity of deferred taxes (as detailed in E.2.2). This was calculated using the Group's approved partial internal model. No element of the SCR is subject to supervisory assessment.

The table below provides an analysis of material changes to the SCR for the Group during the year:

| **(£m)** | **Group SCR** |
|---|---|
| SCR as at 31 December 2023 | **7,389** |
| Net surplus generation | **629** |
| Market movements | **(524)** |
| Other operating and non-operating variances | **(646)** |
| **SCR as at 31 December 2024** | **6,848** |

The total SCR for LGAS as at 31 December 2024 was £4,204m (2023: £4,709m), net of the loss-absorbing capacity of deferred taxes (as detailed in E.2.2). This was calculated using the approved partial internal model. No element of the SCR is subject to supervisory assessment.

The table below provides an analysis of material changes to the SCR for LGAS during the year:

| **(£m)** | **LGAS SCR** |
|---|---|
| SCR as at 31 December 2023 | **4,709** |
| Net surplus generation | **299** |
| Market movements | **(335)** |
| Other operating and non-operating variances | **(470)** |
| **SCR as at 31 December 2024** | **4,204** |

- Net Surplus Generation includes SCR release from the back-book and the addition from new business written during the year.
- Market Movements represents the impact of changes in investment market conditions over the period and changes to future economic assumptions.
- Other operating and non-operating variances include the impact of experience variances, changes to valuation and capital calibration assumptions, changes to planned volumes of new business, tax rate changes, changes to the Internal Model and other management actions including changes in asset mix, hedging strategies and Matching Adjustment optimisation.

The Group SCR allows for diversification across the Group, and as such is less than the sum of the standalone SCR requirements for insurance entities. In line with Solvency II regulations, there is no allowance for

7. The Internal Model and Solvency Capital Requirement are not subject to audit.

diversification when aggregating capital requirements from other financial sectors or firms included through Calculation Method 2.

Further information on the SCR by risk categories is provided in the QRT IR.25.04 in Annex 1 of this report.

### E.2.2 LOSS-ABSORBING CAPACITY OF DEFERRED TAXES (LAC DT)

The total SCR for the Group has been adjusted, where relevant, for the loss-absorbing capacity of deferred taxes (LAC DT). At 31 December 2024 the amount of the adjustment was £1,377m (2023: £1,547m). The total SCR for LGAS has been adjusted by £1,373m (2023: £1,544m).

LAC DT is a deferred tax benefit, reflecting the tax relief that would be available following a loss equal to the SCR. The tax relief is determined by considering tax payable on any expected future profits, plus any existing deferred tax liabilities.

LAC DT support arises from the following sources:

- deferred tax liabilities included in the Solvency II Own Funds, largely arising from differences between the Solvency II Own Funds and IFRS equity. Any deferred tax assets on the base balance sheet are deducted from the deferred tax liabilities, to avoid double counting
- carry back: the UK tax regime permits carry back of trading losses against profits made in the current and previous tax years
- expected future taxable profits arising from 5 years of future new business, allowing for the expected new business volumes in a post-loss environment
- profit on future investment income expected to arise on assets not required to back TPs or SCR
- profits arising from the release of prudence in the calculation of the TPs where Solvency II regulations require a prudent approach.

### E.2.3 MINIMUM CAPITAL REQUIREMENT (MCR)

The Group's MCR as at 31 December 2024 was £1,746m (2023: £1,893m) as shown in the Own Funds QRT IR.23.01 in Annex 1 of this report.

In accordance with Minimum Capital Requirement part of the PRA Rulebook, the Minimum Capital Requirement for the Group is the sum of the Minimum Capital Requirements for subsidiaries consolidated under Method 1 (accounting consolidation based method).

The MCR for LGAS is calculated in accordance with Minimum Capital Requirement part of the PRA Rulebook. The total MCR for LGAS as at 31 December 2024 was £1,388m (2023: £1,420m).

The change in the amount of the MCR over the year is reflective of the decrease in the SCR.

## E.3 USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

The duration-based equity risk sub-module is not used in the calculation of the Group's Solvency Capital Requirement.

## E.4 DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

### E.4.1 INTERNAL MODEL

The Group uses a group-wide partial internal model (referred to as the Internal Model), as approved by the PRA. The Internal Model is used to calculate the capital requirements for the Group and LGAS. The following sections describe various aspects of the Internal Model.

#### E.4.1.1 USE OF THE INTERNAL MODEL

The Internal Model is a key tool within the Risk Management framework. It plays a central role in the measurement of risks, as the Internal Model translates identified risk exposures into risk-based capital requirements. The Internal Model models the material and quantifiable risks that are identified as part of the Group's risk identification and review process.

The Internal Model's primary calculation engine, Algorithmics (Algo), has been designed to generate output at the level at which it will be used, i.e. at both a divisional and entity level, and by risk sub-category. This is important in ensuring its use and also helps to improve understanding and decision-making.

In addition to being the Internal Model's calculation engine, Algo is also employed by the Group for operational asset-liability and liquidity management purposes.

Output from the Internal Model is used to formulate risk tolerances for the following group level risk appetite statements which are reviewed annually:

- the measure of return on risk-based capital
- the appropriate additional capital resources to be held over the minimum regulatory capital requirements.

Output from the Internal Model is essential for effectively monitoring risk exposures across the Group. Effective management information (MI) informs and supports the decision-making, oversight and risk assessment responsibilities of the Group's risk and capital management committees.

The group level approach also serves as a model for the MI required for lower-level (i.e. divisional, entity and business unit) committees.

In an Internal Model context, risk and capital MI assists the Group and LGAS to monitor risk exposures in relation to appetite and limits.

#### E.4.1.2 SCOPE OF THE INTERNAL MODEL

We have chosen to adopt an Internal Model approach to calculate the Solvency Capital Requirement (SCR) for material insurance companies in the Group. The Internal Model covers all of the Group's material and quantifiable risk exposures, which are identified as falling into the following categories:

- Insurance
- Credit
- Market
- Counterparty credit
- Operational

- Diversification between risks.

The following subsidiaries are within the scope of the Group's partial internal model and are 'major business units':

### *Firms regulated on a solo basis*

| Entity | Model type | Description |
|---|---|---|
| **Legal and General Assurance Society Limited (LGAS)** | Partial Internal Model | Legal and General Assurance Society Limited (LGAS) is a UK long-term insurer providing mainly annuity and protection policies. |
| **Legal and General Assurance (Pensions Management) Limited (PMC)** | Internal Model | PMC is a UK long-term insurer. PMC provides unit linked pension policies and segregated investment management services primarily to occupational pension scheme trustees. |

### *Other firms included in the Group SCR*

| Entity | Model type | Description |
|---|---|---|
| **Legal & General Group Plc** | Partial Internal Model | The group level insurance holding company. |
| **Legal & General Reinsurance Company Limited (L&G Re)** | Internal Model | L&G Re is a non-UK reinsurer that started writing business during 2014, accepting annuity related and protection risks. |
| **Banner Life Insurance Company**<br><br>**William Penn Life Insurance Company of New York** | Included in the Group SCR using the Calculation Method 2 based on the local statutory requirements | Banner and William Penn primarily sell individual protection policies in the US and are subsidiaries of the non-UK holding company Legal & General America Inc. |
| **Legal & General Reinsurance Company No.2 Limited (L&G Re 2)** | Included in the Group SCR using the Calculation Method 2 based on the local statutory requirements | L&G Re 2 is a non-UK reinsurer that primarily provides reinsurance of Canadian annuity business. Domiciled in Bermuda. |
| **Legal & General America Reinsurance Limited (LGAR)** | Included in the Group SCR using the Calculation Method 2 based on the local statutory requirements | LGAR is a non-UK reinsurer that primarily provides reinsurance of American annuity business. Domiciled in Bermuda. |
| **Legal & General Finance Plc** | Internal Model | Legal & General Finance Plc is an ancillary firm whose principal activity is to provide funding to other L&G insurance entities. |

In line with the regulations, Legal & General Finance Plc has been classified as a 'major business unit'. As an 'ancillary services undertaking' as defined in the PRA Rulebook, its activities are highly integrated with other insurance entities within the Group.

The PRA has approved the use of the Calculation Method 2, as defined in Section 12 Group Supervision part of the PRA Rulebook, to include Legal & General America, Legal & General America Reinsurance Limited and Legal & General Reinsurance Company No.2 Limited in the Group Solvency Capital Requirement (SCR) until 1 January 2027.

The Group's overall (SCR) includes the following elements. The percentages shown are as at 31 December:

| (%) | 2024 | 2023 |
|---|---|---|
| SCR for Internal Model firms (including LGAS) | **86.0** | 92.5 |
| SCR for Standard Formula firms | **0.1** | 0.1 |
| SCR for Method 2 Firms (LGA, L&G Re 2, LGAR) | **7.8** | 5.3 |
| Capital requirement for financial firms[1] | **6.1** | 2.1 |
| **Total Group SCR** | **100.0** | 100.0 |

1. From 2024 year end, the sectoral restriction of regulated non-insurance firms has been removed from the eligibility restriction to own funds and is included as an increase to the SCR.

Our Internal Model is integrated into our risk management and governance systems. The material risks identified through the risk framework are also those covered by the Internal Model and vice versa. Actual risk exposures relative to Internal Model derived risk limits are reported and monitored.

The Group uses Calculation Method 1, as defined in the Rule 11 Group Supervision part of the PRA Rulebook for aggregation of the Internal Model SCR. LGA, LGAR and L&G Re 2 major business units are then aggregated for Group solvency purposes under Method 2. Method 1 involves the simple addition of the various sources of SCR set out below, without allowing for diversification between them. Full diversification is allowed for within each of the Internal Model and Standard Formula (SF) SCRs. The sources of SCR are as follows:

- Group Internal Model SCR, with full diversification between Internal Model firms (apart from any ring-fencing restrictions);
- SF SCR for SF firms, with full diversification between SF firms (this is now de minimis)
- SCR for undertakings included via the Calculation Method 2
- proxy capital requirement for each financial firm individually, without diversification between them
- the value of reinsurance internal to the Group is eliminated at the group level.

### E.4.1.3 METHODS USED IN THE INTERNAL MODEL

The calculation approach used generates 500,000 simulations of 'risk drivers' such as equity returns and interest rates. The simulations are constructed in such a way that each risk driver follows a predefined distribution and that the relationship between any two risk drivers follows a predefined correlation assumption. The simulations can be looked at as a sample generated from a multidimensional distribution.

The multidimensional distribution is built from the risk driver distributions, correlation assumptions and a t-copula function which represents the dependency structure between the risks.

Each scenario is fed into an asset valuation module, which is capable of revaluing the Group's assets for each of these scenarios. The output is the total asset value under each scenario. This module covers the vast majority of the relevant assets required for capital calculation purposes.

Similarly, the scenarios are fed into a liability valuation module (and for certain situations the results from the asset valuation are also fed into the liability valuation module). Due to run time constraints, the liability valuation module is a simplified model (referred to as a 'proxy model').

The results of the liability valuation and the asset valuation module are combined for each scenario to give the resulting net asset position and the change in net asset value compared to the starting position. These results cover existing business, as well as the new business expected to be written over the following 12 months.

The risk measure used for the purpose of the Internal Model is a 'value-at-risk' measure (VaR); the VaR is defined as the estimated loss for a given probability over a one-year period.

By ordering the results (i.e. changes in net assets) the empirical aggregated loss distribution can be constructed.

### E.4.2 THE RISK MEASURE AND TIME PERIOD USED IN THE INTERNAL MODEL

In line with Rule 3.4 Solvency Capital Requirement - General Provisions part of the PRA Rulebook, the Internal Model SCR is the 1-in-200 value-at-risk (VaR) of Own Funds over a one-year period.

### E.4.3 MAIN DIFFERENCES AGAINST THE STANDARD FORMULA APPROACH

As described above, the Internal Model calibration standard is the same as for the standard formula. However, the detailed calculations differ in their sophistication and the extent to which they have been tailored to the Group's own risk profile.

The most significant (pre-diversification between risks) differences between the Standard Formula requirements and the calibration of the Internal Model are as follows:

- Standard Formula has no inflation risk capital requirement, whereas the Internal Model has a non-zero amount
- the capital requirement arising from spread risk (net of matching premium) is significantly higher (pre-diversification) for the Standard Formula than for the Internal Model. In addition, where no external credit ratings are available, the Standard Formula treatment is more onerous than the Internal Model. Aside from this, the Internal Model calibration is significantly stronger than the Standard Formula, but there is an offsetting impact from lower than 100% correlation between the various Internal Model spread risk drivers. Also, differing treatments for asset types will influence the relative strength
- there are stronger calibrations in the Internal Model compared to Standard Formula for longevity risk and operational risk
- there are stronger calibrations in the Standard Formula compared to the Internal Model for lapse risk and mortality risk
- equity risk capital requirement is higher (pre-diversification between risks) for Standard Formula than Internal Model primarily due to different classifications of certain assets
- property risk capital requirement is lower (pre-diversification between risks) for Standard Formula than Internal Model primarily due to different classifications of certain assets
- the Internal Model uses a copula approach to aggregate the components rather than the matrix multiplication specified in the Standard Formula. This enables the Internal Model to more accurately allow for interactions between risks and non-normal risk distribution shapes and results in different diversification benefit under the Internal Model
- the Internal Model also allows for diversification between the business inside and outside the Matching Adjustment portfolio upon aggregation, whereas the Standard Formula does not.

### E.4.4 INTERNAL MODEL DATA

In order to calculate our Solvency Capital Requirement our Internal Model is provided with data about our assets, liabilities and the risks associated with each of these. The majority of assets are modelled on an individual asset terms and conditions basis, providing readily validated valuations and granular modelling of how assets respond under different scenarios. Insurance liabilities are provided by our proven process for the calculation of best estimate liabilities; the same process provides figures for our IFRS reporting and calculation of technical provisions.

In order to assess the risks associated with our assets and liabilities a wide range of economic, market and insurance data and operational risk experience is used. Internal and external historical and experience data are used to project possible future scenarios, and external forecasts are used for example in life longevity, causes of death and epidemic risks.

Data is used to assess:

- the likelihood and scale of individual risks
- how these risks are correlated, i.e. the extent to which a change in one risk is likely to coincide with a change in another risk.

Our Solvency II data governance framework has been designed to instil best practice in managing data risk and in improving data quality to add robustness to model processes and outputs. The Solvency II Data Management Policy sets out the Group's requirements for managing data risk on data used to develop, populate, operate and validate the Internal Model. The data management control framework provides the conditions for business areas to ensure that all Internal Model data are recorded and that associated data risks and quality are managed effectively. The framework includes regular assessments of data quality and controls effectiveness.
The appropriateness of all internal and external data is considered and justified by the experts in each area of risk, and these justifications are independently validated.

## E.5 NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

There have been no instances of non-compliance with either the MCR or SCR for any L&G Solvency II entity over the reporting period.

## E.6 ANY OTHER INFORMATION

### *Dividend*

On 12 March 2025 the Group declared a final dividend of £902m (2023: £871m) to be paid on 5 June 2025. The board may cancel payment of the dividend at any time prior to payment in accordance with the Articles of Association, if it considers it necessary to do so for regulatory capital purposes. The impact of this dividend payment as at 31 December 2024 would have been to reduce the regulatory solvency coverage ratio by 13% (2023: 12%).

# Annex 1 – Quantitative Reporting Templates (Group QRTs)

**LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024**
**Values are shown in £'000**
**IR.02.01.02**
**Balance sheet**

| | | Solvency II value |
|---|---|---|
| | **Assets** | C0010 |
| R0030 | Intangible assets | - |
| R0040 | Deferred tax assets | - |
| R0050 | Pension benefit surplus | - |
| R0060 | Property, plant & equipment held for own use | 31,557 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 135,896,256 |
| R0080 | *Property (other than for own use)* | 117,030 |
| R0090 | *Holdings in related undertakings, including participations* | 16,835,388 |
| R0100 | *Equities* | 321,094 |
| R0110 | *Equities - listed* | 281,742 |
| R0120 | *Equities - unlisted* | 39,352 |
| R0130 | *Bonds* | 65,662,716 |
| R0140 | *Government Bonds* | 15,132,774 |
| R0150 | *Corporate Bonds* | 49,846,783 |
| R0160 | *Structured notes* | - |
| R0170 | *Collateralised securities* | 683,159 |
| R0180 | *Collective Investments Undertakings* | 1,430,615 |
| R0190 | *Derivatives* | 51,411,375 |
| R0200 | *Deposits other than cash equivalents* | 118,038 |
| R0210 | *Other investments* | - |
| R0220 | Assets held for index-linked and unit-linked contracts | 320,502,611 |
| R0230 | Loans and mortgages | 7,168,560 |
| R0240 | *Loans on policies* | - |
| R0250 | *Loans and mortgages to individuals* | 6,122,173 |
| R0260 | *Other loans and mortgages* | 1,046,387 |
| R0270 | Reinsurance recoverables from: | 7,145,743 |
| R0280 | *Non-life and health similar to non-life* | 28,486 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 7,117,257 |
| R0340 | *Life index-linked and unit-linked* | - |
| R0350 | Deposits to cedants | 438,336 |
| R0360 | Insurance and intermediaries receivables | 471,224 |
| R0370 | Reinsurance receivables | 697,615 |
| R0380 | Receivables (trade, not insurance) | 4,711,458 |
| R0390 | Own shares (held directly) | - |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | - |
| R0410 | Cash and cash equivalents | 434,588 |
| R0420 | Any other assets, not elsewhere shown | - |
| R0500 | **Total assets** | 477,497,948 |

**LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024**
**Values are shown in £'000**
**IR.02.01.02 (continued)**
**Balance sheet**

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | Technical provisions - total | 395,648,821 |
| R0510 | Technical provisions - non-life | 43,961 |
| R0515 | Technical provisions - life | 395,604,860 |
| R0542 | Best estimate - total | 395,292,747 |
| R0544 | Best estimate - non-life | 43,711 |
| R0546 | Best estimate - life | 395,249,036 |
| R0552 | Risk margin – total | 1,040,969 |
| R0554 | Risk margin - non-life | 250 |
| R0556 | Risk margin - life | 1,040,719 |
| R0565 | Transitional (TMTP) - life | 684,895 |
| R0740 | Contingent liabilities | - |
| R0750 | Provisions other than technical provisions | 58,821 |
| R0760 | Pension benefit obligations | 9 |
| R0770 | Deposits from reinsurers | 268,939 |
| R0780 | Deferred tax liabilities | 1,036,762 |
| R0790 | Derivatives | 56,445,717 |
| R0800 | Debts owed to credit institutions | 712,266 |
| R0810 | Financial liabilities other than debts owed to credit institutions | - |
| R0820 | Insurance & intermediaries payables | 597,256 |
| R0830 | Reinsurance payables | 251,149 |
| R0840 | Payables (trade, not insurance) | 6,575,387 |
| R0850 | Subordinated liabilities | 3,404,234 |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | - |
| R0870 | *Subordinated liabilities in Basic Own Funds* | 3,404,234 |
| R0880 | Any other liabilities, not elsewhere shown | - |
| R0900 | **Total liabilities** | 464,999,361 |
| R1000 | **Excess of assets over liabilities** | 12,498,587 |

**LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024**
**Values are shown in £'000**
**IR.05.02.01**
**Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations**

| | | Home Country | Top 5 countries (by amount of gross premiums written) - non-life obligations | | | | | Total Top 5 and home country |
|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| R0010 | | | | | | | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0120 | Gross - Proportional reinsurance accepted | - | - | - | - | - | - | - |
| R0130 | Gross - Non-proportional reinsurance accepted | - | - | - | - | - | - | - |
| R0140 | Reinsurers' share | - | - | - | - | - | - | - |
| R0200 | Net | - | - | - | - | - | - | - |
| | **Premiums earned** | | | | | | | |
| R0210 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0220 | *Gross - Proportional reinsurance accepted* | 4,502 | - | - | - | - | - | 4,502 |
| R0230 | Gross - Non-proportional reinsurance accepted | - | - | - | - | - | - | - |
| R0240 | Reinsurers' share | 4,293 | - | - | - | - | - | 4,293 |
| R0300 | Net | 209 | - | - | - | - | - | 209 |
| | **Claims incurred** | | | | | | | |
| R0310 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0320 | *Gross - Proportional reinsurance accepted* | 16,507 | - | - | - | - | - | 16,507 |
| R0330 | Gross - Non-proportional reinsurance accepted | - | - | - | - | - | - | - |
| R0340 | Reinsurers' share | 15,125 | - | - | - | - | - | 15,125 |
| R0400 | Net | 1,382 | - | - | - | - | - | 1,382 |
| R0550 | **Net expenses incurred** | 6,700 | - | - | - | - | - | 6,700 |

LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
Values are shown in £'000
IR.05.02.01
Premiums, claims and expenses by country: Life insurance and reinsurance obligations

| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
|---|---|---|---|---|---|---|---|---|
| | | Home Country | Top 5 countries (by amount of gross premiums written) - life obligations | | | | | Total Top 5 and home country |
| R1400 | | | US | BM | IE | | | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| | **Premiums written** | | | | | | | |
| R1410 | Gross | 57,244,229 | 3,075,080 | 563,002 | 312,405 | - | - | 61,194,716 |
| R1420 | Reinsurers' share | 7,281,323 | - | - | - | - | - | 7,281,323 |
| R1500 | Net | 49,962,906 | 3,075,080 | 563,002 | 312,405 | - | - | 53,913,393 |
| | **Premiums earned** | | | | | | | |
| R1510 | Gross | 13,762,904 | 3,075,080 | 563,002 | - | - | - | 17,400,986 |
| R1520 | Reinsurers' share | 7,281,323 | - | - | - | - | - | 7,281,323 |
| R1600 | Net | 6,481,581 | 3,075,080 | 563,002 | - | - | - | 10,119,663 |
| | **Claims incurred** | | | | | | | |
| R1610 | Gross | 65,145,780 | 1,539,137 | 73,175 | 658,539 | - | - | 67,416,631 |
| R1620 | Reinsurers' share | 3,744,377 | 261,182 | - | - | - | - | 4,005,559 |
| R1700 | Net | 61,401,403 | 1,277,955 | 73,175 | 658,539 | - | - | 63,411,072 |
| R1900 | **Net expenses incurred** | 1,373,838 | 1,944,888 | 1,813 | 4,668 | - | - | 3,325,207 |

LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
Values are shown in £'000
IR.05.03.02
Life income and expenditure

| | | Insurance with profit participation | Index-linked and unit-linked insurance | Life annuities | Non-life annuities | Other life insurance | Health insurance | Total life and health |
|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | **Premiums written** | | | | | | | |
| R0010 | *Gross direct business* | - | 28,947,527 | 13,489,811 | - | 3,186,305 | 724,870 | 46,348,513 |
| R0020 | *Gross reinsurance accepted* | - | 14,846,203 | - | - | - | - | 14,846,203 |
| R0030 | Gross | - | 43,793,730 | 13,489,811 | - | 3,186,305 | 724,870 | 61,194,716 |
| R0040 | *Reinsurers' share* | - | - | 6,486,308 | - | 470,157 | 324,858 | 7,281,323 |
| R0050 | Net | - | 43,793,730 | 7,003,503 | - | 2,716,148 | 400,012 | 53,913,393 |
| | **Claims incurred** | | | | | | | |
| R0110 | *Gross direct business* | - | 46,554,355 | 6,260,316 | - | 1,897,543 | 421,414 | 55,133,628 |
| R0120 | *Gross reinsurance accepted* | - | 12,246,959 | 36,044 | - | - | - | 12,283,003 |
| R0130 | Gross | - | 58,801,314 | 6,296,360 | - | 1,897,543 | 421,414 | 67,416,631 |
| R0140 | Reinsurers' share | - | - | 2,810,552 | - | 875,922 | 319,085 | 4,005,559 |
| R0150 | Net | - | 58,801,314 | 3,485,808 | - | 1,021,621 | 102,329 | 63,411,072 |
| | **Expenses incurred** | | | | | | | |
| R0160 | *Gross direct business* | - | 375,439 | 826,575 | - | 1,800,677 | 193,229 | 3,195,920 |
| R0170 | *Gross reinsurance accepted* | - | 129,287 | - | - | - | - | 129,287 |
| R0180 | Gross | - | 504,726 | 826,575 | - | 1,800,677 | 193,229 | 3,325,207 |
| R0190 | Reinsurers' share | - | - | - | - | - | - | - |
| R0200 | Net | - | 504,726 | 826,575 | - | 1,800,677 | 193,229 | 3,325,207 |
| R0300 | Other expenses | | | | | | | 154,655 |
| | **Transfers and dividends** | | | | | | | |
| R0440 | Dividends paid | | | | | | | 1,171,669 |

# LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## Values are shown in £'000
## IR.05.04.02
## Non-life income and expenditure

| | | All business (including annuities stemming from accepted non-life insurance and | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | | Annuities stemming from non-life insurance contracts | Annuities stemming from non-life accepted reinsurance contracts |
|---|---|---|---|---|---|---|---|
| | | | | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines | | |
| | | C0010 | C0015 | C0170 | C0180 | C0525 | C0545 |
| | **Income** | | | | | | |
| | **Premiums written** | | | | | | |
| R0110 | Gross written premiums | | - | - | - | | |
| R0111 | Gross written premiums - insurance (direct) | | - | - | - | | |
| R0113 | Gross written premiums - accepted reinsurance | | - | - | - | | |
| R0160 | Net written premiums | | - | - | - | | |
| | **Premiums earned and provision for unearned** | | | | | | |
| R0210 | Gross earned premiums | | 4,502 | - | 4,502 | | |
| R0220 | Net earned premiums | | 209 | - | 209 | | |
| | **Expenditure** | | | | | | |
| | **Claims incurred** | | | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 16,507 | - | 16,507 | | |
| R0611 | Gross (undiscounted) direct business | | - | - | - | | |
| R0612 | Gross (undiscounted) reinsurance accepted | | 16,507 | - | 16,507 | | |
| R0690 | Net (undiscounted) claims incurred | | 1,382 | - | 1,382 | | |
| R0730 | Net (discounted) claims incurred | - | - | | | - | - |
| | **Analysis of expenses incurred** | | | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | - | | | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 204 | 204 | - | 204 | - | - |
| | **Other expenditure** | | | | | | |
| R1140 | Other expenses | 6,904 | | | | | |
| R1310 | **Total expenditure** | 6,700 | | | | | |

**LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024**
**Values are shown in £'000**
**IR.22.01.22**
**Impact of long term guarantees measures and transitionals**

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0050 | C0070 | C0090 |
| R0010 | **Technical provisions** | 395,648,821 | 684,895 | - | - | 9,285,615 |
| R0020 | **Basic own funds** | 14,256,085 | (527,242) | - | - | (7,188,079) |
| R0050 | **Eligible own funds to meet Solvency Capital Requirement** | 15,876,021 | (527,242) | - | - | (7,188,079) |
| R0090 | **Solvency Capital Requirement** | 6,847,639 | 20,356 | - | - | 13,056,265 |

Note

The information disclosed in this template is as defined in Chapter 9, Reporting, the PRA Rulebook and is as at 31 December 2024.

Values in this table alone do not provide sufficient information to gain a fair and transparent understanding of the Group's solvency position.

Additional information on the Transition Measure on Technical Provisions and the Matching Adjustment can be found in section D.2 of the report.

# LEGAL & GENERAL GROUP PLC – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## Values are shown in £'000
## IR.23.01.04
## Own Funds

| | Basic own funds before deduction for participations in other financial sector | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 147,329 | 147,329 | | - | |
| R0020 | Non-available called but not paid in ordinary share capital at group level | - | - | | - | |
| R0030 | Share premium account related to ordinary share capital | 1,035,811 | 1,035,811 | | - | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | - | - | | - | |
| R0050 | Subordinated mutual member accounts | - | | - | - | - |
| R0060 | Non-available subordinated mutual member accounts at group level | - | | - | - | - |
| R0070 | Surplus funds | - | - | | | |
| R0080 | Non-available surplus funds at group level | - | - | | | |
| R0090 | Preference shares | 495,080 | | 495,080 | - | - |
| R0100 | Non-available preference shares at group level | - | | - | - | - |
| R0110 | Share premium account related to preference shares | - | | - | - | - |
| R0120 | Non-available share premium account related to preference shares at group level | - | | - | - | - |
| R0130 | Reconciliation reserve | 10,246,939 | 10,246,939 | | | |
| R0140 | Subordinated liabilities | 3,404,234 | | - | 3,404,234 | - |
| R0150 | Non-available subordinated liabilities at group level | - | | - | - | - |
| R0160 | An amount equal to the value of net deferred tax assets | - | | | | - |
| R0170 | The amount equal to the value of net deferred tax assets not available at the group level | - | | | | - |
| R0180 | Other items approved by supervisory authority as basic own funds not specified above | - | - | - | - | - |
| R0190 | Non available own funds related to other own funds items approved by supervisory authority | - | - | - | - | - |
| R0200 | Minority interests (if not reported as part of a specific own fund item) | - | - | - | - | - |
| R0210 | Non-available minority interests at group level | - | - | - | - | - |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | - | | | | |
| R0250 | Deductions for participations where there is non-availability of information (Article 229) | - | - | - | - | - |
| R0260 | Deduction for participations included by using D&A when a combination of methods is used | 1,073,308 | 1,073,308 | - | - | - |
| R0270 | **Total of non-available own fund items** | - | - | - | - | - |
| R0280 | **Total deductions** | 1,073,308 | 1,073,308 | - | - | - |
| R0290 | **Total basic own funds after deductions** | 14,256,085 | 10,356,771 | 495,080 | 3,404,234 | - |
| | **Own funds of other financial sectors** | | | | | |
| R0410 | Credit Institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies | 546,627 | 546,627 | - | - | |
| R0420 | Institutions for occupational retirement provision | - | - | - | - | - |
| R0430 | Non regulated entities carrying out financial activities | - | - | - | - | |
| R0440 | **Total own funds of other financial sectors** | 546,627 | 546,627 | - | - | - |
| | **Own funds when using the D&A, exclusively or in combination of method 1** | | | | | |
| R0450 | Own funds aggregated when using the D&A and combination of method | 1,073,308 | 1,073,308 | - | - | - |
| R0460 | Own funds aggregated when using the D&A and combination of method net of IGT | 1,073,308 | 1,073,308 | - | - | - |
| R0520 | Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | 14,256,085 | 10,356,771 | 495,080 | 3,404,234 | - |
| R0530 | Total available own funds to meet the minimum consolidated group SCR | 14,256,085 | 10,356,771 | 495,080 | 3,404,234 | |
| R0560 | Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | 14,256,085 | 10,356,771 | 495,080 | 3,404,234 | - |
| R0570 | Total eligible own funds to meet the minimum consolidated group SCR (group) | 11,201,056 | 10,356,771 | 495,080 | 349,205 | |
| R0590 | Consolidated group SCR | 6,316,542 | | | | |
| R0610 | **Minimum consolidated Group SCR** | 1,746,025 | | | | |
| R0630 | **Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)** | 231.90% | | | | |
| R0650 | **Ratio of Eligible own funds to Minimum Consolidated Group SCR** | 641.52% | | | | |
| R0660 | **Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A )** | 15,876,020 | 11,976,706 | 495,080 | 3,404,234 | - |
| R0670 | **SCR for entities included with D&A method** | 531,097 | | | | |
| R0680 | **Group SCR** | 6,847,639 | | | | |
| R0690 | **Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A** | 231.85% | | | | |

| | **Reconcilliation reserve** | C0060 |
|---|---|---|
| R0700 | Excess of assets over liabilities | 12,498,587 |
| R0710 | Own shares (held directly and indirectly) | - |
| R0720 | Forseeable dividends, distributions and charges | - |
| R0725 | Deductions for particpations in financial and credit institutions | 546,627 |
| R0730 | Other basic own fund items | 1,678,221 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | - |
| R0750 | Other non available own funds | 26,800 |
| R0760 | **Reconciliation reserve** | 10,246,939 |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## Values are shown in £'000
## IR.25.04.22
## Solvency Capital Requirement - Net of loss absorbing capacity of technical provisions

| | | C0100 | |
|---|---|---|---|
| | **Market risk** | | |
| R0070 | Interest rate risk | 2,261,875 | |
| R0080 | Equity risk | 1,223,704 | |
| R0090 | Property risk | 2,175,081 | |
| R0100 | Spread risk | 4,224,579 | |
| R0110 | Concentration risk | - | |
| R0120 | Currency risk | 555,361 | |
| R0125 | Other market risk | 764,976 | |
| R0130 | Diversification within market risk | (4,350,683) | Note 1 |
| R0140 | **Total Market risk** | 6,854,893 | |
| | **Counterparty default risk** | | |
| R0150 | Type 1 exposures | 298,403 | |
| R0160 | Type 2 exposures | - | |
| R0165 | Other counterparty risk | - | |
| R0170 | Diversification within counterparty default risk | - | Note 1 |
| R0180 | **Total Counterparty default risk** | 298,403 | |
| | **Life underwriting risk** | | |
| R0190 | Mortality risk | 677,472 | |
| R0200 | Longevity risk | 3,060,842 | |
| R0210 | Disability-Morbidity risk | - | |
| R0220 | Life-expense risk | 625,068 | |
| R0230 | Revision risk | - | |
| R0240 | Lapse risk | 927,950 | |
| R0250 | Life catastrophe risk | 1,542,646 | |
| R0255 | Other life underwriting risk | 215,105 | |
| R0260 | Diversification within life underwriting risk | (3,567,430) | Note 1 |
| R0270 | **Total Life underwriting risk** | 3,481,653 | |
| | **Health underwriting risk** | | |
| R0280 | Health SLT risk | 33,425 | |
| R0290 | Health non SLT risk | - | |
| R0300 | Health catastrophe risk | 28,033 | |
| R0305 | Other health underwriting risk | - | |
| R0310 | Diversification within health underwriting risk | (17,526) | Note 1 |
| R0320 | **Total Health underwriting risk** | 43,932 | |
| | **Non-life underwriting risk** | | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | - | |
| R0340 | Non-life catastrophe risk | - | |
| R0350 | Lapse risk | - | |
| R0355 | Other non-life underwriting risk | - | |
| R0360 | Diversification within non-life underwriting risk | - | |
| R0370 | **Total Non-life underwriting risk** | - | |
| R0400 | **Intangible asset risk** | - | |
| | **Operational and other risks** | | |
| R0422 | Operational risk | 867,285 | |
| R0424 | Other risks | - | |
| R0430 | **Total Operational and other risks** | 867,285 | |
| R0432 | **Total before all diversification** | 19,481,805 | |
| R0434 | Total before diversification between risk modules | 11,546,166 | |
| R0436 | Diversification between risk modules | (3,918,313) | Note 2 |
| R0438 | **Total after diversification** | 7,627,853 | |
| R0440 | Loss absorbing capacity of technical provisions | - | |
| R0450 | Loss absorbing capacity of deferred tax | (1,376,750) | |
| R0455 | Other adjustments | (357,560) | |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 5,893,543 | |
| R0472 | Disclosed capital add-on - excluding residual model limitation | - | |
| R0474 | Disclosed capital add-on - residual model limitation | - | |
| R0480 | **Solvency capital requirement including capital add-on** | 5,893,543 | |
| R0490 | Biting interest rate scenario | decrease | |
| R0495 | Biting life lapse scenario | - | |
| | **Information on other entities** | | |
| R0500 | Capital requirement for other financial sectors (Non-insurance capital requirements) | 418,373 | |
| R0510 | *Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies* | 418,373 | |
| R0520 | *Institutions for occupational retirement provisions* | - | |
| R0530 | *Capital requirement for non- regulated entities carrying out financial activities* | - | |
| R0540 | Capital requirement for non-controlled participation requirements | - | |
| R0550 | Capital requirement for residual undertakings | - | |
| | **Overall SCR** | | |
| R0555 | Solvency capital requirement (consolidation method) | 6,311,916 | |
| R0560 | SCR for undertakings included via D and A | 535,723 | |
| R0565 | SCR for sub-groups included via D and A | - | |
| R0570 | **Solvency capital requirement** | 6,847,639 | |

Note 1
These items represent diversification within individual risk categories. The total diversification within categories is £7,936m.
Note 2
This item represents diversification between risk categories. The total diversification within and between risk categories is £11,854m.

# LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 1 | AU | LEI/984500E5E046994ZBC87 | Household Capital Pty Limited | Other | Limited by shares | Non-mutual | | 38.1% | 38.1% | 38.1% | | Significant | 38.1% | Included in the scope | | Method 1: Adjusted equity method |
| 2 | BM | LEI/254900BJS8G4UIE4KJ30 | Legal & General America Reinsurance Limited | Reinsurance undertaking | Limited by shares | Non-mutual | Bermuda Monetary Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |
| 3 | BM | LEI/213800QVB8WWDL51HK08 | Legal & General Reinsurance Company Limited | Reinsurance undertaking | Limited by shares | Non-mutual | Bermuda Monetary Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 4 | BM | LEI/5493009PZSGI92XBPF31 | Legal & General Reinsurance Company No.2 Limited | Reinsurance undertaking | Limited by shares | Non-mutual | Bermuda Monetary Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |
| 5 | BM | SC/213800JH9QQVHLO99821BM00030 | Legal & General Resources Bermuda Limited | Reinsurance undertaking | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 6 | CN | SC/213800JH9QQVHLO99821GB09360 | Legal & General Business Consulting (Shanghai) Limited | Other | Private company | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 7 | GB | SC/213800JH9QQVHLO99821GB00940 | 245 Hammersmith Road (General Partner) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 8 | GB | SC/213800JH9QQVHLO99821GB10910 | 245 Hammersmith Road Limited Partnership | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 9 | GB | SC/213800JH9QQVHLO99821GB07160 | 245 HR GP LLP | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 10 | GB | SC/213800JH9QQVHLO99821GB97454 | 30-31 Golden Square GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 11 | GB | SC/213800JH9QQVHLO99821GB97455 | 30-31 Golden Square LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 12 | GB | SC/213800JH9QQVHLO99821GB97456 | 30-31 Golden Square Nominee 1 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 13 | GB | SC/213800JH9QQVHLO99821GB97457 | 30-31 Golden Square Nominee 2 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 14 | GB | SC/213800JH9QQVHLO69821GB1162 | Alfreton Solar Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 15 | GB | LEI/213800G8IDPE56ETLV96 | Antham 1 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 16 | GB | SC/213800JH9QQVHLO99821GB97458 | Beavor Grange Solar Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 17 | GB | SC/213800JH9QQVHLO99821GB05340 | Begbroke Oxford Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 18 | GB | SC/213800JH9QQVHLO69821GB1170 | Bonnington Residents Management Company Limited | Other | Limited by guarantee | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 19 | GB | SC/213800JH9QQVHLO99821GB07170 | BQN Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 20 | GB | SC/213800JH9QQVHLO69821GB1171 | Bruntwood Science Management Services Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 21 | GB | SC/213800JH9QQVHLO99821GB05375 | Bruntwood SciTech Limited | Other | Limited by shares | Non-mutual | | 43.9% | 43.9% | 43.9% | | Significant | 43.9% | Included in the scope | | Method 1: Adjusted equity method |
| 22 | GB | SC/213800JH9QQVHLO99821GB07180 | Cardiff Interchange Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 23 | GB | SC/213800JH9QQVHLO99821GB07190 | Cardiff Interchange ManCo Limited | Other | Limited by shares | Non-mutual | | 66.7% | 66.7% | 66.7% | | Dominant | 66.7% | Included in the scope | | Method 1: Adjusted equity method |
| 24 | GB | SC/213800JH9QQVHLO69821GB1173 | Cardiff Interchange NomineeCo Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 25 | GB | SC/213800JH9QQVHLO99821GB05380 | City & Urban Developments Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 26 | GB | SC/213800JH9QQVHLO99821GB06460 | Congenica Limited | Other | Limited by shares | Non-mutual | | 8.3% | 8.3% | 8.3% | | Significant | 8.3% | Included in the scope | | Method 1: Adjusted equity method |
| 27 | GB | SC/213800JH9QQVHLO69821GB1101 | Court Place Gardens Holdings LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 28 | GB | SC/213800JH9QQVHLO99821GB06470 | Court Place Gardens Oxford Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 29 | GB | LEI/5493002RTJOXOKTOQU21 | ECF (General Partner) Limited | Other | Limited by shares | Non-mutual | | 33.3% | 33.3% | 33.3% | | Significant | 33.3% | Included in the scope | | Method 1: Adjusted equity method |
| 30 | GB | SC/213800JH9QQVHLO99821GB10960 | ECV Partnerships Tattenhall Limited | Other | Limited by shares | Non-mutual | | 26.3% | 26.3% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 31 | GB | SC/213800JH9QQVHLO99821GB10970 | ECV Partnerships Warwick Limited | Other | Limited by shares | Non-mutual | | 26.3% | 26.3% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 32 | GB | SC/213800JH9QQVHLO99821GB05480 | English Cities Fund | Other | Limited by shares | Non-mutual | | 30.2% | 30.2% | 30.2% | | Significant | 30.2% | Included in the scope | | Method 1: Adjusted equity method |
| 33 | GB | SC/213800JH9QQVHLO99821GB07210 | Finovation UK Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 34 | GB | SC/213800JH9QQVHLO99821GB97459 | Gravesend Coldharbour Road Management Company Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 35 | GB | SC/213800JH9QQVHLO99821GB09411 | Haut Investments 2 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 36 | GB | SC/213800JH9QQVHLO99821GB07000 | Haut Investments Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 37 | GB | LEI/2549001IS9JEBMEA8864 | Imagine Mortgages Limited (Generation Home) | Other | Limited by shares | Non-mutual | | 15.7% | 15.7% | 15.7% | | Significant | 15.7% | Included in the scope | | Method 1: Adjusted equity method |
| 38 | GB | SC/213800JH9QQVHLO99821GB97460 | ImpactA Global Holding Limited | Other | Limited by shares | Non-mutual | | 44.4% | 44.4% | 44.4% | | Significant | 44.4% | Included in the scope | | Method 1: Adjusted equity method |
| 39 | GB | SC/213800JH9QQVHLO99821GB11480 | Inspired Villages Group Limited | Other | Limited by shares | Non-mutual | | 46.5% | 46.5% | 44.0% | Only significant shareholder | Dominant | 44.0% | Included in the scope | | Method 1: Adjusted equity method |
| 40 | GB | SC/213800JH9QQVHLO99821GB97461 | Inspired Works Limited | Other | Limited by shares | Non-mutual | | 46.5% | 46.5% | 44.0% | | Dominant | 44.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 41 | GB | SC/213800JH9QQVHLO99821GB11490 | Interchange Central Square (General Partner) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 42 | GB | SC/213800JH9QQVHLO99821GB11500 | Interchange Central Square Limited Partnership | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 43 | GB | SC/213800JH9QQVHLO99821GB97450 | Investment Discounts On Line Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 44 | GB | SC/213800JH9QQVHLO99821GB10980 | IPIF Trade General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 45 | GB | SC/213800JH9QQVHLO99821GB07230 | IPIF Trade Nominee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 46 | GB | SC/213800JH9QQVHLO69821GB1106 | IXDS Limited | Other | Limited by shares | Non-mutual | | 70.0% | 70.0% | 70.0% | | Dominant | 70.0% | Included in the scope | | Method 1: Adjusted equity method |
| 47 | GB | SC/213800JH9QQVHLO99821GB07460 | Kao Data Limited | Other | Limited by shares | Non-mutual | | 32.5% | 32.5% | 32.5% | | Significant | 32.5% | Included in the scope | | Method 1: Adjusted equity method |
| 48 | GB | SC/213800JH9QQVHLO99821GB20089 | Kensa Group Limited | Other | Limited by shares | Non-mutual | | 32.0% | 32.0% | 32.0% | | Significant | 32.0% | Included in the scope | | Method 1: Adjusted equity method |
| 49 | GB | SC/213800JH9QQVHLO99821GB97462 | L&G Affordable Housing Access GP Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 50 | GB | SC/213800JH9QQVHLO99821GB97502 | L&G Affordable Housing Access LGPS LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 51 | GB | SC/213800JH9QQVHLO99821GB97463 | L&G Affordable Housing GP Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 52 | GB | SC/213800JH9QQVHLO99821GB97464 | L&G Affordable Housing Northern GP Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 53 | GB | SC/213800JH9QQVHLO99821GB97503 | L&G Affordable Housing Northern LGPS LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 54 | GB | SC/213800JH9QQVHLO99821GB10700 | L&G Cash Trust | Other | Limited by shares | Non-mutual | | 41.9% | 41.9% | 41.9% | | Dominant | 41.9% | Included in the scope | | Method 1: Adjusted equity method |
| 55 | GB | SC/213800JH9QQVHLO99821GB97465 | L&G Digital Infrastructure Co-Invest Holding 1 Ltd | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 56 | GB | LEI/21380017N1VVS6LC7V69 | L&G Future World Global Opportunities | Other | Limited by shares | Non-mutual | | 48.2% | 48.2% | 48.2% | | Dominant | 48.2% | Included in the scope | | Method 1: Adjusted equity method |
| 57 | GB | SC/213800JH9QQVHLO99821GB97466 | L&G Herne Hill Holdco GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 58 | GB | SC/213800JH9QQVHLO99821GB97467 | L&G Herne Hill Holdco Nominee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 59 | GB | SC/213800JH9QQVHLO99821GB97468 | L&G Hillview Place Propco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 60 | GB | SC/213800JH9QQVHLO99821GB97469 | L&G Lower Gilmore Place Propco Ltd | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 61 | GB | LEI/213800HOKVCYBAOOYM80 | L&G Multi Asset Core 20 Fund | Other | Limited by shares | Non-mutual | | 94.7% | 94.7% | 94.7% | | Dominant | 94.7% | Included in the scope | | Method 1: Adjusted equity method |
| 62 | GB | LEI/213800HTV63R64KKIL43 | L&G Multi Asset Core 45 Fund | Other | Limited by shares | Non-mutual | | 72.9% | 72.9% | 72.9% | | Dominant | 72.9% | Included in the scope | | Method 1: Adjusted equity method |
| 63 | GB | LEI/213800ALVQ2CNQXH8I27 | L&G Multi Asset Core 75 Fund | Other | Limited by shares | Non-mutual | | 73.9% | 73.9% | 73.9% | | Dominant | 73.9% | Included in the scope | | Method 1: Adjusted equity method |
| 64 | GB | LEI/213800TFGNQZS8X1TO80 | L&G Multi-Asset Target Return Fund | Other | Limited by shares | Non-mutual | | 47.2% | 47.2% | 47.2% | | Dominant | 47.2% | Included in the scope | | Method 1: Adjusted equity method |
| 65 | GB | SC/213800JH9QQVHLO99821GB97470 | L&G Multifamily LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 66 | GB | LEI/213800NX4TBD1QVV8S45 | L&G UK Smaller Companies Trust | Other | Limited by shares | Non-mutual | | 32.9% | 32.9% | 32.9% | | Dominant | 32.9% | Included in the scope | | Method 1: Adjusted equity method |
| 67 | GB | SC/213800JH9QQVHLO69821GB1184 | L&G UK Universities Ventures (Carry) GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 68 | GB | SC/213800JH9QQVHLO69821GB1185 | L&G UK Universities Ventures (Carry) LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 69 | GB | SC/213800JH9QQVHLO69821GB1186 | L&G UK Universities Ventures GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 70 | GB | SC/213800JH9QQVHLO69821GB1187 | L&G UK Universities Ventures LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 71 | GB | LEI/213800WT2FV8TTBG4574 | Legal & General (Portfolio Management Services) Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 72 | GB | SC/213800JH9QQVHLO99821GB05060 | Legal & General (Portfolio Management Services) Nominees Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 73 | GB | SC/213800JH9QQVHLO99821GB07240 | Legal & General (Strategic Land Harpenden) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 74 | GB | SC/213800JH9QQVHLO99821GB09120 | Legal & General (Strategic Land North Horsham) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 75 | GB | SC/213800JH9QQVHLO99821GB09130 | Legal & General (Strategic Land) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 76 | GB | LEI/549300AJXEFOY444EO24 | Legal & General (Unit Trust Managers) Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 77 | GB | SC/213800JH9QQVHLO99821GB05050 | Legal & General (Unit Trust Managers) Nominees Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 78 | GB | SC/213800JH9QQVHLO99821GB05110 | Legal & General Affordable Homes (AR) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 79 | GB | SC/213800JH9QQVHLO99821GB05080 | Legal & General Affordable Homes (Development 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 80 | GB | SC/213800JH9QQVHLO69821GB1188 | Legal & General Affordable Homes (Development 4) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

# LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 81 | GB | SC/213800JH9QQVHLO99821GB37150 | Legal & General Affordable Homes (Development) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 82 | GB | SC/213800JH9QQVHLO69821GB1189 | Legal & General Affordable Homes (Investment 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 83 | GB | SC/213800JH9QQVHLO69821GB1190 | Legal & General Affordable Homes (Investment 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 84 | GB | SC/213800JH9QQVHLO69821GB1191 | Legal & General Affordable Homes (Investment 3) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 85 | GB | SC/213800JH9QQVHLO99821GB37160 | Legal & General Affordable Homes (Operations) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 86 | GB | SC/213800JH9QQVHLO99821GB37180 | Legal & General Affordable Homes (SO) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 87 | GB | SC/213800JH9QQVHLO99821GB37170 | Legal & General Affordable Homes Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 88 | GB | SC/213800JH9QQVHLO69821GB1192 | Legal & General Bristol Temple Island Estate Management Company Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 89 | GB | LEI/213800FO8VPW3UGEXQ86 | Legal & General Capital Investments Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 90 | GB | SC/213800JH9QQVHLO99821GB05650 | Legal & General Co Sec Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 91 | GB | SC/213800JH9QQVHLO99821GB09110 | Legal & General Development Assets Holdings Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 92 | GB | SC/213800JH9QQVHLO99821GB09380 | Legal & General Digital Solutions Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 93 | GB | SC/213800JH9QQVHLO99821GB11000 | Legal & General Employee Benefits Administration Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 94 | GB | SC/213800JH9QQVHLO99821GB05700 | Legal & General Estate Agencies Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 95 | GB | SC/213800JH9QQVHLO69821GB1110 | Legal & General Euro Mortgage No.1 SPV Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 96 | GB | SC/213800JH9QQVHLO99821GB97471 | Legal & General Euro Mortgage SPV LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 97 | GB | SC/213800JH9QQVHLO99821GB97472 | Legal & General Everest UK Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 98 | GB | LEI/213800AJC8I72ZCD2E71 | Legal & General Finance PLC | Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35 | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 99 | GB | SC/213800JH9QQVHLO99821GB07260 | Legal & General Financial Advice Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 100 | GB | LEI/213800KFT8IYVAP9KS02 | Legal & General FX Structuring (SPV) Limited | Special purpose vehicle other than special purpose vehicle authorized in accordance with Art. 211 of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 101 | GB | SC/213800JH9QQVHLO99821GB10560 | Legal & General GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 102 | GB | SC/213800JH9QQVHLO69821GB1193 | Legal & General Heat Pumps Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 103 | GB | SC/213800JH9QQVHLO99821GB09020 | Legal & General Home Finance Holding Company Limited | Mixed financial holding company as defined in Article 212 (1)(h) of Directive 2009/138/EC | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 104 | GB | SC/213800JH9QQVHLO99821GB09030 | Legal & General Home Finance Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 105 | GB | SC/213800JH9QQVHLO99821GB09230 | Legal & General Homes (Services Co) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 106 | GB | SC/213800JH9QQVHLO99821GB09220 | Legal & General Homes Holdings Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 107 | GB | SC/213800JH9QQVHLO99821GB09240 | Legal & General Homes Modular Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 108 | GB | SC/213800JH9QQVHLO99821GB05770 | Legal & General Insurance Holdings Limited | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 109 | GB | SC/213800JH9QQVHLO99821GB05780 | Legal & General Insurance Holdings No. 2 Limited | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 110 | GB | LEI/213800MCLBTNE3X4NH27 | Legal & General Investment Management (Holdings) Limited | Mixed financial holding company as defined in Article 212 (1)(h) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 111 | GB | LEI/2138005NNERSR7ODIC73 | Legal & General Investment Management Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 112 | GB | SC/213800JH9QQWHLO99821GB07280 | Legal & General Later Living Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 113 | GB | SC/213800JH9QQWHLO99821GB05820 | Legal & General Leisure Fund Trustee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 114 | GB | SC/213800JH9QQWHLO69821GB1195 | Legal & General Life Fund Limited Partnership | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 115 | GB | SC/213800JH9QQWHLO99821GB09010 | Legal & General LTM Structuring (SPV) Limited | Special purpose vehicle other than special purpose vehicle authorized in accordance with Art. 211 of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 116 | GB | SC/213800JH9QQWHLO99821GB05840 | Legal & General Middle East Limited | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 117 | GB | SC/213800JH9QQWHLO99821GB05860 | Legal & General Overseas Operations Limited | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 118 | GB | SC/213800JH9QQWHLO99821GB05120 | Legal & General Partnership Holdings Limited | Mixed financial holding company as defined in Article 212 (1)(h) of Directive 2009/138/EC | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 119 | GB | SC/213800JH9QQWHLO99821GB00792 | Legal & General Partnership Services Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 120 | GB | SC/213800JH9QQWHLO99821GB05870 | Legal & General Pension Fund Trustee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 121 | GB | SC/213800JH9QQWHLO99821GB05880 | Legal & General Pension Scheme Trustee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 122 | GB | LEI/213800AJ4H1CUB5QNX65 | Legal & General Pensions Limited | Special purpose vehicle other than special purpose vehicle authorised in accordance with Art. 211 of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 123 | GB | SC/213800JH9QQWHLO99821GB05890 | Legal & General Property Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 124 | GB | SC/213800JH9QQWHLO99821GB05900 | Legal & General Property Partners (Industrial Fund) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 125 | GB | SC/213800JH9QQWHLO99821GB05910 | Legal & General Property Partners (Industrial) Nominees Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 126 | GB | SC/213800JH9QQWHLO99821GB05920 | Legal & General Property Partners (IPIF GP) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 127 | GB | SC/213800JH9QQWHLO99821GB10590 | Legal & General Property Partners (Leisure GP) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 128 | GB | SC/213800JH9QQWHLO99821GB05940 | Legal & General Property Partners (Leisure) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 129 | GB | SC/213800JH9QQWHLO99821GB05950 | Legal & General Property Partners (Life Fund) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 130 | GB | SC/213800JH9QQWHLO99821GB47041 | Legal & General Property Partners (Life Fund) Nominee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 131 | GB | SC/213800JH9QQWHLO99821GB05970 | Legal & General Property Partners (UK PIF Geared) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 132 | GB | SC/213800JH9QQWHLO99821GB05980 | Legal & General Property Partners (UK PIF) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 133 | GB | SC/213800JH9QQWHLO99821GB05990 | Legal & General Property Partners (UKPIF Geared Two) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 134 | GB | SC/213800JH9QQWHLO99821GB06000 | Legal & General Property Partners (UKPIF Two) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 135 | GB | SC/213800JH9QQWHLO99821GB05130 | Legal & General Re Holdings Limited | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 136 | GB | SC/213800JH9QQVHLO99821GB97473 | Legal & General Residential (Holdco) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 137 | GB | SC/213800JH9QQVHLO99821GB06010 | Legal & General Resources Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 138 | GB | LEI/21380081MP6MEQJET187 | Legal & General Retail Investments (Holdings) Limited | Mixed financial holding company as defined in Article 212 (1)(h) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 139 | GB | SC/213800JH9QQVHLO99821GB97474 | Legal & General SBTR (Ashdown House 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 140 | GB | SC/213800JH9QQVHLO99821GB97475 | Legal & General SBTR (Ashdown House 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 141 | GB | SC/213800JH9QQVHLO69821GB1196 | Legal & General SBTR (Crowthorne 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 142 | GB | SC/213800JH9QQVHLO69821GB1197 | Legal & General SBTR (Crowthorne 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 143 | GB | SC/213800JH9QQVHLO99821GB97476 | Legal & General SBTR (Keresley 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 144 | GB | SC/213800JH9QQVHLO99821GB97477 | Legal & General SBTR (Keresley 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 145 | GB | SC/213800JH9QQVHLO69821GB1198 | Legal & General SBTR (Sandy Lane 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 146 | GB | SC/213800JH9QQVHLO69821GB1199 | Legal & General SBTR (Sandy Lane 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 147 | GB | SC/213800JH9QQVHLO69821GB1200 | Legal & General SBTR (St Neots) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 148 | GB | SC/213800JH9QQVHLO69821GB1201 | Legal & General SBTR (Stanton Cross 1) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 149 | GB | SC/213800JH9QQVHLO69821GB1202 | Legal & General SBTR (Stanton Cross 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 150 | GB | SC/213800JH9QQVHLO69821GB1203 | Legal & General SBTR (Stanton Cross 3) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 151 | GB | SC/213800JH9QQVHLO69821GB1204 | Legal & General SBTR (Stanton Cross 4) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 152 | GB | SC/213800JH9QQVHLO69821GB1112 | Legal & General Science and Tech (Holdings) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 153 | GB | SC/213800JH9QQVHLO99821GB11080 | Legal & General Senior Living Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 154 | GB | SC/213800JH9QQVHLO99821GB97478 | Legal & General SPV (HoldCo) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 155 | GB | SC/213800JH9QQVHLO99821GB97479 | Legal & General Student Living LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 156 | GB | SC/213800JH9QQVHLO99821GB96110 | Legal & General Suburban BTR (Development 2) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 157 | GB | SC/213800JH9QQVHLO99821GB96120 | Legal & General Suburban BTR (Development) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 158 | GB | SC/213800JH9QQVHLO99821GB96130 | Legal & General Suburban BTR (Operations) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 159 | GB | SC/213800JH9QQVHLO99821GB96140 | Legal & General Suburban BTR (Property) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 160 | GB | SC/213800JH9QQVHLO99821GB06050 | Legal & General Surveying Services Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 161 | GB | SC/213800JH9QQVHLO99821GB06060 | Legal & General Trustees Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 162 | GB | SC/213800JH9QQVHLO69821GB1113 | Legal & General UK BTR GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 163 | GB | SC/213800JH9QQVHLO99821GB06090 | Legal & General UK BTR GP Three LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 164 | GB | SC/213800JH9QQVHLO99821GB06110 | Legal & General UK BTR Investment GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 165 | GB | SC/213800JH9QQVHLO69821GB1114 | Legal & General UK BTR Investment Nominee Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 166 | GB | SC/213800JH9QQVHLO99821GB97480 | Legal & General UK PIF Two GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 167 | GB | SC/213800JH9QQVHLO69821GB1115 | Legal & General UK Solar Investments (Holdings) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 168 | GB | SC/213800JH9QQVHLO99821GB97481 | Legal & General UK Structuring SPV LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 169 | GB | SC/213800JH9QQVHLO99821GB05090 | Legal and General Affordable Homes (Development 3) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 170 | GB | LEI/213800FCHCNERLM1G641 | Legal and General Assurance (Pensions Management) Limited | Life insurance undertaking | Limited by shares | Non-mutual | Prudential Regulation Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 171 | GB | LEI/213800LKFXEMM8WLMA04 | Legal and General Assurance Society Limited | Composite undertaking | Limited by shares | Non-mutual | Prudential Regulation Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 172 | GB | SC/213800JH9QQVHLO69821GB1205 | Legal and General Bristol Temple Island Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 173 | GB | SC/213800JH9QQVHLO69821GB1206 | Legal and General Capital IM Company Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 174 | GB | SC/213800JH9QQVHLO99821GB97482 | Legal and General Residential (BTR) 1 LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 175 | GB | SC/213800JH9QQVHLO99821GB97483 | Legal and General Residential (BTR) 2 LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

# LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 176 | GB | SC/213800JH9QQVHLO69821GB1207 | LGC 150 Richmond UK Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 177 | GB | SC/213800JH9QQVHLO69821GB1209 | LGC 265 S. Orange UK Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 178 | GB | SC/213800JH9QQVHLO69821GB1117 | LGC Overseas Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 179 | GB | SC/213800JH9QQVHLO69821GB1118 | LGC TEP UK Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 180 | GB | SC/213800JH9QQVHLO69821GB1211 | LGGP ECF (GP) LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 181 | GB | SC/213800JH9QQVHLO69821GB1212 | LGGP ECF 1 L.P. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 182 | GB | SC/213800JH9QQVHLO69821GB1213 | LGGP Holdings Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 183 | GB | SC/213800JH9QQVHLO69821GB1214 | LGGP Investments 1 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 184 | GB | SC/213800JH9QQVHLO69821GB1215 | LGGP Management Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 185 | GB | SC/213800JH9QQVHLO69821GB1216 | LGGP Nominee 1 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 186 | GB | SC/213800JH9QQVHLO69821GB1217 | LGGP Nominee 2 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 187 | GB | SC/213800JH9QQVHLO99821GB05030 | LGIM Commercial Lending Limited | Non-regulated undertaking carrying out financial activities as defined in Article 1 (52) of Delegated Regulation (EU) 2015/35 | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 188 | GB | LEI/213800HR77K2NMOFU194 | LGIM International Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 189 | GB | LEI/213800JK8U46713L3454 | LGIM Real Assets (Operator) Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Conduct Authority | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 190 | GB | SC/213800JH9QQVHLO99821GB11120 | LGIM Real Assets Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 191 | GB | SC/213800JH9QQVHLO99821GB97484 | LGIM Sustainable DC Property Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 192 | GB | SC/213800JH9QQVHLO99821GB06150 | LGP Newco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 193 | GB | SC/213800JH9QQVHLO99821GB97485 | LGPL No.2 Ltd | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 194 | GB | SC/213800JH9QQVHLO99821GB97486 | Life and Mind Building Oxford Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 195 | GB | SC/213800JH9QQVHLO99821GB97487 | Life Fund Limited Partnership | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 196 | GB | SC/213800JH9QQVHLO69821GB1220 | London Distribution Park Management Company Limited | Other | Limited by shares | Non-mutual | | 68.0% | 68.0% | 68.0% | | Dominant | 68.0% | Included in the scope | | Method 1: Adjusted equity method |
| 197 | GB | SC/213800JH9QQVHLO69821GB1221 | Low Farm Solar Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 198 | GB | SC/213800JH9QQVHLO69821GB1222 | LPI Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 199 | GB | SC/213800JH9QQVHLO69821GB1223 | Managed Property Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 200 | GB | SC/213800JH9QQVHLO99821GB97488 | Nest Residential GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 201 | GB | SC/213800JH9QQVHLO99821GB97489 | Newcastle Helix Developments LLP | Other | Limited by shares | Non-mutual | | 33.3% | 33.3% | 33.3% | | Significant | 33.3% | Included in the scope | | Method 1: Adjusted equity method |
| 202 | GB | SC/213800JH9QQVHLO99821GB97452 | NSC Building A Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 203 | GB | SC/213800JH9QQVHLO99821GB97453 | NSC Building B Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 204 | GB | SC/213800JH9QQVHLO99821GB07440 | Oxford University Property Development Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 205 | GB | SC/213800JH9QQVHLO99821GB97490 | Parity Energy Storage Limited | Other | Limited by shares | Non-mutual | | 80.0% | 80.0% | 80.0% | | Dominant | 80.0% | Included in the scope | | Method 1: Adjusted equity method |
| 206 | GB | SC/213800JH9QQVHLO99821GB97491 | Performance Retail (General Partner) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 207 | GB | SC/213800JH9QQVHLO99821GB97492 | Performance Retail (Nominee) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 208 | GB | LEI/254900MF5368T688S149 | Performance Retail Limited Partnership | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 209 | GB | SC/213800JH9QQVHLO69821GB1123 | Portholme Residents Management Company Limited | Other | Limited by guarantee | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 210 | GB | SC/213800JH9QQVHLO99821GB97493 | PRLP GP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 211 | GB | SC/213800JH9QQVHLO99821GB97494 | Renaissance Villages Limited | Other | Limited by shares | Non-mutual | | 46.5% | 46.5% | 44.0% | | Dominant | 44.0% | Included in the scope | | Method 1: Adjusted equity method |
| 212 | GB | SC/213800JH9QQVHLO99821GB09390 | Rowley Lane Borehamwood Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 213 | GB | SC/213800JH9QQVHLO99821GB97495 | Sapphire Campus Management Company Limited | Other | Limited by shares | Non-mutual | | 9.5% | 9.5% | 76.3% | | Dominant | 76.3% | Included in the scope | | Method 1: Adjusted equity method |
| 214 | GB | SC/213800JH9QQVHLO69821GB1155 | Senior Living (Albourne) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 215 | GB | SC/213800JH9QQVHLO69821GB1156 | Senior Living (Boston Spa) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 216 | GB | SC/213800JH9QQVHLO99821GB13325 | Senior Living (Broadbridge Heath) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 217 | GB | LEI/213800YFQW6T3N52HH72 | Senior Living (Caddington) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 218 | GB | SC/213800JH9QQVHLO99821GB07320 | Senior Living (Chandlers Ford) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 219 | GB | SC/213800JH9QQVHLO99821GB07990 | Senior Living (Comberton) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 220 | GB | SC/213800JH9QQVHLO99821GB07430 | Senior Living (Dore) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 221 | GB | SC/213800JH9QQVHLO69821GB1226 | Senior Living (Edenbridge) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 222 | GB | SC/213800JH9QQVHLO69821GB1227 | Senior Living (Elstree) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 223 | GB | SC/213800JH9QQVHLO69821GB1228 | Senior Living (Farnhams) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 224 | GB | SC/213800JH9QQVHLO99821GB11155 | Senior Living (Freelands) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 225 | GB | SC/213800JH9QQVHLO99821GB07330 | Senior Living (Great Leighs) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 226 | GB | SC/213800JH9QQVHLO99821GB09410 | Senior Living (Halstead) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 227 | GB | SC/213800JH9QQVHLO69821GB1157 | Senior Living (Hemel Hempstead) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 228 | GB | LEI/213800QBC79CHFDW1313 | Senior Living (Horndean) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 229 | GB | SC/213800JH9QQVHLO91821GB08450 | Senior Living (Knowle) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 230 | GB | SC/213800JH9QQVHLO99821GB11160 | Senior Living (Ledian Farm) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 231 | GB | SC/213800JH9QQVHLO99821GB07340 | Senior Living (Matchams) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 232 | GB | SC/213800JH9QQVHLO99821GB07350 | Senior Living (Sonning Common) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 233 | GB | SC/213800JH9QQVHLO69821GB1158 | Senior Living (Stamford) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 234 | GB | SC/213800JH9QQVHLO99821GB17160 | Senior Living (Sunbury-on-Thames) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 235 | GB | SC/213800JH9QQVHLO99821GB11185 | Senior Living (Tattenhall) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 236 | GB | SC/213800JH9QQVHLO99821GB11175 | Senior Living (Tunbridge Wells) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 237 | GB | LEI/213800CU2KUUKM29EQ38 | Senior Living (Turvey) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 238 | GB | SC/213800JH9QQVHLO99821GB09420 | Senior Living (Walkern) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 239 | GB | SC/213800JH9QQVHLO99821GB11195 | Senior Living (Warwick Gates) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 240 | GB | SC/213800JH9QQVHLO99821GB11170 | Senior Living Finance 1 Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 241 | GB | SC/213800JH9QQVHLO99821GB11180 | Senior Living Medici Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 242 | GB | SC/213800JH9QQVHLO99821GB11190 | Senior Living Medici Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 243 | GB | SC/213800JH9QQVHLO99821GB11205 | Senior Living Urban (Bath) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 244 | GB | SC/213800JH9QQVHLO99821GB07360 | Senior Living Urban (Epsom) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 245 | GB | SC/213800JH9QQVHLO99821GB09430 | Senior Living Urban (Uxbridge) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 246 | GB | SC/213800JH9QQVHLO99821GB07370 | Senior Living Urban (Walton) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 247 | GB | SC/213800JH9QQVHLO99821GB97496 | Sero Technologies Limited | Other | Limited by shares | Non-mutual | | 21.5% | 21.5% | 21.5% | | Significant | 21.5% | Included in the scope | | Method 1: Adjusted equity method |
| 248 | GB | SC/213800JH9QQVHLO69821GB1229 | Siddington Solar Farm Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 249 | GB | SC/213800JH9QQVHLO99821GB09330 | Smartr365 Finance Limited | Other | Limited by shares | Non-mutual | | 35.2% | 35.2% | 35.2% | | Significant | 35.2% | Included in the scope | | Method 1: Adjusted equity method |
| 250 | GB | SC/213800JH9QQVHLO69821GB1159 | SOJV LLP | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 251 | GB | SC/213800JH9QQVHLO99821GB07380 | Stratford City Offices (No. 2) General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 252 | GB | SC/213800JH9QQVHLO99821GB07390 | Stratford City Offices (No. 2) Limited Partnership | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 253 | GB | SC/213800JH9QQVHLO69821GB1230 | Stratford City Offices LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 254 | GB | SC/213800JH9QQVHLO99821GB97497 | Student Operations (Clifford) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 255 | GB | SC/213800JH9QQVHLO99821GB97498 | Student Operations (Scotway) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 256 | GB | SC/213800JH9QQVHLO99821GB09440 | Sunderland Vaux 1 Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 257 | GB | SC/213800JH9QQVHLO99821GB20086 | T P Property Services Limited | Other | Limited by shares | Non-mutual | | 87.5% | 87.5% | 87.5% | | Dominant | 87.5% | Included in the scope | | Method 1: Adjusted equity method |
| 258 | GB | SC/213800JH9QQVHLO99821GB97499 | The Springs Thorpe Park Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 259 | GB | SC/213800JH9QQVHLO99821GB20084 | Thorpe Park 3175 Limited | Other | Limited by shares | Non-mutual | | 87.5% | 87.5% | 87.5% | | Dominant | 87.5% | Included in the scope | | Method 1: Adjusted equity method |
| 260 | GB | SC/213800JH9QQVHLO99821GB11230 | Thorpe Park Developments Limited | Other | Limited by shares | Non-mutual | | 87.5% | 87.5% | 87.5% | | Dominant | 87.5% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 261 | GB | SC/213800JH9QQVHLO99821GB09140 | Thorpe Park Holdings Limited | Other | Limited by shares | Non-mutual | | 87.5% | 87.5% | 87.5% | | Dominant | 87.5% | Included in the scope | | Method 1: Adjusted equity method |
| 262 | GB | SC/213800JH9QQVHLO99821GB10870 | UK PIF FGP LLP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 263 | GB | SC/213800JH9QQVHLO99821GB97500 | UK PIF Two Founder Partner, LP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 264 | GB | SC/213800JH9QQVHLO99821GB97501 | UKPIF Two Founder GP Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 265 | GB | SC/213800JH9QQVHLO99821GB09450 | West Bar Square Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 266 | HK | LEI/213800H1KJLELLYN7P12 | Legal & General Investment Management Asia Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Securities & Futures Commission | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 267 | IE | LEI/213800SH16GUU1ZUNX26 | Euro Liquidity Fund | Other | Limited by shares | Non-mutual | | 51.4% | 51.4% | 51.4% | | Dominant | 51.4% | Included in the scope | | Method 1: Adjusted equity method |
| 268 | IE | SC/213800JH9QQVHLO99821IE11750 | Finovation Limited | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 269 | IE | LEI/213800APRKITDTPSGS59 | L&G ESG GBP Corporate Bond 0-5 Year UCITS ETF | Other | Limited by shares | Non-mutual | | 42.6% | 42.6% | 42.6% | | Dominant | 42.6% | Included in the scope | | Method 1: Adjusted equity method |
| 270 | IE | LEI/21380051849A8GICX914 | L&G ESG Global High Yield Bond Index Fund | Other | Limited by shares | Non-mutual | | 40.7% | 40.7% | 40.7% | | Dominant | 40.7% | Included in the scope | | Method 1: Adjusted equity method |
| 271 | IE | LEI/213800KQIZTS2NONJG98 | L&G ESG Paris Aligned World Equity Index Fund | Other | Limited by shares | Non-mutual | | 75.6% | 75.6% | 75.6% | | Dominant | 75.6% | Included in the scope | | Method 1: Adjusted equity method |
| 272 | IE | LEI/213800RJN8I6V7AW9Z31 | L&G ESG USD Corporate Bond UCITS ETF | Other | Limited by shares | Non-mutual | | 61.3% | 61.3% | 61.3% | | Dominant | 61.3% | Included in the scope | | Method 1: Adjusted equity method |
| 273 | IE | LEI/213800W1S1FQANKD9935 | L&G Frontier Markets Equity Fund | Other | Limited by shares | Non-mutual | | 42.7% | 42.7% | 42.7% | | Dominant | 42.7% | Included in the scope | | Method 1: Adjusted equity method |
| 274 | IE | LEI/213800IX7HQQ7IPQZV26 | L&G Future World ESG Emerging Markets Government Bond USD Index Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 275 | IE | SC/213800JH9QQVHLO69821IE1000 | L&G Future World Global Credit Fund - UK | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 276 | IE | LEI/213800PQD564FQ7R9X68 | L&G Future World Net Zero Maturing Buy & Maintain Fund 23-32 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 277 | IE | LEI/213800DJ9AJ8LBD98G46 | L&G Future World Net Zero Maturing Buy & Maintain Fund 33-42 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 278 | IE | LEI/2138001D1S6XBND8TD27 | L&G Global Government Bond Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 279 | IE | LEI/213800BEUS2TAE3HZM91 | L&G India INR Government Bond UCITS ETF | Other | Limited by shares | Non-mutual | | 26.3% | 26.3% | 26.3% | | Dominant | 26.3% | Included in the scope | | Method 1: Adjusted equity method |
| 280 | IE | LEI/213800EN9BYBFLPC1Z41 | L&G Net Zero Sterling Corporate Bond Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 281 | IE | LEI/213800WFQ3FL3WQPCR61 | L&G Private Markets LTAF | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 282 | IE | LEI/213800AN7AGN2RG6W269 | L&G Rafi Multi-Factor Climate Transition Index Fund | Other | Limited by shares | Non-mutual | | 99.7% | 99.7% | 99.7% | | Dominant | 99.7% | Included in the scope | | Method 1: Adjusted equity method |
| 283 | IE | LEI/213800F687CJ8P5MNS13 | LGIM 2025 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 284 | IE | LEI/213800TUDKQ1JXA35704 | LGIM 2025 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 285 | IE | LEI/213800NRUJOVYNWRRZ17 | LGIM 2025 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 286 | IE | LEI/2138004VCDEILQMHHS87 | LGIM 2030 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 287 | IE | LEI/2138006LWBRVWFMWSR02 | LGIM 2030 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 288 | IE | LEI/2138009MLH74KJ96LF76 | LGIM 2030 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 289 | IE | LEI/2138002AD2JAFG2T6X21 | LGIM 2030 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 290 | IE | LEI/213800F6ZITULZKRNU44 | LGIM 2034 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 291 | IE | LEI/213800U83I2RPLZVB906 | LGIM 2034 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 292 | IE | LEI/213800XCOZ1O5OOSYS07 | LGIM 2035 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 293 | IE | LEI/213800QTCAOHWTNPNB95 | LGIM 2035 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 294 | IE | LEI/213800QGQVR4NDVE5X78 | LGIM 2035 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 295 | IE | LEI/213800XKA7X3OGZJRC45 | LGIM 2037 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 296 | IE | LEI/213800RHT43PL1VAUN95 | LGIM 2038 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 297 | IE | LEI/2138002W643ZACLLU115 | LGIM 2040 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 298 | IE | LEI/213800WCLGVVDNJOVA05 | LGIM 2040 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 299 | IE | LEI/213800TRZCGU73DGNZ53 | LGIM 2040 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 300 | IE | LEI/213800M9P63GXX67CQ14 | LGIM 2040 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

