



Investing in a sustainable future

Legal & General Group Plc | Social impact report 2023



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Welcome to our 2023 Social impact report

At Legal & General, 11,500 people are working together to realise our purpose: to improve the lives of our customers, build a better society for the long term and create value for our shareholders. Here's how.



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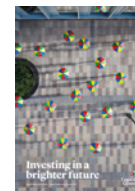
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A business guided by social purpose



“

At Legal & General a sense of responsibility, commercial opportunity and motivated people combine. These ingredients enable us to keep creating value for society and our shareholders.”

When I joined Legal & General in January 2024, I knew I'd be part of a business that is guided by a clear social purpose. Doing the right thing, by using capital to solve society's long-term challenges and create value for shareholders, is at the heart of our culture and shapes our decision making.

Over the last decade, Legal & General has leaned into some of the major social challenges of our lifetimes. We have used our investment capacity to drive practical change, our convening power to develop partnerships and our experience to inform policy, across issues as varied as the ageing population, under-investment in the real economy and infrastructure and the challenge of climate change.

As a major global investor, pension fund manager and provider of financial and protection services, much of what we do has inherent social value. We deploy our scale, financial strength and expertise to deliver impact across these areas.

As a provider of financial services meeting the needs of c.14 million customers through our Retail division, we're there for people throughout life, especially at difficult times.

We meet the needs of ageing populations to live happier and longer retirements. We design and deliver our products and build relationships with civil society to meet people's changing needs, aiming to exceed their expectations. Today, we are adapting our offer and support to recognise the shifting demands and responsibilities of our customers as they plan for their financial futures. Chapters Two and Four of this report describe how we are doing this.

Secondly, we meet our obligations to tomorrow's retirees – in the UK, US and Canada – and the people we insure by creating assets that are socially useful today and will hold their value in tomorrow's economy. From affordable housing to urban regeneration projects to science parks, we're investing to provide people with better places to live and businesses with the infrastructure they need to create jobs for tomorrow's economy. We are mindful of leaving the communities where we invest better off for our presence. Chapter Three outlines our progress in 2023.

Thirdly, we're trusted to manage £1.2 trillion of assets for clients all over the world, through equity and debt in publicly traded companies and sovereigns, real estate and other financial instruments. We take seriously our responsibility to manage this wealth in ways that promote market stability and enable the necessary environmental and social conditions to generate sustainable returns for our clients. We use our influence to improve market practices and to advocate for the better governance of firms around the globe. Chapters Four and Five outline how we seek to influence others, while ensuring we maintain the highest standards in how we do business.

Our success is underpinned by the leadership and commitment of our 11,500 people. We have a duty to them to create a culture where mental and physical wellbeing matters, where diverse views and experiences are valued and where everyone can succeed with equitable access to opportunity. You can read more about our approach in Chapters Five and Six.

At Legal & General a sense of responsibility, commercial opportunity and motivated people combine. These ingredients enable us to keep creating value for society and our shareholders.

I'd like to extend thanks to my predecessor, Sir Nigel Wilson, who helped to make the pursuit of social impact a fundamental driver of our business and our culture. This was an important part of what drew me, and many others, to join the business. I look forward to working with our teams to build on our record and continue to deepen our impact in years to come.

António Simões
Chief Executive Officer

A more sustainable world

Legal & General's purpose is to improve the lives of our customers, build a better society for the long term and create value for our shareholders. In doing so, we seek to build a better future and a more sustainable world.

Our place in the world

Our role in the global economy goes straight to the heart of our purpose. It manifests in the ways we do business: the investments we make, the ways in which we seek to influence other actors in the economy and how we operate. We invest pensioners' money, insurance premiums and our clients' wealth in useful ways, matching capital with investment opportunities and creating assets with long-term value.

While we're well-placed to generate social and economic good through the work we do, we're not immune to the great challenges of our time. In fact, we see the secular issues that the world faces as being a source of commercial opportunity.

Turbulence over the past five years, driven by the Covid-19 pandemic and subsequently by geopolitical instability and significant inflation, don't detract from the challenges facing the global economy. In fact, they've exacerbated many of their effects. Therefore, our long-term strategic response, which is set out in the chart on the right and over the page, remains focused on six major challenges and has not changed in the face of specific short-term shocks.

Our businesses

We have four core businesses which work together to enable us to deliver on our purpose, which is to improve the lives of our customers, build a better society for the long term and create value for our shareholders.

Institutional retirement. We provide institutional pension risk transfer solutions, guaranteeing the retirement income for corporate pension scheme members.

Capital investment. We use some of our customers' pension assets, as well as the group's shareholder capital, to make long-term investments in assets such as clean energy, housing and alternative finance.

Investment management. We are one of the world's largest asset managers and a major global investor.

Retail. We are a leading provider of UK retail retirement and protection solutions and US brokerage term life insurance.

Our people at the heart of purpose

Most importantly, our purpose informs not only what we do, but how we do it.

This is where our 11,500 people come in. They help us realise our purpose in many ways: in their everyday roles as investment, retirement and insurance specialists, or as expert housebuilders, or in a range of professional support roles; and in the things they do to protect and nurture our culture and serve the communities in which we operate.

Our commercial success depends on our people, which is one of the reasons why much of this report is given over to describing the ways we seek to understand and support our people as we engage them in creating a better society and creating value for our shareholders.

A culture of ambition and integrity

Ours is an ambitious vision and we seek to build a culture which supports this ambition, where employees act in a straightforward, collaborative and purposeful way and where leadership is agile, ambitious and authentic.

This cannot work unless we also have a culture of integrity. That is why we take our responsibility as an employer and as a participant in labour markets through our value chain, extremely seriously.

We insist on very high standards of business and personal integrity from our people, our suppliers and those doing business with us. This is because we believe that we can only deliver on our ambitions if we have the right foundations for success in place. That includes a commitment to observing the spirit and letter of law and regulation, as well as creating an inclusive environment in which diverse kinds of people can succeed and use their varied experiences to help solve some of the biggest issues facing society.

Purpose and opportunity coming together

We see our social and environmental impact as going beyond simple adherence to the requirements of environmental, social and governance (ESG) considerations. It is also a source of commercial potential. The transition to net zero, the housing crisis and the need to invest in healthcare and other infrastructure all present opportunities for the long-term investment of capital against our future pension liabilities.

Our commercial strategy



Ageing demographics



Globalisation of asset markets



Investing in the real economy




Welfare reforms



Technological innovation



Addressing climate change

 Please see our 2023 Annual report and accounts for further information.

Our approach to sustainability

Our purpose means that we see the sustainability agenda as central to what we're trying to achieve commercially.

While this report focuses on our business's social impact, it's important to note that this agenda forms part of our broader approach to running our business in a sustainable and responsible way. This wider sustainability strategy, right, includes our response to climate change and other environmental issues.

Developing our thinking Climate and nature

Although climate change remains our most material sustainability issue, we understand there are material interdependencies between climate change and the natural environment. Over the last year, we have continued to develop our approach to nature within our business. We have sought to understand our business' impacts and dependencies on nature.

For more information on our developing approach to nature, please see our Climate and nature report.

Modern slavery

In 2023, we continued to develop our response to the risks of modern slavery in our operation and supply chain. We have taken steps to strengthen our governance, undertaken due diligence across our business and set key performance indicators for our work in this area.

Full details of the actions taken in 2023 can be found in our Modern slavery statement.

Our purpose

Our purpose is to improve the lives of our customers, build a better society for the long term and create value for our shareholders.

Our commercial context and business strategy

1
Ageing demographics

2
Globalisation of asset markets

3
Welfare reforms

4
Technological innovation

5
Investing in the real economy

6
Addressing climate change

Our sustainability focus areas

We'll promote long-term financial wellbeing

1 3 4

We'll promote people's long-term and lifelong financial security by providing good value, simple, inclusive, accessible products and education for more people.

 See pages 8 to 17

We'll create better communities in which to live and work

1 2 3 5


We'll build better communities by delivering socially and environmentally positive housing and workplaces at scale. We'll create long-term economic prosperity by engaging thoughtfully with communities to meet their needs.

 See pages 18 to 26

We'll invest in game changing environmental solutions

2 4 6

We'll play our part in tackling the climate and biodiversity crises by investing in leading-edge environmental technology and solutions. We'll continue delivering low-carbon energy and environmentally beneficial infrastructure and housing, while reducing environmental harm.

 See our Climate and nature report

We'll engage our customers and employees with our impact

1 2 3 4 5 6

We'll make sure our customers and employees know that, by being part of Legal & General, they have a positive social and environmental impact. We'll meet demand for positive social and environmental impacts by placing these at the centre of how we do business and design more of our products.

 See pages 27 to 33

Supporting our work in these four areas is our commitment to run our business in a responsible way.

This includes supporting mental and physical health and wellbeing, promoting diversity and inclusion (D&I) and enabling social mobility – both in our own business and in how we influence and interact with others. See pages 34 to 69.

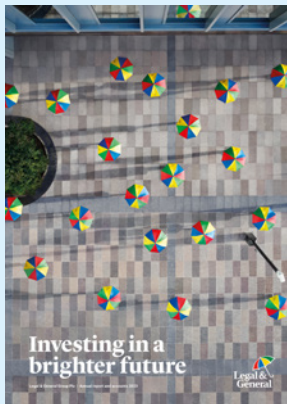
Our approach to sustainability continued

Reporting our progress

Our sustainability-related disclosures are across several reports. We recommend that readers who want to understand our approach to the whole range of sustainability issues read the publications together, but the summaries below are designed to help navigate them.

Annual report and accounts 2023

Our Annual report and accounts outlines our approach to sustainable business, comments on how our commercial activities have contributed to positive environmental and social outcomes and describes our high-quality governance.



Climate and nature report 2023

This report, prepared in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), describes our climate and environment strategy, scenario planning, risk management, metrics and governance. During 2023, we have developed our approach to the issue of nature and biodiversity loss. The climate and nature report is the first step on our journey in consideration of the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, which we intend to adopt more widely in our reporting in the future.



Social impact report 2023

The present document, our Social impact report, describes the commercial and not-for-profit actions we've taken towards the areas of focus set out on page 4. It includes information on our approach to business ethics. It also includes people-related disclosures: workforce data; information on diversity and inclusion; gender and ethnicity pay gap information; and information on engagement and collective representation.



Modern slavery statement 2023

The Modern slavery statement describes the steps we have taken to identify the risks, and remediate any instances, of modern slavery and human rights violations. It covers our strategy, risk processes, governance and key performance indicators relating to this issue in our operation and supply chain.



Social impact report – Basis of preparation

Certain data in the Social impact report has been subject to independent limited assurance by Deloitte. The Basis of preparation sets out the criteria under which the assurance has taken place.



All publications available on our website: group.legalandgeneral.com

Governance of sustainability

Accountability for building a sustainable business is shared by teams across our business, supported by governance led by the Group Board.


Roles and responsibilities

Our commercial strategy and business plans, which includes oversight of our six growth drivers (see page 3) and therefore the strategic direction for sustainability, are set by the Group Management Committee (GMC). The GMC is a formal committee of the Group CEO, António Simões. Its purpose is to support the CEO in the discharge of those things within his authority as delegated to him by the Group Board, in particular in relation to group-wide strategic and material matters.

Our Board, led by Chair Sir John Kingman, is responsible for the overall leadership of the Group; it is charged with setting the Group's values and standards. The role of the Board is to promote the long-term sustainable success of the company, whilst simultaneously generating value for shareholders and contributing to wider society.

The Group Chief Risk Officer is responsible for ensuring we understand, identify, measure, monitor, manage and report risks in line with the risk appetite parameters set by the Group Board. The Group Chief Financial Officer, who is also a Board member, is responsible for supporting the Group CEO in establishing group-wide financial and strategic objectives.

While our sustainability strategy (see page 4) was not formally reviewed by the Board in 2023, work was undertaken to prepare for an update in the first quarter of 2024 through the Group Environment Committee. Please see page 7 for more information.

