



Deep Dive: Institutional Retirement

Legal & General Plc (“Legal & General” or the “Group”) will today hold the first in a series of deep dives on its three divisions. Today’s deep dive will cover Institutional Retirement.

The event will start at 9.00am GMT and will be webcast [here](#). Presentation slides will be made available online shortly beforehand (at the same link).

Executing well in support of our Group targets

The Group is making good progress in delivering on the strategy set out at the Capital Markets Event in June. It is on track to deliver mid-single digit growth in operating profit for FY24 (in line with guidance) and, thereafter, to achieve its targets of 6-9% CAGR in core operating EPS (FY24-FY27) at an operating return on equity >20% (2025-2027) as well as cumulative Solvency II capital generation of £5-6bn (2025-2027).

PRT market opportunity is highly attractive; L&G strongly positioned

The global Pension Risk Transfer (PRT) market is growing and attractive and the Group is well-positioned to continue to seize the opportunity.

Our pipeline of PRT deals is as strong as it has ever been and our guidance of £50-65bn of UK PRT (2024-2028) remains unchanged. We reiterate the division’s target operating profit CAGR of 5-7% (FY23-FY28).

Year-to-date we have written global PRT volumes of £10.0bn and are exclusive on a further £0.5bn expected to close in 2024. Of this £10.5bn, £8.4bn is UK and £2.1bn is International, with L&G writing its highest ever volumes in the US and Canada.

In line with others in the market, we have adopted a largely gilts-based investment strategy for the majority of the business we have written this year, reflecting the prevailing market environment. This means that year-to-date strain on UK PRT is c.1% (significantly lower than our guidance of below 4%).

We anticipate returning to shareholders a proportion of the capital not deployed on strain this year. This will form part of the Board’s wider consideration of buyback capacity, which will be set out at the FY24 results in March 2025 and would be incremental to the capital return intentions indicated at the Capital Markets Event in June.

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with £1.1 trillion in total assets under management (as at HY24) of which c.40% (c.£0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading international player in Institutional Retirement, in Retail Savings and Protection, and in both public and private markets through our Asset Management division. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

As at 3 December 2024, Legal & General has a market capitalisation of £13.1 billion.

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