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## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 301 | IE | LEI/21380034FZCG7S6OZU34 | LGIM 2042 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 302 | IE | LEI/213800FRM52MADDUAR40 | LGIM 2042 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 303 | IE | LEI/2138009YI5CV66N93D59 | LGIM 2045 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 304 | IE | LEI/2138003DTGLQ5VKKJL61 | LGIM 2045 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 305 | IE | LEI/213800B1WK9EDRE4XJ19 | LGIM 2045 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 306 | IE | LEI/213800MSGMNVT5MPBV57 | LGIM 2045 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 307 | IE | LEI/2138001ZX589S6983H89 | LGIM 2047 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 308 | IE | LEI/213800X4P3DELXHNNM12 | LGIM 2049 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 309 | IE | LEI/213800F22H8H831GMX30 | LGIM 2050 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 310 | IE | LEI/213800ZT35HUVVCDOH47 | LGIM 2050 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 311 | IE | LEI/2138009RYH3G9FAOYE66 | LGIM 2050 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 312 | IE | LEI/213800KO5KOPP3HEFI93 | LGIM 2050 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 313 | IE | LEI/213800IC7AS1E1NLHA08 | LGIM 2055 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 314 | IE | LEI/213800PTOPXK9AUQ7V89 | LGIM 2055 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 315 | IE | LEI/213800FBORGLUCYWB664 | LGIM 2055 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 316 | IE | LEI/213800MBBRM7ZEKUGK91 | LGIM 2055 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 317 | IE | LEI/213800R1ALYJ7513PB15 | LGIM 2060 Fixed Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 318 | IE | LEI/21380047SAW8H8ENBN97 | LGIM 2060 Inflation Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 319 | IE | LEI/213800QRMCLVBTNPBG18 | LGIM 2060 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 320 | IE | LEI/213800CCHZX2GDIMPA29 | LGIM 2060 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 321 | IE | LEI/2138006KKHYFORYLOA07 | LGIM 2062 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 322 | IE | LEI/213800D1PPMCE5H33G17 | LGIM 2068 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 323 | IE | LEI/2138009FVE6UF4UAWA73 | LGIM 2068 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 324 | IE | LEI/213800SVWJOYSYY5S654 | LGIM 2073 Leveraged Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 325 | IE | LEI/213800GDS5RE9KC7R136 | LGIM 2073 Leveraged Index Linked Gilt Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 326 | IE | LEI/213800I5FSODIZXMDW28 | LGIM Bespoke Fund 1 | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 327 | IE | LEI/213800AT493RQ15WZY42 | LGIM Credit and Liquidity - Fund BM | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 328 | IE | LEI/213800348DVF7UT8RK46 | LGIM Credit and Liquidity - Fund BN | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 329 | IE | SC/213800JH9QQVHLO69821IE1030 | LGIM Euro 2030 Real Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 330 | IE | LEI/213800S2NZF9VFTUI661 | LGIM Fixed Long Duration Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 331 | IE | LEI/2138009UJIT5OWO4JC12 | LGIM Fixed Short Duration Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 332 | IE | LEI/213800OM2RDQP5ARFF46 | LGIM Hedging Fund AC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 333 | IE | LEI/213800TP1HHPAIHNCE07 | LGIM Hedging Fund AI | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 334 | IE | SC/213800JH9QQVHLO69821IE1020 | LGIM Hedging Fund AO | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 335 | IE | LEI/2138006IX8XRER3BOH57 | LGIM Hedging Fund AR | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 336 | IE | LEI/2138003L433Y11U7AU83 | LGIM Hedging Fund AS | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 337 | IE | LEI/213800PPM6S53F9K9213 | LGIM Hedging Fund AT | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 338 | IE | LEI/213800S5LQFRI6HM2V51 | LGIM Hedging Fund AW | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 339 | IE | LEI/213800ZD58YSGFJSUZ32 | LGIM Hedging Fund AZ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 340 | IE | SC/213800JH9QQVHLO69821IE1010 | LGIM Hedging Fund BB | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 341 | IE | LEI/213800VCBJOLL9LSL567 | LGIM Hedging Fund BG | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 342 | IE | LEI/213800P7XO6XLQ6IPL95 | LGIM Hedging Fund BJ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 343 | IE | LEI/2138002PKAKXQ5Q2BE78 | LGIM Hedging Fund BL | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 344 | IE | LEI/2138004PRIMWLWO1V574 | LGIM Hedging Fund BT | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 345 | IE | LEI/2138002L8VGMTR4DW161 | LGIM Hedging Fund BV | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 346 | IE | LEI/213800AJ6D4G7XTQ1V31 | LGIM Hedging Fund CJ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 347 | IE | LEI/2138005QASULGIJZLE45 | LGIM Hedging Fund CK | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 348 | IE | LEI/2138003RTFQMWGXTU493 | LGIM Hedging Fund CL | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 349 | IE | LEI/2138009NUIECLOXWUD14 | LGIM Hedging Fund DC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 350 | IE | LEI/213800P4WIFFTUIR9G73 | LGIM Hedging Fund DJ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 351 | IE | LEI/213800UKSF2RC5NDBU63 | LGIM Hedging Fund DK | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 352 | IE | LEI/213800JAGEAQIIY4JS42 | LGIM Hedging Fund DO | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 353 | IE | LEI/2138006RVV3EJYP3SP69 | LGIM Hedging Fund L | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 354 | IE | LEI/213800JBBUPAI69DAM52 | LGIM Hedging Fund O | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 355 | IE | LEI/213800D4YLJWSDCMH413 | LGIM Hedging Fund Q | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 356 | IE | LEI/213800MYEI4SX4CYT593 | LGIM Hedging Fund WH | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 357 | IE | LEI/213800MV5NBQ3QV7U351 | LGIM Hedging Fund WS | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 358 | IE | LEI/2138009DZ6GVB5SLN174 | LGIM Hedging Fund WT | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 359 | IE | LEI/213800UGW572KMZDVY23 | LGIM Hedging Fund ZZ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 360 | IE | LEI/213800AWF9H2ZBFPAN08 | LGIM Leveraged Synthetic Equity Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 361 | IE | LEI/2138006VGU2BITSZCT06 | LGIM Leveraged Synthetic Equity Fund - GBP Currency Hedged Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 362 | IE | LEI/2138007FJWCCJQ6KZM89 | LGIM Managers (Europe) Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 363 | IE | LEI/213800845SOH6NS76382 | LGIM Maturing Buy & Maintain Credit Fund 2020-2024 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 364 | IE | LEI/2138001WG1YGVD1X1Q23 | LGIM Maturing Buy & Maintain Credit Fund 2025-2029 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 365 | IE | LEI/213800YTFLI5DV4NGT67 | LGIM Maturing Buy & Maintain Credit Fund 2030-2034 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 366 | IE | LEI/213800XU2TDQMVAENN66 | LGIM Maturing Buy & Maintain Credit Fund 2035-2039 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 367 | IE | LEI/213800EJ6ABPS2JG8F79 | LGIM Maturing Buy & Maintain Credit Fund 2040-2054 | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 368 | IE | LEI/213800K9AX1P2PV8X187 | LGIM Real Long Duration Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 369 | IE | LEI/213800UY1XDS9H5OCX38 | LGIM Real Short Duration Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 370 | IE | LEI/213800GAZN5GW432GI64 | LGIM Solutions Fund AO | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 371 | IE | LEI/2138002LUW1MHEH1NV43 | LGIM Solutions Fund BB | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 372 | IE | LEI/213800SOHRH1IIBUJ736 | LGIM Solutions Fund BK | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 373 | IE | LEI/213800YR5T33E12QLV85 | LGIM Solutions Fund BW | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 374 | IE | LEI/213800Z9WPDKFRNAPU81 | LGIM Solutions Fund CA | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 375 | IE | LEI/213800S2ZBCRAQ37OI38 | LGIM Solutions Fund CB | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 376 | IE | LEI/213800UQVJSRGCAOTE39 | LGIM Solutions Fund CC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 377 | IE | LEI/2138003JL4YM7RM15B39 | LGIM Solutions Fund CF | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 378 | IE | LEI/213800O7XIKUAI5WPH35 | LGIM Solutions Fund CG | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 379 | IE | LEI/213800I1YP4IHO895C50 | LGIM Solutions Fund CH | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 380 | IE | LEI/2138002QMCI37LG34R75 | LGIM Solutions Fund CP | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 381 | IE | LEI/2138001DP115156IUE58 | LGIM Solutions Fund CQ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 382 | IE | LEI/213800PFXY7MUPPIT851 | LGIM Solutions Fund CS | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 383 | IE | LEI/213800G5GVB7BDHICD14 | LGIM Solutions Fund CT | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 384 | IE | LEI/213800AYE75US33LXC80 | LGIM Solutions Fund DB | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 385 | IE | LEI/2138008F3ZT412OF8J24 | LGIM Solutions Fund DE | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 386 | IE | LEI/213800GV1FW4VC3M6E62 | LGIM Solutions Fund DF | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 387 | IE | LEI/213800RPVG811NVTIH12 | LGIM Solutions Fund DH | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 388 | IE | LEI/2138004BZMFRAN8WRH54 | LGIM Solutions Fund DM | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 389 | IE | LEI/2138005HVR855LYXE558 | LGIM Solutions Fund DN | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 390 | IE | LEI/213800EWZESCSLM3L913 | LGIM Solutions Fund DQ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 391 | IE | LEI/213800NF2336VMJ8QF25 | LGIM Solutions Fund DR | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 392 | IE | LEI/213800N2XN4IAD5RG812 | LGIM Solutions Fund DU | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 393 | IE | LEI/213800AN6HEI2T2VJ730 | LGIM Solutions Fund DV | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 394 | IE | LEI/213800KS9AKWPXIID786 | LGIM Solutions Fund DY | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 395 | IE | LEI/213800ZQG2F42ZU79A68 | LGIM Solutions Fund DZ | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 396 | IE | LEI/213800YV1EZ51EFCQQ33 | LGIM Solutions Fund EA | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 397 | IE | LEI/213800UQAJ1TTT795U47 | LGIM Solutions Fund EB | Other | Limited by shares | Non-mutual | | 75.0% | 75.0% | 75.0% | | Dominant | 75.0% | Included in the scope | | Method 1: Adjusted equity method |
| 398 | IE | LEI/213800P6DPYMR15RSE86 | LGIM Solutions Fund EE | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 399 | IE | LEI/213800J8N7CAEA3GKJ47 | LGIM Solutions Fund EG | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 400 | IE | LEI/213800KIRI44PK4K1C09 | LGIM Solutions Fund EH | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 401 | IE | LEI/2138002LCNYFGYPSMQ26 | LGIM Solutions Fund EI | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 402 | IE | LEI/213800ZXGMXWXD31J415 | LGIM Solutions Fund M | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 403 | IE | LEI/2138008WUNKVBYYWMK57 | LGIM Synthetic Leveraged Credit Fund | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 404 | IE | LEI/213800L86D1H1HFASJ20 | LGIM Unleveraged Defensive Synthetic Equity Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 405 | IE | LEI/635400NDIEUY42JCMW78 | NTR Asset Management Europe DAC | Other | Limited by shares | Non-mutual | | 25.0% | 25.0% | 25.0% | | Significant | 25.0% | Included in the scope | | Method 1: Adjusted equity method |
| 406 | IE | LEI/213800QJI1LMN74GPL72 | Sennen Finance Designated Activity Company | Other | Limited by shares | Non-mutual | | 0.0% | 0.0% | 0.0% | | Significant | 0.0% | Included in the scope | | Method 1: Adjusted equity method |
| 407 | IE | LEI/213800MF8KVVTOR4D185 | Sterling Liquidity Fund | Other | Limited by shares | Non-mutual | | 48.4% | 48.4% | 48.4% | | Dominant | 48.4% | Included in the scope | | Method 1: Adjusted equity method |
| 408 | IE | LEI/213800DBB4A9OPYN9154 | Sterling Liquidity Plus | Other | Limited by shares | Non-mutual | | 30.6% | 30.6% | 30.6% | | Dominant | 30.6% | Included in the scope | | Method 1: Adjusted equity method |
| 409 | IE | LEI/213800LH4XMETKH1ZM48 | US Dollar Liquidity Fund | Other | Limited by shares | Non-mutual | | 53.9% | 53.9% | 53.9% | | Dominant | 53.9% | Included in the scope | | Method 1: Adjusted equity method |
| 410 | JE | SC/213800JH9QQVHLO99821JE95100 | 30-31 Golden Square UT | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 411 | JE | SC/213800JH9QQVHLO99821JE94990 | Access Development General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 412 | JE | SC/213800JH9QQVHLO99821JE95110 | Access Development II General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 413 | JE | SC/213800JH9QQVHLO99821JE95120 | Access Development II Limited Partnership | Other | Limited by shares | Non-mutual | | 25.0% | 25.0% | 25.0% | | Significant | 25.0% | Included in the scope | | Method 1: Adjusted equity method |
| 414 | JE | SC/213800JH9QQVHLO99821JE10920 | Access Development Limited Partnership | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 415 | JE | SC/213800JH9QQVHLO99821JE95000 | Bishopsgate Long Term Property Fund General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 416 | JE | SC/213800JH9QQVHLO99821JE95040 | Borehamwood Property Unit Trust | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 417 | JE | SC/213800JH9QQVHLO99821JE95130 | Bracknell General Partner Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 418 | JE | SC/213800JH9QQVHLO99821JE10520 | Bracknell Property Unit Trust | Other | Limited by shares | Non-mutual | | 50.8% | 50.8% | 50.8% | | Significant | 50.8% | Included in the scope | | Method 1: Adjusted equity method |
| 419 | JE | SC/213800JH9QQVHLO99821JE95140 | Clifford Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 420 | JE | SC/213800JH9QQVHLO99821JE95190 | L&G Affordable Housing Northern Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 421 | JE | SC/213800JH9QQVHLO99821JE95150 | L&G Managed Fund Holdco Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 422 | JE | SC/213800JH9QQVHLO99821JE95160 | Legal & General Student Living Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 423 | JE | LEI/213800IID5E4MP55B638 | Pemberton Asset Management Holdings Limited | Other | Limited by shares | Non-mutual | | 40.0% | 40.0% | 40.0% | | Significant | 40.0% | Included in the scope | | Method 1: Adjusted equity method |
| 424 | JE | SC/213800JH9QQVHLO99821JE95170 | Performance Retail Unit Trust | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 425 | JE | SC/213800JH9QQVHLO99821JE11125 | Salary Direct Holdings Limited | Other | Limited by shares | Non-mutual | | 53.5% | 53.5% | 53.5% | Significant control retained by owners | Significant | 53.5% | Included in the scope | | Method 1: Adjusted equity method |
| 426 | JE | SC/213800JH9QQVHLO99821JE10860 | SCBD S6 Trust | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 427 | JE | SC/213800JH9QQVHLO99821JE95180 | Scotway Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 428 | JE | SC/213800JH9QQVHLO99821JE11440 | Senior Living (Liphook) Limited | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Significant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 429 | JE | SC/213800JH9QQVHLO99821JE09320 | Stratford City Offices Jersey Unit Trust | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 430 | JE | SC/213800JH9QQVHLO69821JE1125 | Stratford City Offices Jersey Unit Trust (No. 2) | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 431 | JE | SC/213800JH9QQVHLO99821JE95090 | Vantage General Partner Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 432 | JP | SC/213800JH9QQVHLO99821JP11450 | Legal & General Investment Management Japan KK | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | Financial Services Agency | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 433 | LU | LEI/213800CVHOHPVRFZDA88 | L&G Absolute Return Bond Fund | Other | Limited by shares | Non-mutual | | 91.0% | 91.0% | 91.0% | | Dominant | 91.0% | Included in the scope | | Method 1: Adjusted equity method |
| 434 | LU | LEI/213800D859Y767PXQK72 | L&G Alternative Risk Premia Fund | Other | Limited by shares | Non-mutual | | 85.7% | 85.7% | 85.7% | | Dominant | 85.7% | Included in the scope | | Method 1: Adjusted equity method |
| 435 | LU | LEI/213800ES48I97ADSUQ86 | L&G Buy & Maintain Credit Fund | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | | 97.8% | 97.8% | 97.8% | | Dominant | 97.8% | Included in the scope | | Method 1: Adjusted equity method |
| 436 | LU | SC/213800JH9QQVHLO69821LU1000 | L&G Carried Interest Digital Infrastructure GP S.a.r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 437 | LU | SC/213800JH9QQVHLO69821LU1010 | L&G Carried Interest Digital Infrastructure SCSp | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 438 | LU | SC/213800JH9QQVHLO69821LU1020 | L&G Climate Action Global Equity Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 439 | LU | LEI/2138007TK3YVKOOH4P19 | L&G Commodity Index Fund | Other | Limited by shares | Non-mutual | | 67.9% | 67.9% | 67.9% | | Dominant | 67.9% | Included in the scope | | Method 1: Adjusted equity method |
| 440 | LU | SC/213800JH9QQVHLO69821LU1030 | L&G Digital Infrastructure Co-Invest 1 GP S.a.r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 441 | LU | SC/213800JH9QQVHLO69821LU1040 | L&G Digital Infrastructure Co-Invest 1 SCSp | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 442 | LU | SC/213800JH9QQVHLO69821LU1050 | L&G Digital Infrastructure Co-Invest 3 GP S.a.r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 443 | LU | SC/213800JH9QQVHLO69821LU1060 | L&G Digital Infrastructure Co-Invest 3 SCSp | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 444 | LU | SC/213800JH9QQVHLO69821LU1070 | L&G Digital Infrastructure GP S.a.r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 445 | LU | SC/213800JH9QQVHLO69821LU1080 | L&G Digital Infrastructure SCSp | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 446 | LU | LEI/213800TO1EXOBRR5IU33 | L&G Emerging Markets High Yield Bond Fund | Other | Limited by shares | Non-mutual | | 98.0% | 98.0% | 98.0% | | Dominant | 98.0% | Included in the scope | | Method 1: Adjusted equity method |
| 447 | LU | LEI/213800PNJGFUOX6PVZ75 | L&G Emerging Markets Investment Grade Hard Currency Corporate Bond Fund | Other | Limited by shares | Non-mutual | | 68.9% | 68.9% | 68.9% | | Dominant | 68.9% | Included in the scope | | Method 1: Adjusted equity method |
| 448 | LU | LEI/213800I7X1R9QERRQ285 | L&G Euro High Yield Bond Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 449 | LU | LEI/2138006RCN5DJ8PYJF57 | L&G Global Diversified Credit Fund | Other | Limited by shares | Non-mutual | | 55.9% | 55.9% | 55.9% | | Dominant | 55.9% | Included in the scope | | Method 1: Adjusted equity method |
| 450 | LU | LEI/213800JNQCGEHNAA5M12 | L&G Net Zero Global Corporate Bond Fund | Other | Limited by shares | Non-mutual | | 58.4% | 58.4% | 58.4% | | Dominant | 58.4% | Included in the scope | | Method 1: Adjusted equity method |
| 451 | LU | LEI/213800NAHQITZR261B25 | L&G Net Zero Short Dated Corporate Bond Fund | Other | Limited by shares | Non-mutual | | 97.4% | 97.4% | 97.4% | | Dominant | 97.4% | Included in the scope | | Method 1: Adjusted equity method |
| 452 | LU | SC/213800JH9QQVHLO69821LU1090 | L&G NTR Clean Power GP S.à r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 453 | LU | LEI/213800N79ORZ7OJWEG49 | L&G Private Markets SV S.à.r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 454 | LU | LEI/213800I8ABVCSQ7T8O52 | L&G Short Term Alternative Finance Fund II | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 455 | LU | LEI/213800T9PN3V4EPPUM78 | L&G UK Core Plus Bond Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 456 | LU | LEI/2138004SQX4YECYNT780 | L&G Umbrella GP S.à r.l. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 457 | LU | LEI/2138006Z32X9JTONUP41 | L&G US High Yield Bond Fund | Other | Limited by shares | Non-mutual | | 99.6% | 99.6% | 99.6% | | Dominant | 99.6% | Included in the scope | | Method 1: Adjusted equity method |
| 458 | LU | LEI/213800MA1AV515C54868 | L&G US Securitised Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 459 | LU | LEI/213800799TF8AEN1B640 | L&G US Securitised Plus Fund | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 460 | LU | SC/213800JH9QQVHLO69821LU1100 | LGIM Clean Power General Partner S.a.R.L | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |

## LEGAL & GENERAL GROUP - SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## IR.32.01.22 – (continued)
## Undertakings in the scope of the Group

| | | | | | | | | Criteria of influence | | | | | | Inclusion in the scope of Group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Country | Identification code and type of code of the undertaking | Legal Name of the undertaking | Type of undertaking | Legal form | Category (mutual/ non mutual) | Supervisory Authority | % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| Row | C0010 | C0020 | C0040 | C0050 | C0060 | C0070 | C0080 | C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 461 | SG | LEI/984500AC42542D9DU073 | LGIM Singapore Pte. Limited | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 462 | US | SC/213800JH9QQVHLO69821US1164 | Ancora 150 Richmond Holdings, LLC | Other | Limited by shares | Non-mutual | | 98.5% | 98.5% | 98.5% | | Dominant | 98.5% | Included in the scope | | Method 1: Adjusted equity method |
| 463 | US | SC/213800JH9QQVHLO69821US1165 | Ancora 150 Richmond JV, LLC | Other | Limited by shares | Non-mutual | | 98.5% | 98.5% | 98.5% | | Dominant | 98.5% | Included in the scope | | Method 1: Adjusted equity method |
| 464 | US | SC/213800JH9QQVHLO69821US1166 | Ancora 265 S. Orange Holdings, LLC | Other | Limited by shares | Non-mutual | | 99.0% | 99.0% | 99.0% | | Dominant | 99.0% | Included in the scope | | Method 1: Adjusted equity method |
| 465 | US | SC/213800JH9QQVHLO69821US1167 | Ancora 265 S. Orange JV, LLC | Other | Limited by shares | Non-mutual | | 99.0% | 99.0% | 99.0% | | Dominant | 99.0% | Included in the scope | | Method 1: Adjusted equity method |
| 466 | US | SC/213800JH9QQVHLO69821US1143 | Ancora Community Impact CDE LLC | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 467 | US | SC/213800JH9QQVHLO69821US1144 | Ancora Investments, LLC | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 468 | US | SC/213800JH9QQVHLO69821US1145 | Ancora L&G, LLC | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | Majority board control | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 469 | US | SC/213800JH9QQVHLO69821US1146 | Ancora Partners, LLC | Other | Limited by shares | Non-mutual | | 50.0% | 50.0% | 50.0% | | Dominant | 50.0% | Included in the scope | | Method 1: Adjusted equity method |
| 470 | US | SC/213800JH9QQVHLO99821US36160 | Ancora TEP Holdings, LLC | Other | Limited by shares | Non-mutual | | 99.8% | 99.8% | 99.8% | | Dominant | 99.8% | Included in the scope | | Method 1: Adjusted equity method |
| 471 | US | SC/213800JH9QQVHLO99821US36170 | Ancora TEP JV, LLC | Other | Limited by shares | Non-mutual | | 99.8% | 99.8% | 99.8% | | Dominant | 99.8% | Included in the scope | | Method 1: Adjusted equity method |
| 472 | US | LEI/254900XJ2DBFAP2BC608 | Banner Life Insurance Company | Life insurance undertaking | Limited by shares | Non-mutual | Maryland Insurance Administration | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |
| 473 | US | SC/213800JH9QQVHLO99821US10540 | Chesapeake Ventures, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 474 | US | SC/213800JH9QQVHLO99821US06620 | FBV Financing-1, LLC | Reinsurance undertaking | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 475 | US | SC/213800JH9QQVHLO99821US06630 | FBV Financing-2, LLC | Reinsurance undertaking | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 476 | US | SC/213800JH9QQVHLO99821US26288 | FBV Financing-3, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 477 | US | SC/213800JH9QQVHLO69821US1174 | FBV Financing-4, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 478 | US | SC/213800JH9QQVHLO69821US1175 | FBV Financing-5, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 479 | US | SC/213800JH9QQVHLO99821US06010 | First British Vermont Reinsurance Company II, Limited | Reinsurance undertaking | Limited by shares | Non-mutual | Vermont Department of Financial Regulation | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |
| 480 | US | SC/213800JH9QQVHLO99821US16482 | First British Vermont Reinsurance Company III, Limited | Reinsurance undertaking | Limited by shares | Non-mutual | Vermont Department of Financial Regulation | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |
| 481 | US | SC/213800JH9QQVHLO69821US1176 | First British Vermont Reinsurance Company IV Limited | Reinsurance undertaking | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 482 | US | SC/213800JH9QQVHLO99821US36180 | L&G 765 Adams Holdings LLC (Delaware) | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 483 | US | SC/213800JH9QQVHLO99821US36190 | L&G 765 Adams LLC (Delaware) | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 484 | US | SC/213800JH9QQVHLO99821US36150 | Legal & General America Inc. | Insurance holding company as defined in Article 212(1) (f) of Directive 2009/138/EC | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Full consolidation |
| 485 | US | LEI/549300M32WBVVFDTS111 | Legal & General Investment Management America Inc. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 486 | US | SC/213800JH9QQVHLO99821US04020 | Legal & General Investment Management United States (Holdings), Inc. | Credit institution, investment firm and financial institution | Limited by shares | Non-mutual | U.S. Securities and Exchange Commission | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Sectoral rules |
| 487 | US | SC/213800JH9QQVHLO99821US36200 | Legal & General US Real Estate Equity Holding, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 488 | US | SC/213800JH9QQVHLO69821US1208 | LGC 150 Richmond US Holdco, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 489 | US | SC/213800JH9QQVHLO69821US1210 | LGC 265 S. Orange US Holdco, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 490 | US | SC/213800JH9QQVHLO69821US1150 | LGC US Holdco 1 Inc. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 491 | US | SC/213800JH9QQVHLO99821US36210 | LGC US Holdco 2 Inc. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 492 | US | SC/213800JH9QQVHLO69821US1225 | Potomac Ventures Number 1 Inc. | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 493 | US | SC/213800JH9QQVHLO99821US36220 | PVD Incubator, LLC | Other | Limited by shares | Non-mutual | | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 1: Adjusted equity method |
| 494 | US | SC/213800JH9QQVHLO99821US36230 | Techficient Holdings LLC | Other | Limited by shares | Non-mutual | | 45.0% | 45.0% | 45.0% | | Significant | 45.0% | Included in the scope | | Method 1: Adjusted equity method |
| 495 | US | LEI/5493001KE6Q5DH04LJ92 | William Penn Life Insurance Company of New York Inc | Life insurance undertaking | Limited by shares | Non-mutual | New York State Department Of Financial Services | 100.0% | 100.0% | 100.0% | | Dominant | 100.0% | Included in the scope | | Method 2: Local rules |

# Annex 1 – Quantitative Reporting Templates (LGAS QRTs)

**LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT**
**31 DECEMBER 2024**
**Values are shown in £'000**
**IR.02.01.02**
**Balance sheet**

| | | Solvency II value |
|---|---|---|
| | | C0010 |
| | **Assets** | |
| R0010 | Goodwill | |
| R0020 | Deferred acquisition costs | |
| R0030 | Intangible assets | - |
| R0040 | Deferred tax assets | - |
| R0050 | Pension benefit surplus | - |
| R0060 | Property, plant & equipment held for own use | 30,884 |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 129,145,519 |
| R0080 | *Property (other than for own use)* | 117,030 |
| R0090 | *Holdings in related undertakings, including participations* | 1,198,717 |
| R0100 | *Equities* | 315,446 |
| R0110 | *Equities - listed* | 281,741 |
| R0120 | *Equities - unlisted* | 33,705 |
| R0130 | *Bonds* | 70,292,819 |
| R0140 | *Government Bonds* | 14,580,784 |
| R0150 | *Corporate Bonds* | 55,082,835 |
| R0160 | *Structured notes* | - |
| R0170 | *Collateralised securities* | 629,200 |
| R0180 | *Collective Investments Undertakings* | 6,038,263 |
| R0190 | *Derivatives* | 51,182,396 |
| R0200 | *Deposits other than cash equivalents* | 848 |
| R0210 | *Other investments* | - |
| R0220 | Assets held for index-linked and unit-linked contracts | 23,143 |
| R0230 | Loans and mortgages | 7,168,560 |
| R0240 | *Loans on policies* | - |
| R0250 | *Loans and mortgages to individuals* | 6,122,173 |
| R0260 | *Other loans and mortgages* | 1,046,387 |
| R0270 | Reinsurance recoverables from: | 119,005,093 |
| R0280 | *Non-life and health similar to non-life* | 28,486 |
| R0315 | *Life and health similar to life, excluding index-linked and unit-linked* | 25,744,495 |
| R0340 | *Life index-linked and unit-linked* | 93,232,112 |
| R0350 | Deposits to cedants | 438,336 |
| R0360 | Insurance and intermediaries receivables | 468,921 |
| R0370 | Reinsurance receivables | 673,237 |
| R0380 | Receivables (trade, not insurance) | 3,883,934 |
| R0390 | Own shares (held directly) | - |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | - |
| R0410 | Cash and cash equivalents | 310,937 |
| R0420 | Any other assets, not elsewhere shown | - |
| R0500 | **Total assets** | 261,148,564 |

**LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT**
**31 DECEMBER 2024**
**Values are shown in £'000**
**IR.02.01.02 (continued)**
**Balance sheet**

| | | Solvency II value |
|---|---|---|
| | **Liabilities** | C0010 |
| R0505 | **Technical provisions - total** | 169,371,401 |
| R0510 | Technical provisions - non-life | 43,961 |
| R0515 | Technical provisions - life | 169,327,440 |
| R0542 | **Best estimate - total** | 169,232,379 |
| R0544 | Best estimate - non-life | 43,711 |
| R0546 | Best estimate - life | 169,188,668 |
| R0552 | **Risk margin – total** | 688,210 |
| R0554 | Risk margin - non-life | 250 |
| R0556 | Risk margin - life | 687,960 |
| R0565 | **Transitional (TMTP) - life** | 549,188 |
| R0730 | Other technical provisions | |
| R0740 | Contingent liabilities | - |
| R0750 | Provisions other than technical provisions | 26,595 |
| R0760 | Pension benefit obligations | - |
| R0770 | Deposits from reinsurers | 18,463,821 |
| R0780 | Deferred tax liabilities | 876,877 |
| R0790 | Derivatives | 56,249,240 |
| R0800 | Debts owed to credit institutions | 4,496 |
| R0810 | Financial liabilities other than debts owed to credit institutions | - |
| R0820 | Insurance & intermediaries payables | 592,503 |
| R0830 | Reinsurance payables | 251,149 |
| R0840 | Payables (trade, not insurance) | 6,076,007 |
| R0850 | Subordinated liabilities | - |
| R0860 | *Subordinated liabilities not in Basic Own Funds* | - |
| R0870 | *Subordinated liabilities in Basic Own Funds* | - |
| R0880 | Any other liabilities, not elsewhere shown | - |
| R0900 | **Total liabilities** | 251,912,089 |
| | | |
| R1000 | **Excess of assets over liabilities** | 9,236,475 |

**LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT**
**31 DECEMBER 2024**
**Values are shown in £'000**
**IR.05.02.01**
**Premiums, claims and expenses by country: Non-life insurance and reinsurance obligations**

| | Non-life | Home Country | Top 5 countries (by amount of gross premiums written) - non-life obligations | | | | | Total Top 5 and home country |
|---|---|---|---|---|---|---|---|---|
| R0010 | | | | | | | | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| | **Premiums written** | | | | | | | |
| R0110 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0120 | *Gross - Proportional reinsurance accepted* | - | - | - | - | - | - | - |
| R0130 | *Gross - Non-proportional reinsurance accept* | - | - | - | - | - | - | - |
| R0140 | *Reinsurers' share* | - | - | - | - | - | - | - |
| R0200 | *Net* | - | - | - | - | - | - | - |
| | **Premiums earned** | | | | | | | |
| R0210 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0220 | *Gross - Proportional reinsurance accepted* | 4,502 | - | - | - | - | - | 4,502 |
| R0230 | *Gross - Non-proportional reinsurance accept* | - | - | - | - | - | - | - |
| R0240 | *Reinsurers' share* | 4,293 | - | - | - | - | - | 4,293 |
| R0300 | *Net* | 209 | - | - | - | - | - | 209 |
| | **Claims incurred** | | | | | | | |
| R0310 | *Gross - Direct Business* | - | - | - | - | - | - | - |
| R0320 | *Gross - Proportional reinsurance accepted* | 16,507 | - | - | - | - | - | 16,507 |
| R0330 | *Gross - Non-proportional reinsurance accept* | - | - | - | - | - | - | - |
| R0340 | *Reinsurers' share* | 15,125 | - | - | - | - | - | 15,125 |
| R0400 | *Net* | 1,382 | - | - | - | - | - | 1,382 |
| R0550 | **Net expenses incurred** | 6,700 | - | - | - | - | - | 6,700 |

LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
Values are shown in £'000
IR.05.02.01
Premiums, claims and expenses by country: Life insurance and reinsurance obligations

| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
|---|---|---|---|---|---|---|---|---|
| | **Life** | **Home Country** | **Top 5 countries (by amount of gross premiums written) - life obligations** | | | | | **Total Top 5 and home country** |
| R1400 | | | | | | | | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| | **Premiums written** | | | | | | | |
| R1410 | *Gross* | 25,353,127 | - | - | - | - | - | 25,353,127 |
| R1420 | *Reinsurers' share* | 18,179,332 | - | - | - | - | - | 18,179,332 |
| R1500 | *Net* | 7,173,795 | - | - | - | - | - | 7,173,795 |
| | **Premiums earned** | | | | | | | |
| R1510 | *Gross - Direct Business* | 13,762,904 | - | - | - | - | - | 13,762,904 |
| R1520 | *Reinsurers' share* | 8,504,618 | - | - | - | - | - | 8,504,618 |
| R1600 | *Net* | 5,258,286 | - | - | - | - | - | 5,258,286 |
| | **Claims incurred** | | | | | | | |
| R1610 | *Gross - Direct Business* | 12,657,736 | - | - | - | - | - | 12,657,736 |
| R1620 | *Reinsurers' share* | 8,320,959 | - | - | - | - | - | 8,320,959 |
| R1700 | *Net* | 4,336,777 | - | - | - | - | - | 4,336,777 |
| R1900 | **Net expenses incurred** | 1,178,687 | - | - | - | - | - | 1,178,687 |

LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
Values are shown in £'000
IR.05.03.02
Life income and expenditure

| | | Insurance with profit participation | Index-linked and unit-linked insurance | Life annuities | Non-life annuities | Other life insurance | Health insurance | Total life and health |
|---|---|---|---|---|---|---|---|---|
| | **Income** | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | **Premiums written** | | | | | | | |
| R0010 | *Gross direct business* | - | 11,590,223 | 11,758,980 | - | 1,279,054 | 724,870 | 25,353,127 |
| R0020 | *Gross reinsurance accepted* | - | - | (16,415) | - | 9,515 | - | (6,900) |
| R0030 | Gross | - | 11,590,223 | 11,742,565 | - | 1,288,570 | 724,870 | 25,346,228 |
| R0040 | *Reinsurers' share* | - | 9,674,714 | 7,609,762 | - | 569,998 | 324,858 | 18,179,332 |
| R0050 | Net | - | 1,915,509 | 4,132,803 | - | 718,572 | 400,012 | 7,166,896 |
| | **Expenditure** | | | | | | | |
| | **Claims incurred** | | | | | | | |
| R0110 | *Gross direct business* | - | 5,690,776 | 5,664,470 | - | 881,077 | 421,414 | 12,657,737 |
| R0120 | *Gross reinsurance accepted* | - | - | 56,992 | - | - | - | 56,992 |
| R0130 | Gross | - | 5,690,776 | 5,721,462 | - | 881,077 | 421,414 | 12,714,729 |
| R0140 | *Reinsurers' share* | - | 3,880,827 | 3,488,736 | - | 632,311 | 319,085 | 8,320,959 |
| R0150 | Net | - | 1,809,949 | 2,232,726 | - | 248,766 | 102,329 | 4,393,770 |
| | **Expenses incurred** | | | | | | | |
| R0160 | *Gross direct business* | - | 177,548 | 349,417 | - | 457,907 | 194,041 | 1,178,913 |
| R0170 | *Gross reinsurance accepted* | - | - | - | - | - | - | - |
| R0180 | Gross | - | 177,548 | 349,417 | - | 457,907 | 194,041 | 1,178,913 |
| R0190 | *Reinsurers' share* | - | - | - | - | - | - | - |
| R0200 | Net | - | 177,548 | 349,417 | - | 457,907 | 194,041 | 1,178,913 |
| R0300 | Other expenses | | | | | | | 7,849 |
| R0440 | Dividends paid | | | | | | | - |

LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT
31 DECEMBER 2024
Values are shown in £'000
IR.05.04.02
Non-life income and expenditure : reporting period

| | | All business (including annuities stemming from accepted non-life insurance and reinsurance contracts) | All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts) | Non-life insurance and accepted proportional reinsurance obligations | |
|---|---|---|---|---|---|
| | | | | Fire and other damage to property insurance - personal lines | Fire and other damage to property insurance - non-personal lines |
| | | C0010 | C0015 | C0160 | C0170 |
| | **Income** | | | | |
| | **Premiums written** | | | | |
| R0110 | Gross written premiums | | - | - | - |
| R0111 | Gross written premiums - insurance (direct) | | - | - | - |
| R0113 | Gross written premiums - accepted reinsurance | | - | - | - |
| R0160 | Net written premiums | | - | - | - |
| | **Premiums earned and provision for unearned** | | | | |
| R0210 | Gross earned premiums | | 4,502 | - | 4,502 |
| R0220 | Net earned premiums | | 209 | - | 209 |
| | **Expenditure** | | | | |
| | **Claims incurred** | | | | |
| R0610 | Gross (undiscounted) claims incurred | | 16,507 | - | 16,507 |
| R0611 | Gross (undiscounted) direct business | | - | - | - |
| R0612 | Gross (undiscounted) reinsurance accepted | | 16,507 | - | 16,507 |
| R0690 | Net (undiscounted) claims incurred | | 1,382 | - | 1,382 |
| R0730 | Net (discounted) claims incurred | - | - | | |
| | **Analysis of expenses incurred** | | | | |
| R0910 | Technical expenses incurred net of reinsurance ceded | - | | | |
| R0985 | Acquisition costs, commissions, claims management costs | 204 | - | - | - |
| | **Other expenditure** | | | | |
| R1140 | Other expenses | 6,904 | | | |
| R1310 | **Total expenditure** | 6,700 | | | |

LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
Values are shown in £'000
IR.12.01.02
Life Technical Provisions

| | | Insurance with profit participation | Index-linked and unit-linked insurance | Life annuities | Non-life annuities | Other life insurance | Health insurance | Total life and health |
|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | **Best estimate** | | | | | | | |
| R0025 | Gross Best Estimate (direct business) | - | 92,416,865 | 74,082,133 | - | 1,791,570 | 196,803 | 168,487,371 |
| R0026 | Gross Best Estimate (reinsurance accepted) | - | 11,937 | 472,860 | - | 216,500 | - | 701,297 |
| R0030 | **Gross Best Estimate** | - | 92,428,802 | 74,554,993 | - | 2,008,070 | 196,803 | 169,188,668 |
| R0080 | Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | - | 93,232,112 | 23,390,614 | - | 2,305,329 | 48,552 | 118,976,607 |
| R0090 | Best estimate minus recoverables from reinsurance/SPV and Finite Re | - | (803,310) | 51,164,379 | - | (297,259) | 148,251 | 50,212,061 |
| R0100 | **Risk margin** | - | 33,521 | 604,554 | - | 45,336 | 4,549 | 687,960 |
| | **Amount of the transitional on Technical Provisions** | | | | | | | |
| R0140 | TMTP - risk margin | - | 4,053 | 283,737 | - | 31,787 | - | 319,577 |
| R0150 | TMTP - best estimate dynamic component | - | - | 106,190 | - | - | - | 106,190 |
| R0160 | TMTP - best estimate static component | - | 73,227 | - | - | 50,194 | - | 123,421 |
| R0170 | TMTP - amortisation adjustment | - | - | - | - | - | - | - |
| R0180 | **Transitional Measure on Technical Provisions** | - | 77,280 | 389,927 | - | 81,981 | - | 549,188 |
| R0200 | **Technical provisions - total** | - | 92,385,043 | 74,769,620 | - | 1,971,425 | 201,352 | 169,327,440 |

## LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024

**Values are shown in £'000**

**IR.17.01.02**

**Non-Life Technical Provisions**

| | | Direct business and accepted proportional reinsurance – Fire and other damage to property insurance | Total Non-Life obligation |
|---|---|---|---|
| | | C0080 | C0180 |
| | **Best estimate** | | |
| | **Premium provisions** | | |
| R0060 | **Gross - Total** | - | - |
| R0140 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | - | - |
| R0150 | **Net Best Estimate of Premium Provisions** | - | - |
| | **Claims provisions** | | |
| R0160 | **Gross - Total** | 43,711 | 43,711 |
| R0240 | Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | 28,485 | 28,485 |
| R0250 | **Net Best Estimate of Claims Provisions** | 15,226 | 15,226 |
| R0260 | **Total best estimate - gross** | 43,711 | 43,711 |
| R0270 | **Total best estimate - net** | 15,226 | 15,226 |
| R0280 | **Risk margin** | 250 | 250 |
| | **Technical provisions - total (best estimate plus risk margin)** | | |
| R0320 | **Technical provisions - total** | 43,961 | 43,961 |
| R0330 | **Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total** | 28,485 | 28,485 |
| R0340 | **Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total** | 15,476 | 15,476 |

**LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024**
**Values are shown in £'000**
**IR.22.01.21**
**Impact of long term guarantees measures and transitionals**

| | | Amount with Long Term Guarantee measures and transitionals | Impact of transitional on technical provisions | Impact of transitional on interest rate | Impact of volatility adjustment set to zero | Impact of matching adjustment set to zero |
|---|---|---|---|---|---|---|
| | | C0010 | C0030 | C0060 | C0070 | C0090 |
| R0010 | **Technical provisions** | 169,371,401 | 549,188 | - | - | 7,046,942 |
| R0020 | **Basic own funds** | 9,236,475 | (411,891) | - | - | (5,285,207) |
| R0050 | **Eligible own funds to meet Solvency Capital Requirement** | 9,236,475 | (411,891) | - | - | (5,285,207) |
| R0090 | **Solvency Capital Requirement** | 4,203,878 | - | - | - | 9,122,015 |
| R00100 | **Eligible own funds to meet Minimum Capital Requirement** | 9,236,475 | (411,891) | - | - | (5,285,207) |
| R00110 | **Minimum Capital Requirement** | 1,388,430 | 4,822 | - | - | 1,938,221 |

Note

The information disclosed in this template is as defined in Chapter 9, Reporting, the PRA Rulebook and is as at 31 December 2024.