 More information on the Group's Executive and Board Governance Framework can be found in the Annual report and accounts.

Oversight for the delivery of the sustainability strategy is the responsibility of the Group Sustainability team. Delivery of specific objectives relating to sustainability is the responsibility of various teams throughout the business.

Governance of sustainability matters

The overall accountability for the long-term strategy of the Group, including its contribution to wider society, sits with the Group Board, but the governance of specific sustainability themes sits with other bodies.

The **Global Diversity and Inclusion Council** is accountable for governance of our D&I activities. It provides regular updates to the Board through the Nominations and Corporate Governance Committee, comprises senior leaders from across our business divisions and is chaired by the CEO of Legal & General Capital, Laura Mason.

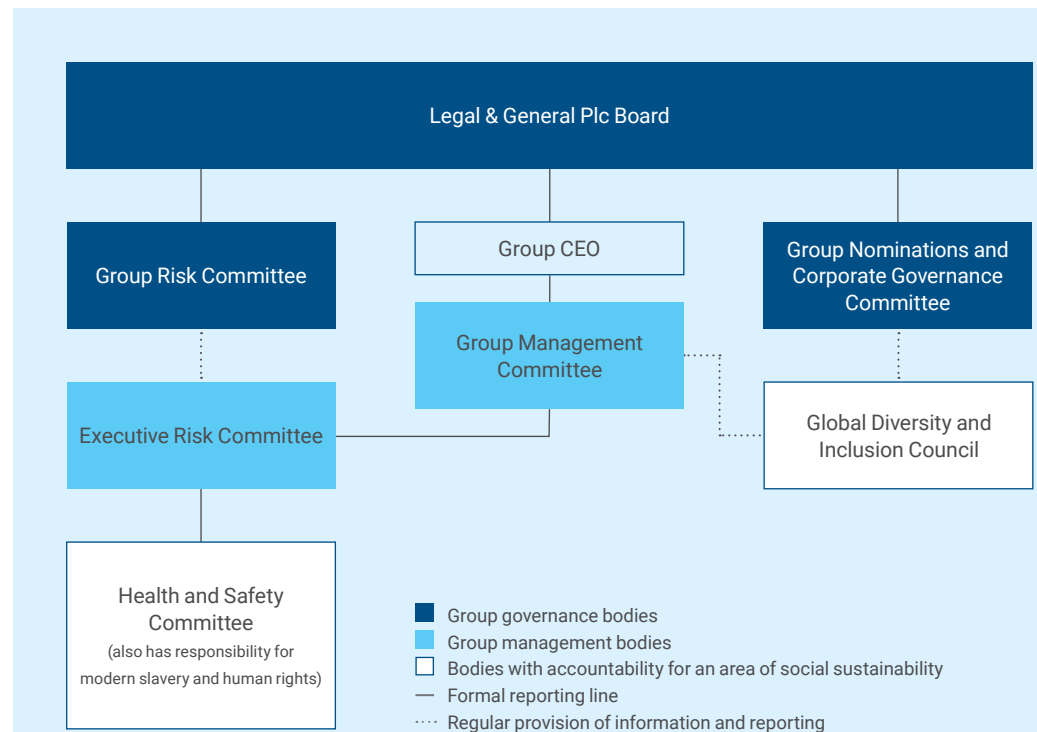
The **Group Health and Safety Committee** assumed accountability for the governance of modern slavery and human rights matters during 2023. It is a sub-committee of the Executive Risk Committee which in turn reports to the GMC.

Remuneration

Following the addition of an ESG measure to executive directors' annual bonus performance conditions in 2021, we have continued to apply such conditions to executive reward. Performance against 'strategic objectives' determines 30% of executive directors' bonus opportunity. 'Strategic objectives' covers a range of sustainability-related matters, including customer, culture and ESG. Environmental performance measures are aligned with the commitments made in our Climate and nature report.

Governing our response to climate change

The issue of climate change is central to our risk management and growth agendas and therefore we have separate, complementary governance in place for this specific issue. Please see our Climate and nature report for full details of how we manage this.



Our impacts, risks and opportunities assessment

During 2023, we undertook a review of our sustainability impacts, risks and opportunities to ascertain the most material topics for the Group and to assess the fitness of our various strategies to respond to them.

We considered that nine topics were of a 'high to very high' relevance to us, both because they have a high degree of impact on us and because we have a high potential to impact how these issues unfold. They are:

- climate change mitigation
- biodiversity and ecosystem loss
- transparency of reporting
- accessible and affordable housing
- financial inclusion
- infrastructure and real estate
- health and wellbeing
- corporate culture
- diversity and inclusion.

Our analysis concluded that we have an appropriate awareness and coverage of topics in our various sustainability and related strategies. There are some gaps which are either the result of evolving thinking or instances where we are still working towards developing our view. There are some topics where additional focus could drive additional benefit to the business and our stakeholders. This includes developing our approach to nature and biodiversity and taking appropriate steps to tackle modern slavery. These issues are covered in our Climate and nature report and our Modern slavery statement, respectively.

1

Taxonomy definition

We defined a taxonomy of 201 sustainability topics, grouped into 59 themes and 11 mega-themes across ESG groupings. For the purposes of this exercise we took 'sustainability topics' to mean themes which originate outside the Group; can be classified as ESG concerns; and whose meanings have a high degree of interoperability across industries and sectors of the economy.

Our long-list was derived by reference to external standards including (but not limited to) the United Nations' Sustainable Development Goals; the Principles for Responsible Investing; the Global Reporting Index; the Sustainability Accounting Standards Board framework; and the European Union's Corporate and Sustainability Reporting Directive and its supporting standards.

2

Assessment of topic relevance and materiality to the Group

Having long-listed the topics, we next assessed their relevance to the Group, using the following methodology:

- an assessment of the topic's ability to impact the Group's revenue, cost of capital and valuation (including an assessment of reputational risk) over the short, medium and long term
- consideration of whether the topic is systemically important or poses a systemic risk
- a view of the Group's capacity to impact the unfolding of, or its dependency on the unfolding of, the topic. The assessment of impacts, risks and opportunities was informed by our business model and strategic purpose
- a summary judgment on the overall importance of the topic to the Group.

3

Assessment of the fitness of our strategic approach

Having assessed the relevance of the topics, we took a view on the extent to which our existing sustainability and related strategies adequately addressed the most relevant topics.

4

Governance reviews

The findings were subject to scrutiny and approval by the Group Environment Committee, a management committee, in the first quarter of 2024.

The UK's Money and Pensions Service defines financial wellbeing as being 'financially resilient, confident and empowered'. This means feeling secure and in control of your finances, both now and in the future: knowing that you can pay the bills today, can deal with the unexpected and are taking steps to ensure a healthy financial future.

Long-term financial wellbeing

Younger people	10
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Older people	15



We know that financial difficulties can impact all aspects of human health, especially when unexpected challenges arise, such as cost-of-living pressures. As a leading insurance and retirement product provider, we are in a key position to influence people's long-term financial wellbeing. We're committed to creating a better financial future for the customers and the communities whom we serve, whatever their life stage or financial position.

Our Retail business offers products, services and tools which support individuals' and society's long-term financial wellbeing. We enhance these with extra services and not-for-profit activities aimed at improving our customers' ability to cope with difficult times, creating additional, targeted value for customers who need it most.

Section outline

In this chapter, we describe what we're doing to support customers at each life stage, as well as our work with not-for-profit organisations to improve financial wellbeing for the wider community.

Our approach

At Legal & General, we're committed to building a better financial future for the customers and communities whom we serve. Our products and services enable people and their support networks, to manage their current finances and plan effectively for a secure financial future.

Selected highlights

- We launched our second year of partnership with RedSTART, and with our additional funding, enabled the financial education charity to expand its programme into Wales.
- We used our 'Bank of Family' research insights to create a free 'Guide to Gifting' so that family members giving to loved ones can maximise their financial support.
- We rolled out our Care Concierge service to all Retail customers and clients for free, providing guidance for individuals and their loved ones to find and fund care.



Younger people

The seeds for long-term financial wellbeing must be sown early: it's critical that young people are equipped to navigate today's world and make informed money decisions throughout their lives.

Supporting young people

Young people face an increasingly complex world when it comes to handling money. Setting budgets, prioritising financial needs, accessing affordable credit and avoiding fraud are just some of the life skills that they will need, alongside developing long-term financial resilience and emotional wellbeing.


Empowering young people who may not otherwise access financial education is one way in which we're helping to promote long-term financial wellbeing. Through our not-for-profit partnerships and commercial products, we are helping to break down societal barriers to help young people to live more financially independent and secure lives.

We work with young people from primary school through to early careers.





Primary School

- RedSTART and Cardiff Commitment.
- **Aim:** Continuous, targeted financial education.



Secondary School

- Work immersion and mentorship.
- **Aim:** Identify diverse future talent, engage the community in careers and Legal & General brand.



Early Career

- Spring Start and Retail pilot.
- **Aim:** Attract diverse talent to roles at Legal & General.

Younger people continued

Our partnership with RedSTART

Money and Pensions Service survey data has identified a critical need for targeted, continuous financial education at primary age. Knowing that many financial habits carried into adulthood are formed by the age of seven, in 2022, we signed a three-year partnership with RedSTART, whose mission is to improve financial literacy in primary school children across the UK.

From budgeting and saving to financial fraud and compound interest, RedSTART's 'Change the Game' programme fosters and tracks pupils' skills and emotional self-awareness, to manage money today and build resilience to handle their future finances.

2023 marked our first full calendar year supporting RedSTART. In this time, over 50 Legal & General volunteers helped deliver more than 15 workshops with eight schools and 435 pupils. Our volunteers have supported RedSTART at schools in their local communities and at workshops hosted at our offices. In 2023, we welcomed 158 Year 6 pupils into our London office for an immersive day of activities including a financial education workshop, talks from employees and an office tour.

In October 2023, Legal & General's additional funding enabled RedSTART to expand into Wales, allowing six new schools to join the programme across Cardiff and surrounding areas. With our unique support, an additional 1,515 pupils will benefit from the

programme in the academic year 2023-24, contributing to a total over 17,000 pupils. Throughout 2024, we will provide more volunteers, host further workshops in our Cardiff and Hove offices and help RedSTART to recruit more schools as part of their ambition to demonstrate scalability.

As a key funder, we've also helped RedSTART to:

- develop a 'Bank App': a gamified platform representing a bank account, on which pupils save up to buy 'real' items that our funding has helped to purchase
- continue its seven-year randomised controlled trial, conducted by King's College London. The evaluation seeks to explore whether RedSTART's

intervention has any positive impacts on children's financial ability, mindset and behaviour, as well as their maths attainment. The research, which will track around 6,000 children, some all the way from Reception through to Year 6, will provide much-needed, robust, longitudinal evidence on the impact of financial education for primary school children. King's College London will publish annual, publicly available evaluation reports. RedSTART aims to influence public policy with the objective that financial education will be taught to all 4.7 million UK primary pupils.

Cardiff Commitment

Legal & General Retail has pledged support to Cardiff Commitment: an overarching strategy that mobilises Cardiff's social, economic and cultural capital to boost youth engagement and support the city's future social and economic prosperity. Knowing that Cardiff Commitment was created in response to rising figures for young people not in education, employment or training in the city, Legal & General Retail has created a long-term, progressive approach to help young people successfully transition into employment:

- **Primary:** we connected our charity partner, RedSTART, with Cardiff Commitment, to ensure a ladder approach existed for financial education from primary to secondary schools. As a result, six primary schools in areas of deprivation joined RedSTART's financial education programme
- **Secondary:** we worked with Cardiff Commitment to run workshops in six schools for 120 pupils. The workshops aimed to improve employability skills as well as providing us with the opportunity to share details about apprenticeships at Legal & General. As a result of these workshops, two external apprentices were hired from the secondary schools into Legal & General's Retail Customer Services Future Talent 2023 pilot scheme.



“

Our children had a phenomenal time at Legal & General. The experience allowed our most disadvantaged children to see and take part in real-life money matters. Children were able to ask questions to different members of staff who all had different roles. The visit gave the children a great insight into the working world which allowed them to feel determined in reaching similar goals later on in life. The day was filled with useful tools to allow children to gain an idea into the real world; they were able to play money games, take a tour of the office and even speak to the CEO of Legal & General. Overall, this was one of the best trips our children had experienced.”

Katie King

Assistant Headteacher at Houndsfield Primary School

Younger people continued

Diversifying our future talent

We are committed to building our diverse talent pipeline, developing structured employment pathways through early engagement of diverse and under-represented talent. In 2023, we launched several insight schemes, aiming to immerse young people in life at Legal & General, ignite an interest in our industry and expose them to the range of roles within the business.

- Our immersive Retail Customer Operations and Experience workplace pilot helped young people to ignite an interest in the industry and build their awareness of the skills needed within it. Following the pilot, 18 external Customer Service apprentices were hired, of whom 76% were from less advantaged socio-economic backgrounds.
- In April 2023, we welcomed 34 first-year university students to our London office for a two-day 'Spring Start' programme, tailored to support students from under-represented groups to access career development and long-term prospects. The programme resulted in five attendees securing a place on our 2024 Summer Internship programme.

Please see Chapter Six for more information on our strategy for increasing the diversity of our workforce and making Legal & General a more inclusive employer.

Our products for younger people

Research conducted by our Retail business revealed that 22-32-year-olds in the UK could see an income shortfall of £25,000 per year in retirement if they continue saving at current levels, but that if they saved just £30 more each month, their pension pot could see an additional £100,000. However, our research also found that over a third of young people do not know how their pension works. To help such 'Gen-Z' and 'young millennials' make sense of this financial information and support them to think about managing their future finances, we launched the following campaigns:

- **'The Lost Decade'** which encourages people in their 20s and 30s to plan and save for retirement. The campaign shares some common saving myths, helps young people understand how to invest in their pension and highlights the benefits of compounding
- **'A Little Bit Richer'**, our brand-new podcast designed specifically for listeners in their 20s and early 30s. Hosted by content creator and 'influencer' Kia Commodore, the podcast shares bite-sized money-management tips, dispels money myths and breaks down complex topics, often intimidating for young people, into manageable information. Topics include payslip management, pension savings, student loans, getting on the housing ladder, budgeting tips and first steps for investing. The podcast reached number one in the education category on Apple podcasts in November 2023 and with over 50,000 episode downloads since its launch in September 2023, it sits within the top 5% of UK podcasts
- **A TikTok account**, aiming to improve financial literacy for people aged 18-34. In the first four weeks, the TikTok page hit 1 million organic views, breaking industry average engagement targets by almost double. With over 2 million video views and an audience of 1.4 million, we are helping to empower young people to overcome financial vulnerability.



Working-age people

The midlife years can be a challenging time for individuals – financially and emotionally. Whether supporting older or younger family members, considering their next career move or planning for retirement, it's our role to help them achieve financial security.

As a leading insurance and retirement product provider, we are well-positioned to help improve the long-term financial wellbeing of working-age people.

Our Retail business offers a range of products and services that promote long-term financial wellbeing, at a societal and individual level. Amid continuing cost-of-living pressures, we create additional services to support customers during difficult times, enhancing value for those who need it most.

Lifetime insurance

We want to help people access and make sense of all the available options to protect themselves and their families. With rising costs of living and less disposable income for many, life insurance can be a crucial financial safety net. To ensure customers feel supported in choosing the right products, our life insurance calculator helps them estimate costs and identify cover levels based on their current situation and our 'single v joint life insurance policies' guidance asks the right questions to help them identify which package will protect them best.

Bank of Family: giving loved ones a financial boost

According to our research, financial support from parents, grandparents and other family members reached record levels in 2023, aiding 318,400 property purchases and amounting to £8.1 billion worth of lending. We call this lending 'Bank of Family', reflecting modern family structures and the breadth of financial support given, including across more than one generation.

1. More than half (58%) of the value of intergenerational support goes to help first-time buyers.

Legal & General has invested in Generation Home: the new residential mortgage lender which allows buyers to put a family member on their mortgage to help them borrow more.

2. Not everyone is lucky enough to have a family who can offer support.

Legal & General has committed to increase Britain's stock of affordable housing by 20%, helping to build a more inclusive home ownership for everyone, not just those with family support.

3. Fewer than one in eight families who gave support sought professional financial advice beforehand: whilst they want to help, they often don't know how.

We used our Bank of Family research insights to create our 'Guide to Gifting'. This free guide provides useful advice and information for our customers and their clients to maximise support, from impactful gift ideas and understanding inheritance tax, to non-financial ways to help loved ones such as childcare support.

In 2023, Bank of Family support was 27% above the 2019 pre-pandemic level. Inflation, increasing interest rates and Covid-19 have put people under additional pressure, increasing their reliance on their family members. And with an estimated Bank of Family gifts and lending rise to £10 billion in 2025, our role is more important than ever:

37.2k

downloads of our 'Guide to Gifting' (August-October 2023).

£8.1 billion

loaned by parents, grandparents and other family members in 2023, according to our research.

Working-age people continued

Online claims

In 2023, we launched our online claims capability for protection customers, delivering unmatched convenience to empower policyholders and financial advisers. This platform allows our customers with eligible products to:

- submit a claim via their account and receive real-time status updates
- access at any time they like, suiting their needs at a difficult time
- safely upload documents in support of the claim(s)
- access more efficient and simplified claims process; particularly useful for those who find it difficult to navigate the wealth of financial information available
- access supporting organisations and other means of contact, if required.

For advisers, the new capability is another tool that supports them to provide support and guidance during their clients' critical moments, fostering better client relationships and outcomes.

“

The introduction of online claim submission further demonstrates our commitment to providing better customer outcomes. The advanced digital solution is an alternative to and simplifies the traditional paper-based claims process, allowing policyholders to easily navigate their claim submissions at a time that suits them.”

Karen Fuge
Head of Claims, Retail Protection



Older people

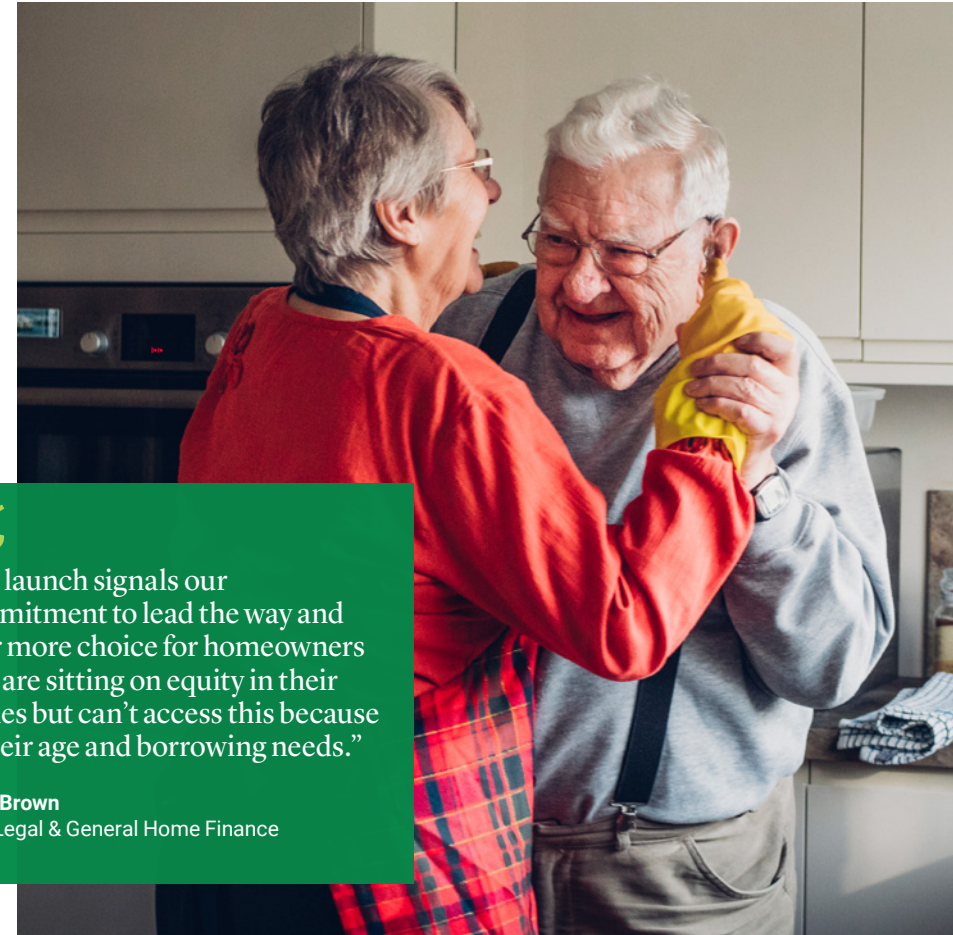
As life expectancies rise, there is an increasing need to ensure that people's pension savings can finance a longer retirement.

The UK's ageing population presents an array of social and economic challenges. With the potential to defer retirement, take flexible retirement or use other pension flexibilities, the retirement landscape is becoming increasingly complex. For many years, Legal & General has been helping customers to plan and achieve long-term financial wellbeing, particularly in tough times.

In 2023, we commissioned a survey with more than 2,000 people in the UK aged over 50 years. 94% said their most important retirement dream is to feel financially secure for the rest of their life, but 41% highlighted the need for more money than expected in retirement. The report's findings underpin our ambition to help people make the right personal and financial decisions to ensure they have enough money to last a lifetime.

Lifetime mortgages

In 2023, Legal & General Home Finance launched a first-of-its-kind Payment Term Lifetime Mortgage – a new kind of lifetime mortgage designed for borrowers whose needs are not being met by the current market. The new service helps borrowers access property wealth earlier – from 50, rather than 55 – and offers a tax-free cash lump sum in return for fixed monthly interest repayments up until retirement or age 75, whichever comes first. Borrowers can then choose to make voluntary repayments in retirement if they wish, but unlike a Retirement Interest Only mortgage, they're not required to make payments for life. Any unpaid interest is added to the total amount owed and is typically repaid from the sale of the home when the customer passes away or moves into long-term care. This product offers more flexibility by assessing pre-retirement income, helping those with stable earnings to qualify, even if they expect income to reduce in their retirement.



This launch signals our commitment to lead the way and offer more choice for homeowners who are sitting on equity in their homes but can't access this because of their age and borrowing needs."

Craig Brown
CEO, Legal & General Home Finance

Older people continued

Working with charities to support older people

We continue to partner with not-for-profit organisations to support older people and their financial wellbeing.

Age UK

In 2022, we identified four projects alongside Age UK, the leading UK charity for older people. The initiatives aim to give older people a voice and ensure their needs are being met. 2023 saw these projects come to fruition.

Project 1: a bereavement support service

Progress: a 12-month pilot was rolled out between August 2022 and August 2023, supporting four local Age UKs (Age UK Camden, Age UK Sheffield, Age UK South Lakeland and Age UK West Sussex, Brighton & Hove) to 363 older people who had recently or were expecting to experience bereavement. Those using the one-to-one in-depth advice and support service reported feeling helped with:

- understanding and managing bereavement-related paperwork
- accessing emotional support, such as grief counselling
- having more knowledge to make their own decisions
- maximising income
- having more space to manage their grief.

Project 2: research into the future of care to ensure that older people's needs are being met

Progress: in 2022, we funded research that explored care in the UK. The report, released in 2023, discusses the health and care needs of our ageing population, drawing out community-based care, the impact on older people and their families, and health and social care workforce and related funding.