Values in this table alone do not provide sufficient information to gain a fair and transparent understanding of the Group's solvency position.

Additional information on the Transition Measure on Technical Provisions and the Matching Adjustment can be found in section D.2 of the report.

## LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## Values are shown in £'000
## IR.23.01.01
## Own Funds

| | Basic own funds before deduction for participations in other financial sector | Total | Tier 1 unrestricted | Tier 1 restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| R0010 | Ordinary share capital (gross of own shares) | 651,430 | 651,430 | | - | |
| R0030 | Share premium account related to ordinary share capital | 1,048,914 | 1,048,914 | | - | |
| R0040 | Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings | - | - | | - | |
| R0050 | Subordinated mutual member accounts | - | | - | - | - |
| R0070 | Surplus funds | - | - | | | |
| R0090 | Preference shares | - | | - | - | - |
| R0110 | Share premium account related to preference shares | - | | - | - | - |
| R0130 | Reconciliation reserve | 7,536,131 | 7,536,131 | | | |
| R0140 | Subordinated liabilities | - | | - | - | - |
| R0160 | An amount equal to the value of net deferred tax assets | - | | | | - |
| R0180 | Other items approved by supervisory authority as basic own funds not specified above | - | - | - | - | - |
| R0220 | **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | - | | | | |
| R0290 | **Total basic own funds after deductions** | 9,236,475 | 9,236,475 | - | - | - |
| | **Available and eligible own funds** | | | | | |
| R0500 | Total available own funds to meet the SCR | 9,236,475 | 9,236,475 | - | - | - |
| R0510 | Total available own funds to meet the MCR | 9,236,475 | 9,236,475 | - | - | |
| R0540 | Total eligible own funds to meet the SCR | 9,236,475 | 9,236,475 | - | - | - |
| R0550 | Total eligible own funds to meet the MCR | 9,236,475 | 9,236,475 | - | - | |
| R0580 | **SCR** | 4,203,878 | | | | |
| R0600 | **MCR** | 1,388,430 | | | | |
| R0620 | **Ratio of Eligible own funds to SCR** | 219.71% | | | | |
| R0640 | **Ratio of Eligible own funds to MCR** | 665.25% | | | | |

| | **Reconcilliation reserve** | C0060 |
|---|---|---|
| R0700 | Excess of assets over liabilities | 9,236,475 |
| R0710 | Own shares (held directly and indirectly) | - |
| R0720 | Forseeable dividends, distributions and charges | - |
| R0725 | Deductions for particpations in financial and credit institutions | - |
| R0730 | Other basic own fund items | 1,700,344 |
| R0740 | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | - |
| R0760 | **Reconciliation reserve** | 7,536,131 |

## LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024

### Values are shown in £'000
### IR.25.04.21
### Solvency Capital Requirement - Net of loss absorbing capacity of technical provisions

| | | C0100 | |
|---|---|---|---|
| | **Market risk** | | |
| R0070 | Interest rate risk | 1,938,831 | |
| R0080 | Equity risk | 825,112 | |
| R0090 | Property risk | 1,197,717 | |
| R0100 | Spread risk | 3,094,835 | |
| R0110 | Concentration risk | 0 | |
| R0120 | Currency risk | 174,319 | |
| R0125 | Other market risk | 554,429 | |
| R0130 | Diversification within market risk | (2,784,410) | Note 1 |
| R0140 | **Total Market risk** | 5,000,833 | |
| | **Counterparty default risk** | | |
| R0150 | Type 1 exposures | 337,914 | |
| R0160 | Type 2 exposures | - | |
| R0165 | Other counterparty risk | - | |
| R0170 | Diversification within counterparty default risk | - | Note 1 |
| R0180 | **Total Counterparty default risk** | 337,914 | |
| | **Life underwriting risk** | | |
| R0190 | Mortality risk | 97,021 | |
| R0200 | Longevity risk | 2,296,053 | |
| R0210 | Disability-Morbidity risk | - | |
| R0220 | Life-expense risk | 573,091 | |
| R0230 | Revision risk | - | |
| R0240 | Lapse risk | 769,768 | |
| R0250 | Life catastrophe risk | 692,694 | |
| R0255 | Other life underwriting risk | - | |
| R0260 | Diversification within life underwriting risk | (1,817,057) | Note 1 |
| R0270 | **Total Life underwriting risk** | 2,611,570 | |
| | **Health underwriting risk** | | |
| R0280 | Health SLT risk | 33,425 | |
| R0290 | Health non SLT risk | - | |
| R0300 | Health catastrophe risk | 28,033 | |
| R0305 | Other health underwriting risk | - | |
| R0310 | Diversification within health underwriting risk | (17,526) | Note 1 |
| R0320 | **Total Health underwriting risk** | 43,932 | |
| | **Non-life underwriting risk** | | |
| R0330 | Non-life premium and reserve risk (ex catastrophe risk) | - | |
| R0340 | Non-life catastrophe risk | - | |
| R0350 | Lapse risk | - | |
| R0355 | Other non-life underwriting risk | - | |
| R0360 | Diversification within non-life underwriting risk | - | Note 1 |
| R0370 | **Total Non-life underwriting risk** | - | |
| R0400 | **Intangible asset risk** | - | |
| | **Operational and other risks** | | |
| R0422 | Operational risk | 783,743 | |
| R0424 | Other risks | - | |
| R0430 | **Total Operational and other risks** | 783,743 | |
| R0432 | **Total before all diversification** | 13,396,985 | |
| R0434 | Total before diversification between risk modules | 8,777,992 | |
| R0436 | Diversification between risk modules | (3,061,342) | Note 2 |
| R0438 | **Total after diversification** | 5,716,650 | |
| R0440 | Loss absorbing capacity of technical provisions | - | |
| R0450 | Loss absorbing capacity of deferred tax | (1,373,364) | |
| R0455 | Other adjustments | (139,408) | |
| R0460 | **Solvency capital requirement including undisclosed capital add-on** | 4,203,878 | |
| R0472 | Disclosed capital add-on - excluding residual model limitation | - | |
| R0474 | Disclosed capital add-on - residual model limitation | - | |
| R0480 | **Solvency capital requirement including capital add-on** | 4,203,878 | |
| R0490 | Biting interest rate scenario | decrease | |
| R0495 | Biting life lapse scenario | - | |

Note 1
These items represent diversification within individual risk categories. The total diversification within categories is £4,619m.
Note 2
This item represents diversification between risk categories. The total diversification within and between risk categories is £7,680m.

## LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
### Values are shown in £'000
### IR.28.02.01
### Minimum Capital Requirement - Both life and non-life insurance activity

| | | Non-life activities: $MCR_{(NL,NL)}$ Result | Life activities: $MCR_{(NL,L)}$ Result |
|---|---|---|---|
| | | C0010 | C0020 |
| R0010 | Linear formula component for non-life insurance and reinsurance obligations | 1,431 | - |

| | | Non-life activities: Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Non-life activities: Net (of reinsurance) written premiums in the last 12 months | Life activities: Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Life activities: Net (of reinsurance) written premiums in the last 12 months | α | β | non-life α.D + β.E | life α.F + β.G |
|---|---|---|---|---|---|---|---|---|---|
| | | C0030 | C0040 | C0050 | C0060 | | | | |
| R0020 | Medical expense insurance and proportional reinsurance | - | - | - | - | 4.7% | 4.7% | - | - |
| R0030 | Income protection insurance and proportional reinsurance | - | - | - | - | 13.1% | 8.5% | - | - |
| R0040 | Workers' compensation insurance and proportional reinsurance | - | - | - | - | 10.7% | 7.5% | - | - |
| R0050 | Motor vehicle liability insurance and proportional reinsurance | - | - | - | - | 8.5% | 9.4% | - | - |
| R0060 | Other motor insurance and proportional reinsurance | - | - | - | - | 7.5% | 7.5% | - | - |
| R0070 | Marine, aviation and transport insurance and proportional reinsurance | - | - | - | - | 10.3% | 14.0% | - | - |
| R0080 | Fire and other damage to property insurance and proportional reinsurance | 15,226 | - | - | - | 9.4% | 7.5% | 1,431 | - |
| R0090 | General liability insurance and proportional reinsurance | - | - | - | - | 10.3% | 13.1% | - | - |
| R0100 | Credit and suretyship insurance and proportional reinsurance | - | - | - | - | 17.7% | 11.3% | - | - |
| R0110 | Legal expenses insurance and proportional reinsurance | - | - | - | - | 11.3% | 6.6% | - | - |
| R0120 | Assistance and proportional reinsurance | - | - | - | - | 18.6% | 8.5% | - | - |
| R0130 | Miscellaneous financial loss insurance and proportional reinsurance | - | - | - | - | 18.6% | 12.2% | - | - |
| R0140 | Non-proportional health reinsurance | - | - | - | - | 18.6% | 15.9% | - | - |
| R0150 | Non-proportional casualty reinsurance | - | - | - | - | 18.6% | 15.9% | - | - |
| R0160 | Non-proportional marine, aviation and transport reinsurance | - | - | - | - | 18.6% | 15.9% | - | - |
| R0170 | Non-proportional property reinsurance | - | - | - | - | 18.6% | 15.9% | - | - |
| | TS MCR.12 | | | | | | | 1,431 | - |

| | | $MCR_{(L,NL)}$ Result | $MCR_{(L,L)}$ Result |
|---|---|---|---|
| | | C0070 | C0080 |
| R0200 | Linear formula component for life insurance and reinsurance obligations | - | 1,386,999 |

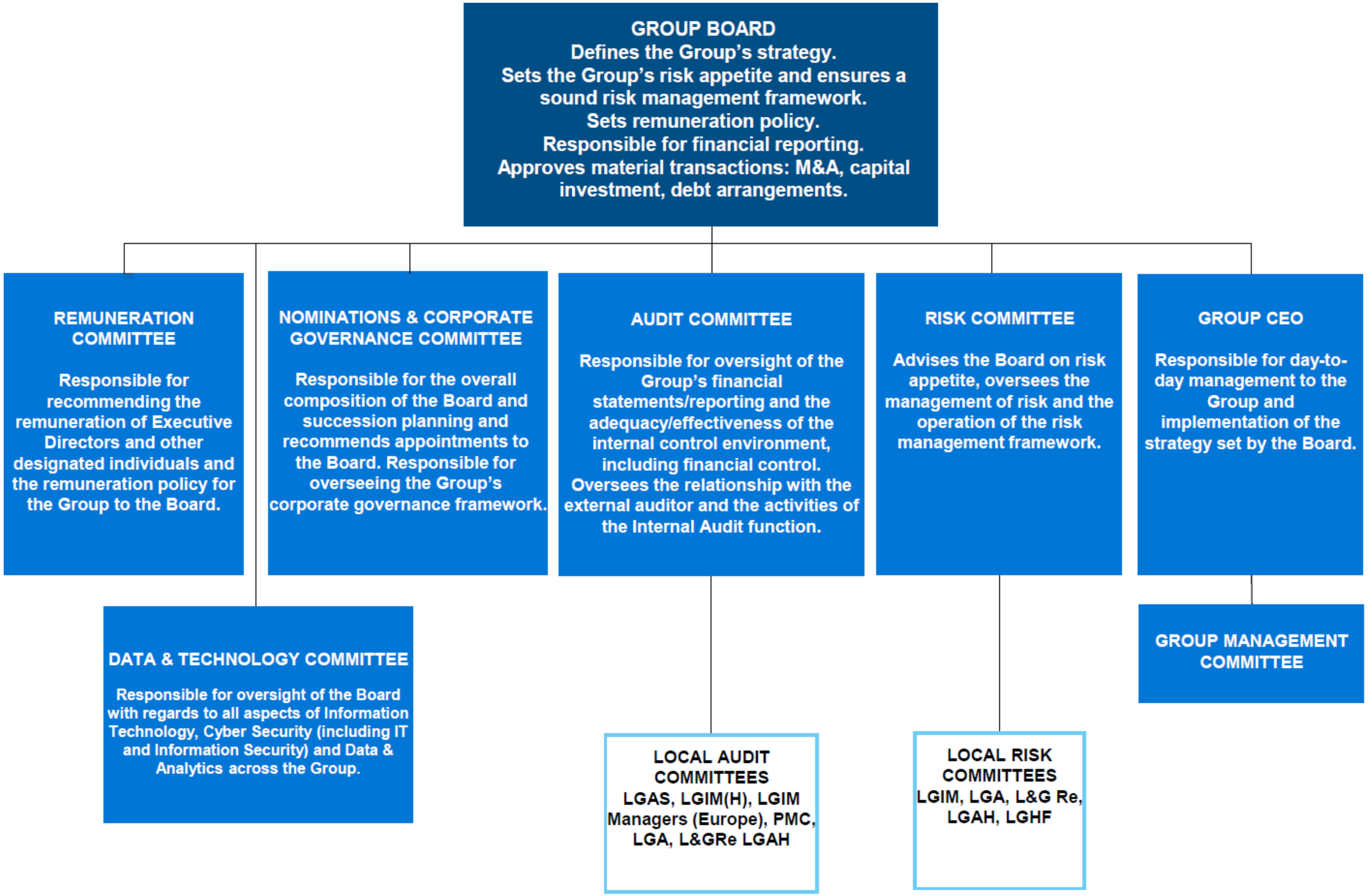
## LEGAL AND GENERAL ASSURANCE SOCIETY LTD – SOLVENCY AND FINANCIAL CONDITION REPORT 31 DECEMBER 2024
## Values are shown in £'000
## IR.28.02.01 (continued)
## Minimum Capital Requirement - Both life and non-life insurance activity

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk | | | |
|---|---|---|---|---|---|---|---|---|
| | | C0090 | C0100 | C0110 | C0120 | | | |
| R0210 | Obligations with profit participation - guaranteed benefits | - | | - | | 3.7% | - | - |
| R0220 | Obligations with profit participation - future discretionary benefits | - | | - | | -5.2% | - | - |
| R0230 | Index-linked and unit-linked insurance obligations | - | | - | | 0.7% | - | - |
| R0240 | Other life (re)insurance and health (re)insurance obligations | - | | 50,785,760 | | 2.1% | - | 1,066,501 |
| R0250 | Total capital at risk for all life (re)insurance obligations | | - | | 457,854,300 | 0.1% | - | 320,498 |
| | | | | | | TS MCR.13 | - | 1,386,999 |

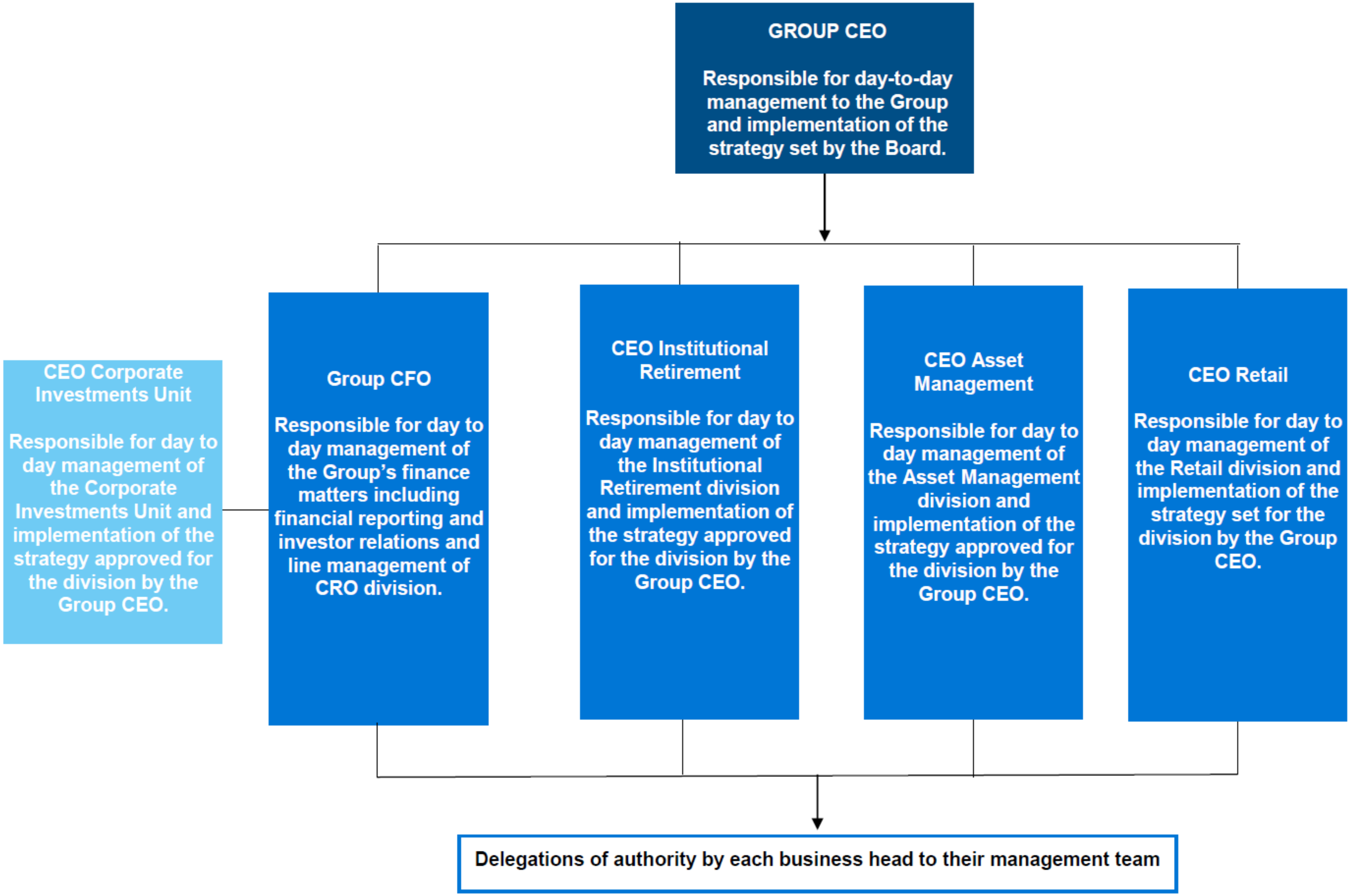
| | Overall MCR calculation | C0130 |
|---|---|---|
| R0300 | Linear MCR | 1,388,430 |
| R0310 | SCR | 4,203,878 |
| R0320 | MCR cap | 1,891,745 |
| R0330 | MCR floor | 1,050,970 |
| R0340 | Combined MCR | 1,388,430 |
| R0350 | Absolute floor of the MCR | 5,900 |
| | | |
| R0400 | **Minimum Capital Requirement** | 1,388,430 |

| | | Non-life activities | Life activities |
|---|---|---|---|
| | **Notional non-life and life MCR calculation** | C0140 | C0150 |
| R0500 | Notional linear MCR | 1,431 | 1,386,999 |
| R0510 | Notional SCR excluding add-on (annual or latest calculation) | 4,333 | 4,199,545 |
| R0520 | Notional MCR cap | 1,950 | 1,889,795 |
| R0530 | Notional MCR floor | 1,083 | 1,049,886 |
| R0540 | Notional combined MCR | 1,431 | 1,386,999 |
| R0550 | Absolute floor of the notional MCR | 2,400 | 3,500 |
| | | | |
| R0560 | **Notional MCR** | 2,400 | 1,386,999 |