Project 3: Age UK Information Guides

Progress: Age UK updated its 'Bereavement' and 'When someone dies' Information Guides with our support in 2022, so that in times of need, older people and their carers can easily access financial and emotional support. In 2023, a total of 12,600 'When someone dies' guides were sent to local Age UK centres, community groups and GP surgeries and individuals, signposting them to information on what to do first when someone dies, funerals and dealing with the estate.

Project 4: a national advice line, a trusted source of impartial and expert information

Progress: Age UK's national advice line received support from Legal & General, which has helped assist older people and their families with advice on a range of topics including finances and social care. During this time, our funding support contributed to:

- 1,901 calls supporting individuals with cost of living
- 40,109 calls supporting individuals with benefits.

Bereavement support service



Kim's husband, Paul, had recently passed away. She came to Age UK Sheffield as previously, their financial benefits were under both of their names and Kim didn't know how to ensure she continued to receive these benefits to pay her rent and council tax. Kim was anxious and upset at the thought of having no money to pay her bills, but Age UK Sheffield supported Kim

through home visits and telephone appointments, leaving her with a huge sense of relief as she was able to receive housing benefit, council tax support and an increase in her State Pension. This has helped Kim hugely as she navigates her grief and has allowed her to enjoy more social interaction.



I always feel much better after speaking with Age UK Sheffield as they put me at ease."

Kim, an Age UK service user

Kim's story is true. However, names and some details have been changed to protect individuals' privacy.

Older people continued



“

Since speaking with you and receiving your further email of guidance, we feel in a much more positive, empowered and energised position to support my dad. Personally, my anxiety levels have reduced and I have gained back some quality of life after finding myself totally consumed by negative, and sometimes debilitating anxious thoughts about finances leaving dad with very grim options and protection.”

An anonymous Care Concierge user

Care Concierge

With 62% of carers saying they've found it more difficult to manage financially due to the cost-of-living crisis and 26% not knowing where to go for help with their finances, the responsibility of paying for and providing later-life care is increasingly falling to families.

Recognising this, in 2023 Legal & General rolled out its Care Concierge service to all Retail customers and clients for free, providing guidance for individuals and their loved ones to find and fund care, navigate later-life housing and legal matters through:

- a confidential, impartial telephone and online service (with our digital services available out of hours)
- unlimited guidance provided by specialists who can offer support to help minimise the impact on the health and wellbeing of those faced with navigating later-life care for loved ones
- step-by-step advice on identifying the right care, regardless of what type
- financial guidance on care costs and payment options such as NHS funding, state benefits and power of attorney
- access to useful resources including information guides and our online Care Costs Calculator.

In 2023, we continued to offer Care Concierge to clients of four non-profit organisations which support older people and carers: Independent Age, Carers Trust, Methodist Homes (MHA) and Elderly Accommodation Counsel. Demand for the service amongst these organisations has exceeded our expectations: since August 2023, Care Concierge has taken a total of 166 calls from clients of these charities and seen 1,747 web visits.

Over
1 million

Legal & General Workplace and Group Protection members can access Care Concierge services.

Over
15,000

people accessed online resources through Care Concierge in 2023.

Over
70

people were directed to specialist Independent Financial Advice for advice on care funding.

“

We originally launched the first-of-its-kind Care Concierge service in 2021, but with two-thirds of adults in the UK having provided unpaid care for a loved one, which can have a real impact on their financial futures, we have made it available to customers across our Retail products for free.”

Bernie Hickman
CEO Legal & General Retail

Access to quality jobs, decent housing, thriving communities and economic prosperity are key to helping people live longer, healthier, better lives. As an investor in towns and cities, we have an opportunity to use capital in ways which benefit society. But our Rebuilding Britain Index – which ran from 2021 until May 2023 – showed the scale of the challenge.

Better communities in which to live and work

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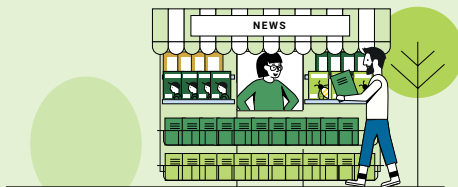


Among the impacts of the Covid-19 pandemic were a decline in UK GDP by 9.7% in 2020, the steepest drop since records began in 1948, as well as declining health and educational outcomes – with those communities already experiencing some of the poorest outcomes in the UK the hardest hit.

As an investor in towns and cities, we have an opportunity to change things for the better. In 2022, we developed a social impact model for use throughout the lifecycle of an investment, from design and construction to the asset's impact on end users and surrounding communities. 2023 saw us begin to put its principles into practice: driving not only economic, social and environmental benefits for the people and communities where we invest, but also helping ensure investments maintain long-term relevance.

Section outline

In this chapter, we describe the impact our investments have in building better communities in which to live and work, through how we develop our towns and cities and build new housing.



Better communities in which to live and work

Our approach

The UK faces a chronic underinvestment in housing and infrastructure. This has far-reaching impacts on the people who live and work in those communities and can exacerbate cost-of-living pressures. As an investor, asset manager and housebuilder, we can make a significant difference on these issues. We aim to support regeneration across the UK and help give communities what they need so that we can make a positive long-term impact.

Selected highlights

- We made significant progress rolling out our Place-based Social Impact Toolkit across our real estate portfolio.
- We began occupying our new office in central Cardiff, part of our £1 billion investment in regenerating the city.
- We took steps to tackle homelessness in Manchester, contributing funding to the Street Engagement Hub which aims to address the underlying causes of street-based living.

Place-based social impact

As one of the UK's largest real estate investors, we are well-placed to create better places for people to live and work, by ensuring that we invest in ways which generate positive social impact.

We do this by using our Place-based Social Impact Toolkit. First announced in 2022, the purpose of the Toolkit is to drive maximum economic, social and environmental benefits for the people and communities connected to the places where we invest, across our real estate portfolio.

We made significant progress rolling out the Toolkit in 2023. Due to the diversity of the portfolio, the way the Toolkit has been applied varies by business, fund, or joint venture.

Within Legal & General Capital's housing businesses and Urban Regeneration joint ventures, the focus in 2023 was on getting business level Social Impact Strategies in place to help prioritise immediate actions and provide focus to their future activities.

For **Suburban Build to Rent**, this meant that all deals progressing through our Investment Committee were assessed using a bespoke Social Impact Scorecard.

Inspired Villages Group (IVG) focused on ensuring that all construction projects have undertaken some place-based needs assessment; that contracts include social commitments; and that key performance indicators (KPIs) have been identified for future reporting.

With **Bruntwood SciTech**, a joint venture, social commitments were included in contractual agreements as they came through the pipeline. 40% now have such commitments in place.

The Toolkit at a glance

The Toolkit is based on impact management principles. It can be embedded flexibly and at different stages of the investment lifecycle, rather than using a 'one size fits all' approach. The Toolkit considers:

- **Local needs and priorities:** particularly for underserved groups, drawing on local authority plans and strategies, local area data and high-quality community engagement
- **Collaboration:** our social impact themes and priorities, articulated through the Toolkit, provide a common language for engagement with local government and community partners, enabling us to align with partners on their priorities and define shared goals
- **Measurable impact:** evidencing how social impact has been delivered in a way that responds to local needs and priorities, including through a range of KPIs that focus on real-world outcomes for people.

Social impact in action

We seek to improve social impact in both our long-established investments and those places where we're creating new assets.

Our Toolkit provides us with a solid theoretical foundation for our activities, but the power of social impact investing comes to life through its real-world applications. We explore just one of these over the page.

Overview of social impact themes and priorities

The foundation of the Toolkit is a comprehensive framework of social impact themes and priorities which our real estate investment can support. The balance will differ by local context.

Inclusive economy



Jobs and skills

Ethical, local and inclusive employment, skills and educational opportunities.

- ✓ Ethical, local and inclusive

Responsible procurement

Responsible sourcing of supplies and services that is ethical, local and inclusive.

- ✓ Ethical, local and inclusive

Equity and affordability

Contributing to the affordability and equity of local places.

- ✓ Affordability, digital inclusion, resilient local homes

Health, wellbeing and quality of life



Physical and mental health

Supporting the health and wellbeing of people and communities of people and communities influenced by places and buildings.

- ✓ Physical health, mental wellbeing, healthy places and building

Quality of life

Supporting the social health, quality of life, vibrancy and safety of communities.

- ✓ Services and amenities, culture and heritage, safety and security

Community and partnerships

Supporting active community engagement and partnerships with local organisations.

- ✓ Civic pride and cohesion, participation and outreach

Climate and nature



Just transition

Enhancing and preserving the local environment and supporting a just transition to net zero.

- ✓ Climate mitigation, climate resilience, local environmental quality

Access to nature

Supporting local access to, and regeneration of, nature and biodiversity.

- ✓ Biodiversity, blue-green infrastructure

Connected places

Supporting sustainable and active transport and infrastructure.

- ✓ Walkability and permeability, low-carbon travel

Place-based social impact continued

Revitalising local economies: The Dolphin, Poole

In 2022, we reported on the creation of a community partnership comprising public, private and civil society sector organisations, as part of our investment in The Dolphin Shopping Centre, Poole. This 680,000 sq. ft. commercial space is home to 90 shops and local businesses. The partnership was designed to tackle long-term issues in the community and boost the local economy and we continued to make progress in 2023.

Health

At the heart of the Dolphin is an NHS outpatient assessment clinic, the first such clinic in a UK shopping centre. From opening in 2021 through to the end of the first quarter of 2023, the clinic saw 15,535 patients. Dermatology capacity tripled from pre-pandemic levels to accommodate 96 patients an hour, while orthopaedic speciality experienced a 92% reduction in people waiting over 78 weeks for an appointment.



Since the decision to relocate to The Dolphin, the Poole Adult Learning Centre is now much more visible to the community, helping it to become the busiest and one of the largest in our network. Learners have expressed their satisfaction of the high-quality facilities, professional atmosphere and vibrancy at the new venue, increasing their motivation and inspiration to complete their courses and continue their journey into further education or professional development.”

Terri Clark

Business and Finance Manager at Skills and Learning Adult Community Education

Importantly, 59% of patients also visited another business or facility within The Dolphin Centre. By providing relevant services, we can create resilient assets that drive return on capital while building social value.

Skills and training

In 2022, we established the Poole Adult Skills and Learning Hub, repurposing retail space to address employment skills gaps. In 2023, the hub offered nearly 300 different courses in over 100 subjects, including health, leisure, beauty and core academic subjects. The centre is on track to generate an annual footfall of 42,332 people with up to 300 students visiting per day.

Small and medium businesses

Co-founded by Legal & General, FOUNDRY is a flexible co-working and events space for 250 members, spanning 16,000 sq. ft. of serviced offices, desk areas, breakout space, meeting rooms and boutique shops.

The space that FOUNDRY now occupies was previously held by a job centre before lying largely vacant for a number of years. The space has since been transformed through a £3.2 million investment, featuring building work such as a new roof and windows.

Open to the public since May 2023, it meets a growing demand for new, post-pandemic hybrid working models, accessible at affordable day or weekly rates (£25 or £99).

Civil society and sustainability

At The Dolphin, a food bank storage centre and donation point is managed by the local charity, Faithworks, through the local council's Access to Food Partnership.

4,217 food parcels were distributed between April 2022 and end of the first quarter of 2023, with four bags of food per week collected from the donation box in the centre. The centre was supplied with a renewable energy tariff and has a zero-landfill policy with recycling levels at 70% with additional waste diverted to incineration for energy.

Applying the lessons elsewhere

What we've learned in the Dolphin partnership gives us valuable information that we can apply in other communities in and around our real estate investments elsewhere.



FOUNDRY started as a passion project, born out of the need to create exciting, productive environments for people to work and build a local community.

Being able to provide a vibrant, innovative space that brings together so many entrepreneurial and creative minds in Poole, and beyond, is only going to provide more opportunities for the community.”

Adam Walker

Co-founder of FOUNDRY

City regeneration

Long-term underinvestment in the UK's towns and cities continues to threaten economic progress and we have a role to play in regenerating these places through thoughtful development. Our regeneration efforts seek to create places which offer highly skilled jobs, increased productivity and wage growth – creating greater opportunity for the future.

Regenerating towns and cities

In 2023, we continued to work on our long-term projects announced in previous years, including our £4 billion commitment to regenerating the West Midlands; our £1 billion investment in Cardiff (see below); and a £300 million investment in Sheffield. See our 2022 Social impact report for more on these.

In 2023, we announced projects including:

- **Providence, Rhode Island:** Work started in 2023 on the 210,000 sq. ft. Ancora L&G building, designed to bring life and health science organisations into downtown Providence and spur economic revitalisation. The development includes a state-of-the-art lab for Rhode Island public health services, as well as space for commercial and institutional users
- **Titanic Quarter, Belfast:** we invested £150 million in the development of 627 homes in 2023, addressing soaring rental demand in the region. According to Belfast City Housing and Land Summary, 363 rental homes have been completed in Belfast City Centre since 2015. Our investment therefore represents a 172% increase in total housing delivery during that time.

Moving into Cardiff

2023 saw us occupy our new office in central Cardiff, part of our landmark Central Square regeneration which also includes a new bus station, a government hub housing 4,000 public servants, 318 apartments, and a new BBC Wales headquarters.

This collaborative effort was Wales's largest privately funded regeneration scheme and aims to set the city apart as one of the top places in the UK to live, work and invest.

We have invested £1 billion in the regeneration of Cardiff. We also used our purchasing and convening power as the developer to deliver social value. During the fit-out:

- over £11 million was spent with suppliers in the Cardiff area
- we delivered 516 weeks of apprenticeships, 18 weeks of work experience and 332 hours of career support sessions throughout the whole project, which finished in October 2023.

Using the power of investment to create tomorrow's jobs



Bruntwood SciTech is a leading specialist property provider serving the UK's innovation economy. Co-founded in 2018 by Legal & General and Bruntwood, it provides world-leading lab and office space assets across nine campus locations and 31 city centre innovation hubs in cities including Manchester, Birmingham, Leeds, Liverpool and Glasgow.

Bruntwood SciTech provides the 'connective tissue' between leading research universities, NHS Trusts, civic regional leadership and high-growth enterprises and global businesses, turning

these regions into economic hubs that drive regional strength and resilience. It is the largest dedicated property platform serving the UK's innovation economy, and is aiming to create a £5 billion UK-wide portfolio that can support 2,600 high-growth businesses by 2032.

In 2023, we welcomed the Greater Manchester Pension Fund – the UK's largest local authority pension fund – to the partnership, bringing in an additional £500 million to invest in creating real estate assets which will create long-term economic success for the economies of cities across the country.

City regeneration continued

In focus: Leeds Female Founders

In 2023, we worked in collaboration with our partners, Bruntwood, to apply our Social Impact Toolkit to our SciTech joint venture. One example of the type of initiative the Toolkit was designed to support is the Leeds Female Founders programme. The programme was established after we identified a gap in female representation within entrepreneurship in the city. The programme includes six months' free desk-space, peer-to-peer sessions,

mentoring, partnerships including legal and accounting advice and more. The programme will extend to include both Leeds and Manchester and to date has:

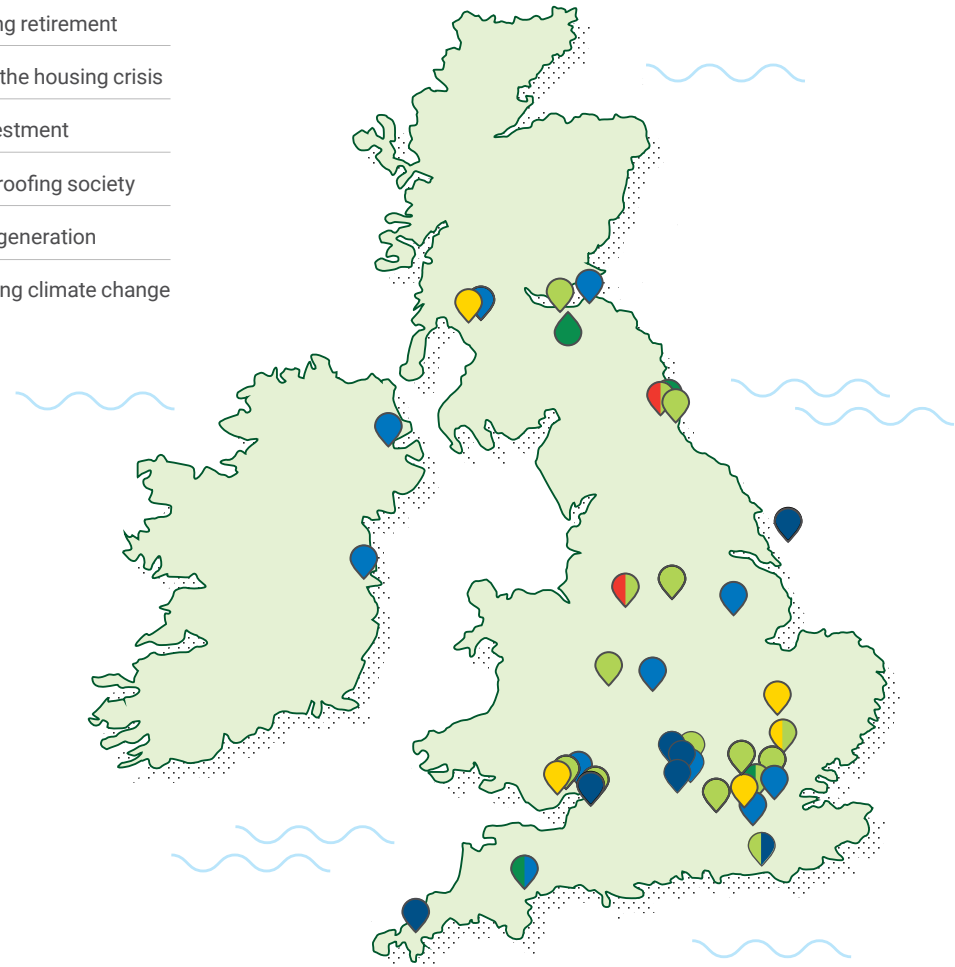
- supported eight companies
- created seven new jobs
- involved 770 hours of engagements
- won seven awards
- led to five founders leasing space in our tech hub.



Map of our UK & Ireland investments

We are reshaping towns and cities. From the delivery of diversified homes, to the regeneration of cities, we use our investments to build better futures.

- 📍 Rethinking retirement
- 📍 Tackling the housing crisis
- 📍 SME investment
- 📍 Future-proofing society
- 📍 Urban regeneration
- 📍 Addressing climate change



Housing

Our investment in housing is informed by social need. As one of the UK's largest housebuilders, we invest capital entrusted to us by pensioners and savers to meet the needs presented by the shortage of housing. It's here that our social purpose combines with strong returns for our customers and shareholders to create value for society.



£1 billion
committed to new social housing

+80%
increase in our total number of homes in 2023

2,700+
new homes in the pipeline

97%
of new homes have an EPC rating of A or B

Affordable Housing

Legal & General Affordable Homes builds a combination of shared ownership and both social and affordable rented homes across the UK. It pioneers institutional investment in the UK's affordable housing sector, whilst providing excellent service and quality homes for residents.

We're responding to the affordability crisis on a number of fronts. We direct investment towards areas of deprivation and low affordability. We work towards producing high-quality, efficient homes that provide customers with lower operating costs. 97% of homes completed in 2023 had an EPC rating of A or B.

In 2023, we established a hardship fund for customers, offering grants to those experiencing financial hardship due to illness or major life events.

We increased our total number of homes by 80%, in 2023, taking the total number to 3,032, with more than 2,700 homes in the pipeline. Rents for the occupied homes are on average significantly below local market rates and over two thirds are at or below the Local Housing Allowance.

We have committed c.£1 billion to building new affordable housing and have ambitious plans to deliver 3,000 homes per year in the medium-term across the UK. We aim to become the leading institutional affordable housing provider in the UK and to make a positive impact on the lives of people who rely on the affordable housing sector.

Housing continued

Inspired homes for older residents

Inspired Villages Group (IVG), one of Legal & General's housing businesses, aims to provide high-quality homes and communities for older members of our rapidly aging society. IVG now has 1,102 homes across eight developments throughout the UK.

We want to ensure that the people in this customer group can live long, active and fulfilling lives in retirement. IVG invests in facilities and programmes to support this outcome, including the 'Inspired Friendships' programme. This aims at increasing

connection and reducing loneliness – a key contributor to ill health – amongst residents. Since its launch, Inspired Friendships has delivered 55 coffee mornings, 12 friendship walks, 27 events and outings, 25 one-to-one home visits and 500 phone calls for residents.

Looking to the future, we will be working to further embed our Social Impact Toolkit across the Inspired Villages Group portfolio to ensure these interventions are delivered strategically and can be consistently measured and reported.



Tackling homelessness in central Manchester



In 2023, we took steps to tackle the issue of homelessness in one of the communities where we have a real estate presence. Manchester has ranked between second and fourth in the list of English local authorities' rough sleeping counts over the last seven years.

We contributed funding to Manchester's Street Engagement Hub, a partnership between civil society and voluntary organisations, Manchester City Council, Greater Manchester Police, CityCo and Legal & General. The hub aims to address the underlying causes of street-based living and minimise antisocial behaviour

and begging, helping restore dignity to those sleeping rough and help them back into housing.

The hub provides dedicated services such as mental and physical wellbeing support, money, debt and employment advice, access to accommodation and referring where needed to other bodies including the NHS, Department of Work and Pensions and housing associations.

In 2023, 754 individuals received support through the Street Engagement Hub involving 1,692 interventions across 14 services which form the Hub partnership.

Tackling health inequality

Our partnership with University College London's Institute of Health Equity (UCL IHE), which began in 2021, aiming to reduce inequalities in health in the UK, continued in 2023:

Building on the strategies and recommendations outlined in the 2022 publication of 'The Business of Health Equity: The Marmot Review for Industry', we grew our UK-wide health equity network, linking up local authorities and health professionals to tackle health inequality with a place-based approach. The network has grown to 1,450 active members with individuals sharing ideas and best practice about the ways they are tackling health inequalities in their local communities.

We also held the first annual network conference in Birmingham, convening over 200 members to share best practice. The network established an advisory board of leaders from across the NHS, local government, business and public health, who will help to continue to shape the network's priorities.

Legal & General Suburban Build to Rent homes started to incorporate measures to help customers 'live longer and healthier lives in a Legal & General home'.

Our work with UCL IHE and Professor Sir Michael Marmot builds on the work we have done previously with Edinburgh University's Advanced Care Research Centre and the University of Oxford's Life and Mind development, where we're investing in research facilities to tackle long-term health issues.



Over
1 million

people across Britain lived shorter lives than they should have because of the social determinants of health (i.e. not NHS primary provision, but housing, diet, poverty, etc.)

The positive impact a company has on the world is becoming ever more important for stakeholders, including customers and employees. Our guiding principle is to invest in long-term assets that benefit everyone, from housing to renewable energy. This ethos shapes the way we invest, plan, hire and do business.

Engaging customers and employees with our impact

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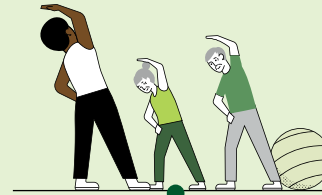


We're a market leader in life insurance, workplace pensions and retirement income, meeting the needs of c. 14 million people through our Retail division. We employ 11,500 people globally. It's important that our customers and employees know that, by being part of Legal & General, they also play a key role in driving positive social and environmental impacts.

As a business whose products are so connected to the way people live, we can have a material impact on looking after our vulnerable stakeholders and supporting them with managing cost-of-living pressures.

Section outline

In this chapter, we describe what we are doing to support our customers' mental and financial wellbeing and look at how our employees have been giving back to the communities where they live and work.