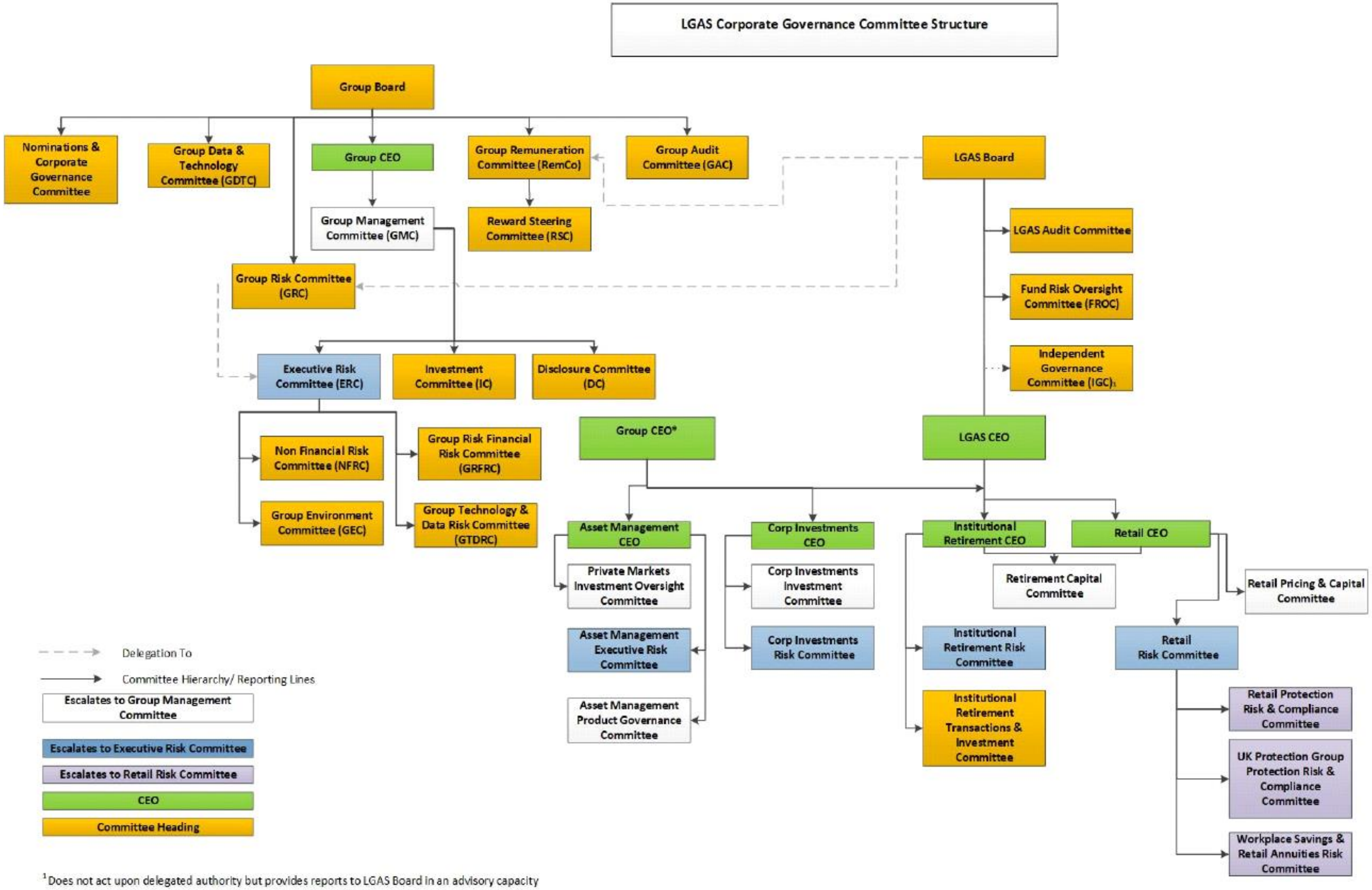
# Annex 2 – Group Governance Framework



# Annex 2 – Group Governance Framework



# Annex 2 – LGAS Governance Oversight Structure




[1] Does not act upon delegated authority but provides reports to LGAS Board in an advisory capacity

* The Group CEO reports to the Group Board. All divisional CEOs report into the Group CEO.

# Annex 3 – Main Assumptions Underlying Technical Provision

| | YE 2024 | YE 2023 |
|---|---|---|
| **Non-linked individual term assurances[1]** | | |
| Smokers | 90% TMS08/TFS08 Sel 5 | 90% TMS08/TFS08 Sel 5 |
| Non-smokers | 90% TMN08/TFN08 Sel 5 | 90% TMN08/TFN08 Sel 5 |
| **Non-linked individual term assurances with terminal illness[1, 2]** | | |
| Smokers | 66% - 86% TMS08/TFS08 Sel 5 | 74% - 80% TMS08/TFS08 Sel 5 |
| Non-smokers | 75% - 84% TMN08/TFN08 Sel 5 | 75% - 86% TMN08/TFN08 Sel 5 |
| **Non-linked individual term assurances with critical illness (Sold until 31/12/2012) [3]** | | |
| Smokers | 84% - 118% ACMS08/ACFS08 | 91% - 123% ACMS08/ACFS08 |
| Non-smokers | 100% - 112% ACMN08/ACFN08 | 106% - 118% ACMN08/ACFN08 |
| **Non-linked individual term assurances with critical illness (Sold from 01/01/2013) [3]** | | |
| Smokers | 83% - 123% ACMS08/ACFS08 | 92% - 129% ACMS08/ACFS08 |
| Non-smokers | 99% - 126% ACMN08/ACFN08 | 108% - 135% ACMN08/ACFN08 |
| **Whole of Life [4]** | | |
| Smokers | Bespoke tables based on TMS08/TFS08, PCMA00/PCFA00 and UK death registrations | Bespoke tables based on TMS08/TFS08, PCMA00/PCFA00 and UK death registrations |
| Non-smokers | Bespoke tables based on TMN08/TFN08, PCMA00/PCFA00 and UK death registrations | Bespoke tables based on TMN08/TFN08, PCMA00/PCFA00 and UK death registrations |
| **Annuities** | | |
| Annuities in deferment [5] | 95.3% - 95.5% PMA16_PBO/PFA16_PBO | 95.3% - 95.6% PMA16_PBO/PFA16_PBO |
| Bulk purchase annuities in payment [5] | 95.3% - 95.5% PMA16_PBO/PFA16_PBO | 95.3% - 95.6% PMA16_PBO/PFA16_PBO |
| Other annuities[5] | 79.0% - 126.1% PMA16_PBO/PFA16_PBO | 79.0% - 125.8% PMA16_PBO/PFA16_PBO |

1. Mortality rates are assumed to improve at a rate of 1.00% p.a. for both males and females.
2. The percentage of the table varies with the duration that the policy has been in-force for the first five years.
3. The percentage of the table varies with the duration that the policy has been in-force for the first two years. For term assurance with critical illness, morbidity rates are assumed to deteriorate at a rate of 0.50% p.a. for males and 0.75% p.a. for females.
4. TM08/TF08 tables are used for the first five years. Thereafter, a bespoke mortality table constructed based on TM08/TF08 tables, PCMA00/PCFA tables and UK death registrations. Mortality rates are assumed to reduce based on CMI 2022 model (2023: CMI 2021) with a long term annual improvement rate of 1.75% for males and 1.25% for females.
5. Mortality rates are assumed to reduce according to an adjusted version of the mortality improvement model CMI 2022 (2023: CMI 2021) with the following parameters:

   Males: Long Term Rate of 1.75% p.a. up to age 85 tapering to 0% at 110
   Females: Long Term Rate of 1.25% p.a. up to age 85 tapering to 0% at 110

   Smoothing is applied to derive initial rates using a smoothing parameter (Sk) value of 7.5 applied to ONS population data to 2022. The resulting initial rates are then adjusted to reflect socio economic class.

   For individual annuities distributed through retail channels, a further allowance is made for the effect of initial selection.

   The mortality basis described above is applicable up to age 90. After age 90 the basis is blended towards a bespoke table from age 105 onwards.

**Lapse Rates:**

| Year End 2024 | Years 1-5 | Years 6-10 | Years 11+ |
|---|---|---|---|
| **Level Term** | **5.2% - 29.5%** | **3.4% - 7.7%** | **1.9%-4.4%** |
| **Decreasing Term** | **3.8% - 14.6%** | **6.0% - 11.8%** | **5.8% - 7.2%** |
| **Accelerated Critical Illness** | **5.7% - 28.3%** | **4.3% - 12.8%** | **3.0% - 8.2%** |

| Year End 2023 | Years 1-5 | Years 6-10 | Years 11+ |
|---|---|---|---|
| Level Term | 5.5% - 30.0% | 3.2% - 7.6% | 2.0% - 4.6% |
| Decreasing Term | 4.1% - 14.6% | 6.4% - 11.7% | 6.1% - 7.5% |
| Accelerated Critical Illness | 5.8% - 31.3% | 4.9% - 12.2% | 3.2% - 8.9% |

# Glossary

### ALM
Asset liability management.

### Annuity
Regular payments from an insurance company made for an agreed period of time (usually up to the death of the recipient) in return for either a cash lump sum or a series of premiums which the policyholder has paid to the insurance company during their working lifetime.

### Basic Own Funds
The surplus of assets over liabilities and subordinated liabilities.

### Best estimate liability (BEL)
The probability-weighted average of best estimate future cash flows, discounted using risk-free term structure of interest rates (adjusted for a matching adjustment where appropriate).

### Calculation Method 2
A method of calculating a group's solvency on a Solvency II basis, whereby the assets and liabilities of certain entities are excluded from consolidation. The net contribution from those entities to Group Own Funds is included as an asset on the Group's Solvency II balance sheet. Regulatory approval has been provided to recognise the Group's (re)insurance subsidiaries in the US and Bermuda on this basis.

### Capital coverage ratio
Also known as the solvency II coverage ratio. The Eligible Own Funds on a regulatory basis divided by the Group Solvency Capital requirement. This represents the number of times the SCR is covered by Eligible Own Funds.

### CEO
Chief Executive Officer.

### Code Staff
A category of role defined under applicable FCA Remuneration Codes (SYSC 19B, SYSC 19E and SYSC 19G) within the FCA Handbook. The name is taken from the FCA's Remuneration Code that interprets and applies these Directives for the UK. Broadly, Code Staff includes roles that are considered to have the authority to take risks that could directly, or indirectly, affect one or more firms within the Group and its investors.

### CRO
Chief Risk Officer.

### DAC
Deferred acquisition costs.

### EIOPA
European Insurance and Occupational Pensions Authority.

### Eligible Own Funds (EOF)
The amount of Own Funds available to meet the SCR and MCR. This includes any adjustments for eligibility requirements as defined by the Solvency II regulations.

### EPIFP
Expected profit included in future premiums.

### Solvency II Fundamental Spread
An amount used in the derivation of the Matching Adjustment. It represents the portion of the spread on a financial instrument that is attributable to the risks of default and downgrade. Prescribed Fundamental Spreads varying by credit rating and currency are provided by PRA. As part of the UK implementation of Solvency II regulations, insurance groups and firms are required to apply an additional Fundamental Spread where the regulatory amounts are believed to be insufficient to reflect all risks in a financial instrument.

### IFRS adjusted operating profit
Adjusted operating profit measures the pre-tax result excluding the impact of investment volatility, economic assumption changes and exceptional items. Operating profit therefore reflects longer term economic assumptions and changes in insurance risks such as mortality and longevity for the Group's insurance business and shareholder funds, except for LGA which excludes unrealised investment returns to align with the liability measurement under US GAAP. Variances between actual and smoothed assumptions are reported below operating profit. Exceptional income and expenses which arise outside the normal course of business in the period, such as merger and acquisition and start-up costs are excluded from operating profit.

### Internal Model
A solvency calculation model tailored to the individual risk profile of a specific firm.

### International financial reporting standards (IFRS)
These are accounting guidelines and rules that companies and organisations follow when completing financial statements. They are designed to enable comparable reporting between companies, and they are the standards that all publicly listed groups in the UK are required to use.

### LGA
Legal & General America.

### LGAS
Legal and General Assurance Society Limited.

### L&G Re
Legal & General Reinsurance Limited.

### Liability driven investment (LDI)
A form of investing in which the main goal is to gain sufficient assets to meet all liabilities, both current and future. This form of investing is most prominent in final salary pension plans, whose liabilities can often reach into billions of pounds for the largest of plans.

### Lifetime Mortgages
An equity release product aimed at people aged 55 years and over. It is a mortgage loan secured against the customer's house. Customers do not make any monthly payments and continue to own and live in their house until they move into long-term care or on death. A no negative equity guarantee exists such that if the house value on repayment is insufficient to cover the outstanding loan, any shortfall is borne by the lender.

### Liquidity coverage ratio (LCR)
The measure of exposure to liquidity risk. The LCR is defined as total sources of liquidity divided by total liquidity requirements.

### Longevity
Measure of how long policyholders will live, which affects the risk profile of pension risk transfer, annuity and protection businesses.

### Matching adjustment (MA)
An adjustment to the discount rate used for annuity liabilities in Solvency II balance sheets. This adjustment reflects the fact that the profile of assets held is sufficiently well-matched to the profile of the liabilities, that those assets can be held to maturity, and that any excess return over risk-free (that is not related to defaults) can be earned regardless of asset value fluctuations after purchase.

### MAP
Matching Adjustment Portfolio.
A portfolio of assets created to back a certain set of liabilities, which is then eligible for a matching adjustment.

### MCR
Minimum Capital Requirement is calculated using a prescribed formula and which is the minimum level of capital below which the amount of financial resources should not fall.

### Method 1
Also known as the Accounting Method. A method of solvency consolidation for groups which reflects the underlying information of the in-scope entities. Method 1 is the default method of calculation.

### MI
Management information.

### Mortality rate
Rate of death, influenced by age, gender and health, used in pricing and calculating liabilities for future policyholders of life and annuity products, which contain mortality risks.

### New business margin
Solvency II value added by new business written divided by the present value of new business premiums.

### ORSA
Own risk and solvency assessment, also known as the forward-looking assessment of own risks.

### Own Funds
The amount of capital available to cover a firm’s SCR.

### Pension risk transfer (PRT)
Bulk annuities bought by entities that run final salary pension schemes to reduce their responsibilities by closing the schemes to new members and passing the assets and obligations to insurance providers.

### PIM
Partial internal model.

### PMC
Legal and General Assurance (Pensions Management) Limited.

### PPE
Property, plant and equipment.

### PRA
Prudential Regulation Authority was created as a part of the Bank of England by the Financial Services Act (2012) and is responsible for the prudential regulation and supervision of insurance companies in the UK.

### QRTs
Quantitative reporting templates. Templates defined by EIOPA for the regular reporting of financial information.

### Reconciliation reserve
A Basic Own Funds item, comprising the excess of assets over liabilities, adjusted for other Basic Own Funds items comprising of own shares, foreseeable dividends, restricted Own Fund items, and other non-available Own Funds.

### Ring fenced funds (RFF)
Own Funds that can only be used to cover a particular segment of liabilities or particular risks and cannot be made available to cover liabilities or risks outside the ring fenced fund.

### Risk appetite
The aggregate level and types of risk a company is willing to assume in its exposures and business activities in order to achieve its business objectives.

### Risk margin (RM)
The cost of providing funds to cover the Solvency Capital requirements over the lifetime of the associated insurance policies. The approach for calculating the risk margin is prescribed in Solvency II regulations.

### SBP
Share bonus plan.

### SCR
Solvency Capital Requirement is the amount of capital that insurance and reinsurance undertakings are required to hold and is calibrated to ensure that all quantifiable risks are taken into account in a 1-in-200 year risk event.

### SFCR
Solvency and Financial Condition Report.

### Solvency II coverage ratio
Also known as the capital coverage ratio. The Eligible Own Funds on a regulatory basis divided by the Group Solvency Capital Requirement. This represents the number of times the SCR is covered by Eligible Own Funds.

### Solvency II
The Group measures its capital resources in line with the UK implementation of Solvency II regulations, as set out in the PRA Rulebook. The UK implementation of the Solvency II regulations determines the amount of capital that UK insurance companies must hold to ensure that they can withstand a 1-in-200 year level of risk. The regulations became effective from 31 December 2024. The previous Solvency II regulations applied from 1 January 2016, as implemented by EIOPA in the Solvency II Framework Directive, and adopted by the UK.

### SPV
Special purpose vehicle.

### Standard Formula (SF)
A standardised solvency calculation method, not tailored to the individual risk profile of a specific firm. It aims to capture the material quantifiable risks to which most undertakings are exposed.

### Surplus
The excess of Eligible Own Funds on a regulatory basis over the Solvency Capital Requirement. This represents the amount of capital available to the company in excess of that required to sustain it in a 1-in-200 year risk event.

### Technical provisions (TP)
The sum of the best estimate liabilities and the risk margin.

### Transitional Measures on Technical Provisions (TMTP)
An adjustment to Solvency II technical provisions, to smooth the transition from the previous regulatory regime to the Solvency II regime over a period of 16 years from 1 January 2016. The TMTP continues to be applied after the change to the UK implementation of Solvency II from 31 December 2024, with some changes to the approach to simplify the ongoing calculation.

### Total shareholder return (TSR)
TSR is a measure used to compare the performance of different companies' stocks and shares over time. It combines the share price appreciation and dividends paid to show the total return to the shareholder.

### Value-at-risk (VaR)
The estimated loss for a given probability over a one-year period.

### Yield
A measure of the income received from an investment compared to the market value of the investment. It is usually expressed as a percentage.