Engaging customers and employees with our impact

Our approach

We want our customers and employees to feel that they play an important role in driving positive social and environmental change. Over time, our aspiration is that our reputation for creating these outcomes will create additional demand for products with social and environmental good at their heart.

Selected highlights

- We responded to the Financial Conduct Authority's Consumer Duty to achieve better outcomes for all our customers, especially those who exhibit characteristics of vulnerability.
- We took further steps to protect people working in our value chain. By the end of 2023, over 650 people benefitted from our new policies to reduce health inequalities for Hidden Workers.
- We established CARE teams in each of our larger UK office locations. These employee-led networks are just one way we supported our people to leverage their skills and make a positive difference in their local communities.
- We gave £3.4 million to UK civil society organisations.

Our responsibility to our customers

As a regulated provider of financial services, we have a duty to engage our customers in ways which are fair and do not harm them, especially those who exhibit characteristics of vulnerability.

Looking after our most vulnerable customers

The UK's Financial Conduct Authority (FCA) estimates that 47% of adults display a characteristic of vulnerability. But people often do not see themselves as being vulnerable.

Identifying a vulnerable customer can be tricky, as there is no 'one-size-fits-all' definition. Major life events, health or illness, decreased resilience and capability, or experience of crime, fraud and scams can all drive vulnerability, but what makes one person vulnerable won't necessarily have the same effect on someone else. It is possible that some customers may not even view themselves as vulnerable. Customer vulnerability is complex, dynamic and multi-dimensional.

Consumer Duty

The FCA's Consumer Duty, which came into effect for 'open book' products in July 2023, underpins our approach to our vulnerable customers. The Consumer Duty represents one of the most significant regulatory changes for the financial services sector in a generation.

The overarching principle of Consumer Duty is that we must act to deliver good outcomes for retail customers across four areas:

- product and service
- price and value
- consumer understanding
- consumer support.

We therefore see that there is an especially clear applicability for more vulnerable customers.

Consumer Duty at a glance

Under the Consumer Duty:

- we must consider the needs, characteristics and objectives of customers at all stages of the product design process, including idea generation, development, testing, launch and review, to ensure products and services meet their needs
- we must appropriately test our products and services to ensure they will meet the needs of customers
- we have a legal duty to anticipate the needs of disabled customers and provide reasonable adjustments to enable them to use our products and services. For example, it may be reasonable to provide information in Braille, audio, or another format rather than by letter, for a customer with a visual impairment
- we must monitor whether any given group of customers is experiencing different outcomes than other customers and take appropriate action when necessary.

Consumer Duty year one: achieving better outcomes for all our customers

During the first year of the Consumer Duty being in effect, we:

- reviewed and updated all relevant product governance policies, creating new frameworks for assessing value where they didn't exist before
- assessed the value of 40 products, services, or product features across our Retail and institutional retirement businesses and over 2,000 funds in our asset management business, the first time these have been completed in such proximity to each other

- tested 64 of our most critical key event communications, seeking feedback from over 6,000 customers, speaking directly with 232 of them and stepping through some of our most complex communications page-by-page. The feedback captured, some of which was reviewed by our Board, is some of the most insightful and useful we've ever gathered
- defined what good and poor customer outcomes consist of in each business and documented the types of harm we could cause, taking steps to help ensure that we deliver good outcomes to customers and avoid causing foreseeable harm
- designed and implemented a vulnerable customer data capture process across all relevant business areas, making it easier for our customer facing teams to identify and react to customer needs and allow us to produce insightful data.

Measuring our progress

We have taken the following steps to measure our progress in implementing the requirements of the Duty.

We improved the customer data we collected and analysed to ensure we are reporting the correct measures. This work was informed by feedback from our Group Board, teams from across the business and our new Customer Outcome Forum.

The Customer Outcome Forum comprises Vulnerable Customer Champions representing all functions across the business. Meeting every two months, their objective is to oversee improvements in the customer experience, with a focus on ensuring best practice as it relates to vulnerable customers is shared across all areas of business.

We also created a new Consumer Duty Culture Survey which will look to understand how the new rules and regulation have been understood by our leadership, product, communication and customer facing teams. This analysis will help ensure the ongoing fitness of our response to the Duty.

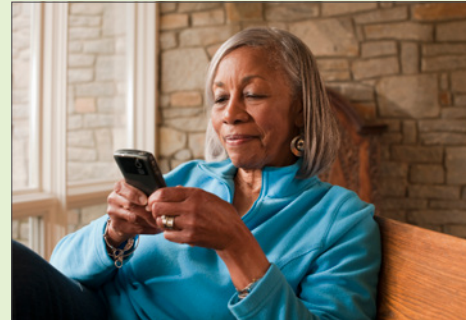
Customers' wellbeing

More than a pay-out: promoting customer wellbeing with holistic support

As a provider of group protection and other workplace financial products, we have an opportunity to shape the wellbeing of the workforce for the better. We do that through the additional value our products provide, over and above the inherent social value that insurance creates.

The products and services we design for our customers, which includes employees of our clients' businesses, represent more than just a financial pay-out if something goes wrong. They seek to provide holistic support that helps customers manage their mental and physical wellbeing and gets them back on track to employment when appropriate.

Our outcome-focused wellbeing framework, 'Be well, Get better, Be supported', provides the basis for the products and services we provide. These are set out in the table to the right.



Be well

- Our '**Be well**' helpline. This consists of early intervention advice and support provided by our in-house team of vocational clinical specialists to help clients proactively manage a condition.
- **Care Concierge**. This personal service is provided by an expert team who can help customers understand, find and fund later-life care for loved ones, free of charge (see page 17 for more information).
- Help with day-to-day challenges like consumer rights, home and household disputes, health and fitness plans through our **Employee Assistance Programme**.



Get better

- Clients can get help to support a healthy workforce with easy access to expert resources like **Virtual GP**, **Virtual Clinic** and **Second Medical Opinion** for additional advice on diagnosis and treatment.
- **Mental health services**. Direct access to psychologists, with child mental health consultations also included.
- **Fully funded treatments** from our in-house clinical team without the need to wait for GP referral. This includes occupational health, occupational therapists, nurses and physiotherapists.



Be supported

- Prompt **financial support**, once claims are confirmed.
- Long-term **chronic condition support** for one or more specific conditions such as cancer, type-2 diabetes and long Covid. This empowers customers to find answers about their conditions, reducing unnecessary appointments or phone calls.
- A range of vocational and early intervention **rehabilitation services** when employees are unable to work long-term due to illness or injury.

Customers' wellbeing continued

As well as those working for our client companies, we also affect the lives of those working elsewhere in our value chain, including in commercial and industrial real estate assets we manage. In 2023, we took further steps to protect these people.

Hidden workers

'Hidden workers' play an integral role in our day-to-day, yet often go unseen. They keep our buildings safe, clean and well-maintained but are often not directly employed by the organisations on whose sites they work.

As a major real estate investor, we're committed to tackling health and wellbeing inequity in the UK property sector through our Hidden Workers initiative. Last year, for example, we announced our commitment to reducing health inequalities and improving the quality of life for the hidden workers (including security, cleaners and maintenance) across our value chain, calling on employers to commit to:

- **introducing sick pay policies**, without a three-day wait before Statutory Sick Pay starts and at same level as standard pay
- giving all workers **access to virtual healthcare services** (including GP appointments), using appropriate IT equipment to conduct the appointment in a quiet, private space
- **death in service benefit as standard.**



I asked for a GP appointment, there was a two week wait to see my own doctor! I called Virtual GP... in the morning and it was all sorted by the afternoon. Very impressed."

Anonymous member of the hidden workforce

By the end of 2023, over 650 people benefitted from our new policies to reduce health inequalities for hidden workers. We will be working in 2024 to achieve 100% coverage for people in dedicated roles and who are directly contracted by Legal & General.

Supporting the Safe Sick Pay Campaign

No-one wants to get sick, but when we do, we want to know that we can take the time to get better and still pay the bills to look after ourselves and our families.

A third of UK workers only receive minimum Statutory Sick Pay, an amount often too low to cover essential bills. And to begin receiving it, workers need to lose three days' pay first. Nearly two million workers – often people working multiple jobs, carers or parents juggling childcare with work – slip through the cracks and get no sick pay at all.

The Safe Sick Pay Campaign, instigated by the Centre for Progressive Change, complements our work tackling health inequalities, like the Hidden Workers report. Working in partnership, we have elevated the campaign with businesses to support legislative change in this area. In November 2023 we hosted the Safe Sick Pay Business Symposium at which over 100 businesses were represented.

In 2024 we will continue to support the aims of this campaign which include three immediate changes to Statutory Sick Pay legislation that would make great improvements to public health and personal wellbeing:

- removing the earnings threshold for Statutory Sick Pay
- ensuring Statutory Sick Pay is payable from the first day of sickness
- increasing the basic rate of Statutory Sick Pay.

Wellbeing Advisory Board

In 2022, we were pleased to announce the launch by our Group Protection business of a new Wellbeing Advisory Board, bringing together cross-sector experts to provide simple, accessible and practical guidance. The Board made progress in 2023 on its main areas of focus.

The guidance and support the Board provides is sourced and developed by a group of experts across a range of clinical, occupational and vocational rehabilitation fields, as well as business consulting. Together, they do the 'heavy lifting' for employers, consultants and employees on these issues, to provide tools and resources that can help and support them in their efforts to improve workplace wellbeing for more people.

'Post Covid' continued to be a focus of the Board in 2023. The Board created and provided a toolkit of resources for all employers and their employees, not just our Group Protection clients, which included virtual events featuring panellists of medical and wellbeing experts, signposting to NHS and civil society support organisations and guidance documents produced by organisations like Royal College of Physicians' Faculty of Occupational Medicine.

Financial wellbeing was another area of focus for the Board in 2023. The cost-of-living crisis is having a significant impact upon the lives of many people in the UK. With 11.1 million working-age people in the 'financially struggling' and 'financially squeezed' target groups, employers need strategies and policies in place to help employees manage their financial wellbeing as well as they can through these challenging times.

In 2023, the Board produced a virtual event and Q&As with wellbeing and benefit consultants, medical professionals and vocational rehabilitation experts; and handbooks and curated signposting to resources covering income, disability, bills, childcare and housing and travel costs and more.

The Board is intending to focus on the topic of employee burnout for 2024 and has started work on producing support and resources to help employees.



Financial wellbeing impacts overall health and wellbeing in many ways, influencing our choices around diet and exercise and even around work and relationships. For example, we found recently from research for a series of articles that loneliness is disproportionately affecting the younger generation during the cost-of-living crisis; income having a bigger role to play for 16 – 34 year-olds, in terms of representing a loneliness risk factor, than for any other age group.

An appreciation of this kind of joined-up thinking is arguably vital to people keeping well, nipping problems in the bud early and also managing long-term conditions."

Vanessa Sallows

Claims and Governance Director, Legal & General Group Protection and Chair of the Wellbeing Advisory Board

Playing our part in the community

Tackling society's biggest challenges very often requires partnerships between civil society and business. True partnership is about joining forces and working together to make a difference. Civil society sector organisations specialise in developing the knowledge and solutions required to solve some of society's biggest challenges. Business can deploy resources to scale and implement those solutions.

This theory underpins the relationships we build with not-for-profit bodies: long-lasting, mutually beneficial partnerships with civil society organisations who share our impact goals and who can effectively use the full scale of our resources that are available for social purpose.

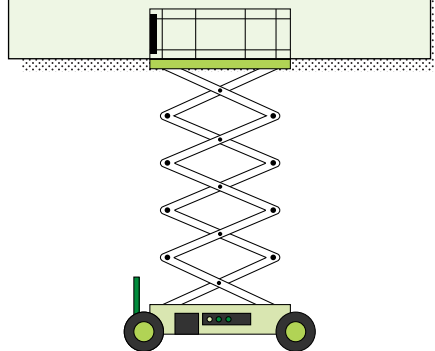
We do this through our corporate philanthropic and charitable giving and through encouraging our people in their own individual and team efforts.

In 2023, we...

- gave **£3.4 million** to civil society sector organisations in the UK, including **£452,000** in employee fundraising and time matching
- gave **\$608,000** to US non-profits
- donated money to **128** different organisations.

In 2023, our people...

- volunteered more than **9,000** hours
- gave their time to **218** different community organisations
- raised funds for **268** different organisations.



Introducing our charity partners

Many of our not-for-profit partnerships complement our commercial activities. We've referred to these throughout the report as relevant, but a summary of some of our significant partnerships is given below.

A new partnership for a sustainable future

In 2023, we launched a three-year partnership with Birkbeck, University of London, to provide new educational offerings in sustainability and environment. The partnership aims to:

- support the expansion and development of Birkbeck's undergraduate and postgraduate programmes in environment and sustainability, equipping thousands of students with valuable practical skills and knowledge to help build a more sustainable future. Birkbeck's longer-term intention is to embed sustainability into other areas of their curriculum across different schools
- devise and launch the first-of-its-kind accreditation programme that will help to embed benchmarking standards in environmental and sustainability higher education
- provide vital financial support to allow students from traditionally under-represented backgrounds to access an education at Birkbeck, an institution that has placed social inclusion at the heart of its mission since 1823.

Building on multi-year partnerships

In 2023 we continued to work with partners with whom we have long-standing objectives in common.

- **RedSTART:** Building on the success of year one of partnering with RedSTART to help them deliver Change the Game, a financial futures programme giving primary school children a head start, our continued support this year has seen an expansion into schools in Cardiff, Brighton and Hove. See page 11 for more insight into our RedSTART partnership.
- **Age UK:** In 2022, we entered into a partnership with Age UK. During that time, we've supported multiple activities helping them to fulfil their mission of ensuring that no older person has to struggle alone. On page 16, we describe the partnership and its outcomes and achievements.

Playing our part in the community continued

Supporting our people to give back

Great communities don't happen by accident, they're built by people who care about them. That's why we provide practical support to help our people leverage their skills and energy to make a difference. Our people know best what their communities need and how to provide it. Legal & General is the catalyst that helps them achieve it.



CARE teams

Our people know best what their communities need. With this principle in mind, 2023 saw us create and activate Legal & General CARE, an employee-led network of teams in each of our larger UK office locations. CARE stands for community, action, responsibility and environment.

We provide CARE teams budget, coaching and mentorship and centralised support to promote the sharing of best practice, while still allowing autonomy to deliver community impact initiatives that are right for the different locations but aligned with our wider corporate purpose.

Beach cleans in Brighton, nature restoration in London parks, collecting and repurposing work attire to help disadvantaged young people prepare for job interviews, food bank collections and befriending socially isolated older people in Cardiff are just a few examples of the teams' work. CARE is a great way for our people not only to engage with our impact as a business, but to play a key role in achieving impact in our communities.

Summer Challenge

Our 2023 Summer Challenge helped our people take steps to improve their mental and physical wellbeing while giving back to the community.

More than 2,750 people completed 5,500 challenges, each one focused on an aspect of wellbeing like being active, connecting to others, and learning new skills. We donated £200,000 to 86 non-profits chosen by our people.

The Summer Challenge was shortlisted for several industry awards in categories including physical wellbeing, mental health and charitable partnerships and won Best Physical Wellbeing Initiative 2023 at the Great British Workplace Wellbeing awards.



Connect, collaborate, celebrate

In 2023, employees from Group Tech spent the day volunteering and visiting sites to see first-hand some of the ways Legal & General makes an impact.

A team worked alongside rangers from the South Downs National Park in Seven Sisters Country Park, removing harmful plastic waste and invasive species to rewild and protect rare chalk grasslands.

Another team visited one of our Inspired Villages sites at Ledian Gardens in Kent, finding out how this retirement village helps residents live healthier, happier and more independent lives.

Another group took part in a one-day hackathon, taking on the challenge of solving real-life challenges faced by our Inspired Villages by helping them improve how they promote their wellbeing offerings to the wider community beyond residents of the villages.

We will always seek to do the right thing by prioritising ethical practices and social responsibility in our operations. It's how we do business and it allows us to build trust with our customers, employees and other stakeholders.

Responsible role model

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We seek to have a positive impact on society and the environment while generating returns for our shareholders through commercial success. Our people are central to this goal.

That's why we seek to build a culture which empowers them to work together, creating value for our customers, shareholders and the communities we serve. Their commitment and drive inspire us, as their employer, to ensure we fully understand and meet their needs.

Section outline

In this chapter, we outline our approach to being a responsible business. The chapter describes the policies we have in place, our practices and the support we provide our people and other stakeholders. It outlines our expectations about business ethics and how we respond when things go wrong.

Our approach

We hold ourselves and our employees to high standards when it comes to role modelling responsible business practices. Our culture is key to us retaining employees and doing our best work and we recognise that this creates value for the customers, shareholders and communities we serve.

Selected highlights

- We developed a new health and safety strategy which aims to protect employees and places and promote safer and healthier lives.
- We continued to involve our people with positive change, for example introducing 'Natter' to help understand our employees' view of the business.
- Our efforts to support employee wellbeing were recognised by MindForward Alliance's Thriving at Work assessment in which we achieved an 'Excelling' rating.



Responsible role model

Our culture

Across Legal & General, it is our shared values, beliefs, behaviours and attitudes that shape our culture and make us who we are. We seek to build a culture in which employees act in a **straightforward, collaborative** and **purposeful** way as we tackle some of the biggest challenges society faces.

In 2023, these behaviours, which have long been descriptors of the culture we seek to build, gained more prominence in our business. Because we believe how our people do their job is just as important as what they achieve, in 2023 we incorporated behavioural assessments into our performance review cycle. Our people now receive a separate performance rating for how they demonstrated their behaviours alongside a rating for what they achieved. Any bonus payment is now defined by both what and how employees delivered throughout the year.

Annual culture reviews take place in each of our businesses, enabling us to assess the extent to which our senior leadership teams are building, developing and protecting our organisational culture.

Our people and sustainability

Our people are at the heart of our efforts to build a more sustainable business. The relationship between culture and sustainability principles is becoming increasingly important, including influencing workers' employment decisions. What employees expect of their employer is changing. Areas like diversity and inclusion, wellbeing, volunteering, learning and career development are important to our people. Ensuring that they have access to the resources and opportunities to support them is important to us, because it helps us to strengthen our most valuable asset: our people.

Embracing and embedding sustainability principles also helps ensure our customers, suppliers and communities are treated fairly. We work hard to implement robust governance structures to ensure integrity, transparency and ethical decision-making takes place right across the Company. As consumers increasingly make choices based on ethical considerations, a business culture that values sustainability is imperative.

Our most valuable asset

We have a diverse, multi-generational workforce. This is beneficial because it fosters innovation and creativity through diversity of thought. We seek to build on this diversity because we believe doing so will be the source of commercial advantage. It is also the right thing to do. See Chapter Six for more information on how we are doing this.

Our work to develop our people begins with understanding them, their needs and aspirations and then making plans which meet these, along with the needs of our other stakeholders. We use a variety of data and insights to inform our strategic workforce planning processes, including input from our people.



‘Nattering’ for a better Legal & General

In 2023, we went beyond our traditional Voice survey, embracing new technology to understand our employees' perception of how Legal & General is performing as an employer. Using Natter – an investee firm of our capital business, which provides a technology platform for pairing up employees across geographical and departmental boundaries for the purposes of having ground-breaking conversations – we tested research into our new ‘people value proposition’.

666 people took part, generating over 1,000 conversations and over 13,000 data points, all collated through AI. The programme not only gave us invaluable information for understanding employees' perceptions of us, it also helped bolster our culture's ‘collaborative’ potential, by creating 423 new connections between employees in a range of geographies, with participation broadly mirroring our global operational footprint and representation from all grades and a wide range of role types.

Understanding our people

The steps we take to meet our people's needs and build a strong culture are based on thoroughly understanding them and involving them in shaping our company. We do this in a range of ways, with the insights we gain informing the actions we take.

Listening to our people

During 2023, through our Voice survey, we requested feedback from our entire permanent employee base on two occasions. Voice measures employee sentiment on a range of issues and the data gathered is an important indicator of organisational culture.

Employee satisfaction in September 2023 was 79, up one point year-on-year and four points above the industry benchmark. This was based on a 79% response rate. Our people said they felt proud working for Legal & General and plan to be working with us in one year's time with both questions scoring 81. The support our people get from their line manager was our highest performing question scoring 84 and two points above the Glint industry benchmark.

While there is always progress to be made, overall these insights demonstrate that our continued focus on ensuring a safe culture where our people can be at their best is having a positive effect. The strong scores in satisfaction and intent to stay were particularly meaningful given the challenges in attracting talent in current markets.

Going beyond Voice: the 'CEO edition'

Following the announcement of the appointment of António Simões as Group CEO, a new group-wide 'CEO edition' of the Voice survey was launched in preparation for his arrival. The survey invited employees to share their feedback on working at Legal & General which was shared directly with António upon his arrival.

Employee representation: UK

In our core UK business, we recognise Unite as our trade union for collective bargaining. Unite represents 79.4% of our UK employee base for the purpose of collective bargaining. Our more senior managerial grades are represented collectively by an in-house Management Consultative Forum.

Our longstanding partnership with Unite (now in its 27th year) continues to flourish. Our mutual objective with Unite is to work together to further the success of the business and to achieve fairness and equality in the treatment of employees. Our collective agreement with Unite is included in employee contracts for those on relevant grades in the UK and all new starters, regardless of grade, receive an induction from Unite as part of their on-boarding.

As an employer, we recognise Unite's right to represent its members across a range of issues including:

- reward and benefits
- diversity and inclusion
- grievance, disciplinary and performance improvement
- health and safety and wellbeing
- environmental, social and governance
- employees' terms and conditions
- training, development and career opportunities
- redundancy and employability
- office and workplace design.

Throughout the year Unite actively raised awareness of its support and services, through both in-person events at our offices and digital communications. Unite representatives are provided time off to represent their members.

Employee representation: international

Our US business does not operate in a union or collective bargaining environment but we comply with the Federal WARN Act (The Worker Adjustment and Retraining Notification Act). The act offers protection to employees by requiring employers to provide notice 60 calendar days in advance of covered mass layoffs. The notice should be given to affected workers or their representatives (union environments); to the appropriate state dislocated worker unit and the appropriate unit of local government. A 'mass layoff' occurs when there is a reduction in force that results in an employment loss at a single site of employment during any 30-day period of either: (1) At least 33% of the employees, excluding part-time employees, and at least 50 total employees; or, (2) At least 500 employees, excluding part-time employees. Other circumstances may apply and 'mini' state leave laws could apply if an office is in a covered location.

In the European Union, we do not have an employee base of such a size that a European Works Council would be required.

Employee representation to our Board

To meet the requirements of the 2018 UK Corporate Governance Code we have a designated non-executive director with responsibility for workforce engagement, Nilufer von Bismarck (now in her second year in the role). Throughout 2023, Nilufer met employees across a range of roles and departments and in all our major UK sites. Our Chair, Sir John Kingman, plays an analogous role with our US employees.

See our Annual report and accounts for Nilufer's review of her activity in 2023.

Involving our people in changes

In 2023, four major people change programmes including the implementation of our new performance management system took place across the Group. To help us deliver these programmes, we recruited an internal network of 297 change champions, representing each of our divisions. Their role was two-fold: to represent their colleagues' views back to the change programmes, but also to help communicate the changes – even running engagement and training sessions to help their teams acclimatise to our new HR system and our new office in central Cardiff.



Developing our people

Our approach to development

In our rapidly evolving world, continuing to learn, regardless of age, role or position is vital. It enhances skills, allows us all to stay relevant to the changing needs of customers and societies and fosters personal growth.

We seek to enable our employees to perform, develop and connect:

- perform: access experiences and tools to deliver a great performance today
- develop: build the skills and capabilities needed for the future
- connect: access the people, content and experiences that help them keep their skills relevant.

We continued to offer development opportunities for all employees (through our 'leading self' curriculum); for managers (through 'leading others'); and for senior leaders (through 'leading leaders').

In 2023, we invested over £5.3 million in people development. We provided a blend of in-house and external training opportunities.

Our overall approach to learning and development focused on:

- enhancing learning accessibility – simplifying our core programmes and making it easy for our people, regardless of location, to identify what's relevant to them and how to access it. This included running sessions virtually and in-person and across multiple time zones
- increasing our 'in-the-moment-of-need' learning offerings – providing easy access to content like videos, top tips and how-to-guides – that are quick to digest and simple to apply in order to help our people perform when they need it most
- investing in our senior leaders via a new executive development programme called 'Leading Through Connection' (see right)
- supporting our behaviours – so our people can not only understand what the behaviours look like in action but can better understand how to develop them to support their overall performance.

New developments for 2023

We launched several new programmes in 2023 including 'Impactful Conversations', a course designed to help individuals to communicate effectively in a diverse range of situations. We also recognise how key our people managers are to our overall success given their significant role in hiring and developing teams, so we further invested in this group providing them access to a suite of learning opportunities. This included new manager inductions, sessions on building high performance teams, creating psychological safety and a new 'How to Hire Programme', that aims to help our hiring managers better understand our diversity and inclusion goals.

To ensure that our strategic workforce needs are being met, our people development teams work closely with teams in workforce data and analytics, talent management, executive hiring, diversity and inclusion and wellbeing disciplines.

Technical and regulatory training

We keep our people's technical and regulatory knowledge up-to-date with a rolling programme of annual online training on the following topics:

- data privacy and protection
- supporting vulnerable customers
- fighting financial crime
- health and safety
- personal responsibilities (based on the FCA's five Conduct Rules)
- information security
- whistleblowing.

Leading through connection

Leading Through Connection was designed to engage, challenge and inspire our 100 most senior people to see and think differently about themselves as leaders and the problems facing today's organisations. Focusing on the importance of connection in leadership, the programme encourages them to:

1. **Connect to a stronger sense of self:** Giving leaders a deeper self-awareness of their strengths and development areas resulting in greater confidence in their authentic leadership presence.
2. **Connect to their impact on others:** Enhancing their ability to connect with others at a deeper, more meaningful level to create a collaborative space for impactful work to happen.
3. **Connect to self and organisational purpose:** Deepening awareness of what drives and fulfils them within the context of the broader organisational purpose.

Feedback has revealed that participants to date report greater balance, growth and openness to change following the programme and when compared to their peers who have not yet attended. Participants' direct reports and their teams show a significant increase in Voice survey scores relating to 'line manager support', 'purpose', 'change adaptation' and 'employee satisfaction' over the course of the year after their leader has attended the programme and compared with those employees whose senior leader has not yet participated.

Looking after our people

Employee health and wellbeing

The health, safety and wellbeing of our people is of paramount importance to us. Creating a healthy and safe organisation that brings together healthy people and healthy work fosters a positive work culture, improving morale and benefiting both our people and our company.

Because wellbeing can be influenced by both personal and professional issues, we encourage our people to take control of their wellbeing where possible, but as their employer we strive to better understand the collective health of our organisation so we can make smarter decisions about how best to support our people.

Our approach is data driven, using insights from sources including employee surveys and data on sickness to inform our strategies and policies on wellbeing topics. These include stress, flexible working and D&I. In our September 2023 Voice survey, our employees felt their overall personal wellbeing was good with a score of 75, an increase of three points year-on-year. We are also recognising the outcome of our wellbeing efforts with a two-point increase in our employees' perception of wellbeing as a company priority (current score of 70).



Our wellbeing strategy

The importance of resilience

We believe resilience forms the foundation of wellbeing and that one of the best ways we can support our people is by helping them to build and maintain their resilience. Resilience can help individuals to bounce back from the effects of everyday stressors and challenges. And, as a more resilient firm, we can respond to change faster, delivering for our customers and clients, while delivering sustainable growth.

In 2023, we launched an internal campaign about the importance of resilience, providing tips and advice on how to build personal resilience including employee stories that brought the topic to life. The stories also reminded our people about the various ways they could engage with our benefits and resources to support their wellbeing.

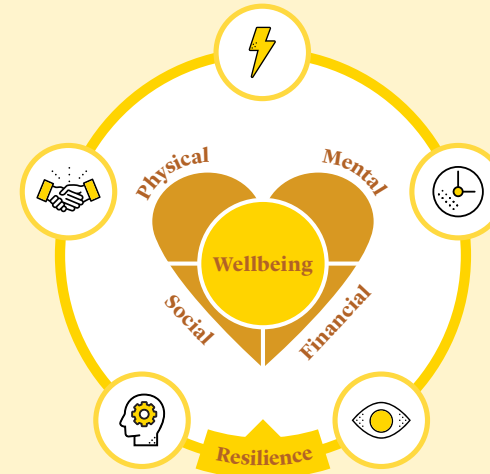
Our approach to building resilience

Our wellbeing approach spans four core areas, with resilience underpinning everything:

- mental health
- physical health
- financial health
- social connections.

We're committed to helping our people understand each of these areas and learn how to embed them into everyday life.

We have been working with The Wellbeing Project to develop resilience across our teams and create an enabling and psychologically safe working environment. The '5 Pillars of Resilience' model set out on the right has provided an easy to navigate, relatable framework that includes all elements of physical, psychological and social wellbeing.



Energy

Sustaining and renewing physical energy to have the capacity to keep going through challenging times.



Inner drive

Sustaining self-belief when times get tough, displaying confidence, motivation and perseverance.



Future focus

Having a clear sense of purpose and direction to help move forwards without getting stuck or feeling held back.



Flexible thinking

Having an open and optimistic mindset, enabling a positive and adaptive response to change and challenges.



Strong relationships

Building open and trusting relationships and being willing to call on these for help and support if facing a challenge.

The 5 Pillars of Resilience is a trademarked model owned by The Wellbeing Project.

Involving our people: our Health and Wellbeing network

Our employee-led Health and Wellbeing network has created and implemented a dedicated wellbeing programme, designed to foster an environment where colleagues can talk freely about their wellbeing. The network partners with external specialist Smart About Health, providing guidance and advice to our people across a range of wellbeing issues, directly from medical experts. In January 2023 in response to an employee survey which indicated some employees had issues with sleep, the network ran a hybrid session about the importance of sleep with a keynote from Dr Hugh Selsick, Consultant Psychiatrist and Lead Clinician for the Insomnia and Sleep Disorders Clinic at University College London Hospitals. The network continued to be active throughout the year running sessions about overcoming stress, navigating increasing housing costs and learning about self-compassion. They also organise wellbeing events where people can actively get involved, for example, fun runs and yoga.

Looking after our people continued

Protecting our employees' mental health

We have been promoting mental health at work since 2017, when the 'Thriving at Work' report by Lord Stevenson and Paul Farmer was published. In that year, we developed the 'Not A Red Card' campaign – an initiative designed to raise awareness, remove stigma and take action around mental health in the workplace. Since then, we have continued to advocate the importance of taking a proactive stance around mental health in the workplace, not only for our own people but also in supporting other employers to protect their employees' mental health (via our Group Protection business – see pages 30 to 31 for more information).

Jeff Davies, Chief Financial Officer, was named as our executive sponsor for wellbeing and mental health during 2021, with accountability for our strategy in this area, a role he retained through 2023.

We remain committed to supporting our people in the best way that we can, recognising how critical a safe and open environment is to achieving this.

Our aim is to normalise discussions about mental health and we encourage our people to speak up about their experiences and challenges: anonymously through our employee surveys and publicly by sharing stories in our communication channels. We also promote active listening in order to create an environment of mutual support where our people feel they can safely ask for help.

We help our people to support each other by offering mental health awareness training. As of 31 December 2023, we had approximately 135 mental health first-aiders (MHFAs) and we provide access to Unmind, a mental health platform featuring clinically-backed tools and training, to all employees. This year we introduced a payment of £200 to our MHFAs in recognition of the support they provide to their colleagues.

Financial wellbeing

While some cost-of-living pressures eased in 2023, this was towards the end of the year and many of our people still faced financial pressures. Following on from additional payments we made to around a third of our UK workforce in 2022, we followed up with a third payment in July 2023 worth £750 for those earning £75,000 base pay or less.

Our hardship fund helps employees who need urgent financial help because of circumstances beyond their control, where existing benefits are inadequate and where a payment will make a material difference to the individual's mental and financial health. An independent committee evaluates each application individually and all applications are confidential.

Ownminder

Ownminder is the first proactive mental health programme dedicated to meeting the specific needs of the construction industry and aiming to tackle its high rates of mental ill health. Through on-site training and a dedicated app, Ownminder enables organisations working in construction to provide their employees and supply chains with access to tools and strategies, helping them to take a positive and preventative approach to their psychological health and wellbeing.

Working with Ownminder and BAM, we ran a pilot at the new Sky Studios Elstree site (where we are the asset manager) in the UK. This involved providing access to the Ownminder service to approximately 200 sub-contractors on site. The service aims to deepen understanding of the factors underpinning psychological health, which can in turn help mitigate the risk of mental ill health in the future. The tailored on-demand modules, personalised tools and strategies were designed to be incorporated into everyday use and were delivered via senior leadership training on-site, in-person training and access to the app for all.

Anonymised reports from the app, which include user engagement levels and regularly updated mental wellbeing scores to validate progress, will provide us with insight and data to further tailor the mental wellbeing support we provide our employees and contractors on construction sites.

We are hoping to progress working with Ownminder in 2024, having learned lessons from the pilot, including the need to establish a group of champions and create topic specific workshops which provide tangible, practical techniques.

Looking back and looking forward: our wellbeing goals

Recognition for our wellbeing support

Our efforts to support employee wellbeing were recognised in 2023 by MindForward Alliance's Thriving at Work assessment in which we achieved an 'Excelling' rating. The assessment highlighted how we have "shown a balanced approach to our wellbeing programme, taking into consideration the structural framework just as much as the creation of inclusive, mentally healthy culture". Mindforward Alliance was formerly known as the City Mental Health Alliance.

Our aspirations for wellbeing

In 2024, we will continue to focus on promoting and supporting wellbeing and have committed to the following goals to be achieved by 31 December 2025. We will track and measure against these goals, reporting annually.

1. Progressive improvement of employee sentiment scores related to wellbeing questions in our annual Voice survey, specifically:
 - whether wellbeing is seen as a priority for Legal & General.
 - reported levels of personal wellbeing.
2. Maintain Thriving at Work 'Excelling' benchmark status.
3. Expand provision of mental health support across Legal & General.

Looking after our people continued

Benefits to support all aspects of wellbeing

We have a range of benefits that support each of our wellbeing pillars and all of these are accessible to every Legal & General employee. We supplement these benefits with ongoing internal communication campaigns, events and webinars to promote wellbeing either centrally or via our Health and Wellbeing employee network.

“We all have mental health, just as we do physical health. Throughout our lives, there are times where our mental health is in peak condition, and other times where we struggle. I’ve experienced both ends of this range so I know just how important it is to feel supported and safe. I am committed to creating a culture where everyone at Legal & General has access to the support they need and someone to talk to when they need it.”

António Simões
Chief Executive Officer



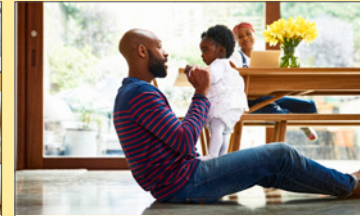
Physical health

- Access to Bupa’s private medical insurance which also includes virtual doctor’s appointments offered via Babylon.
- Gym membership discount.
- Cycle to work scheme.
- Free flu vaccination.



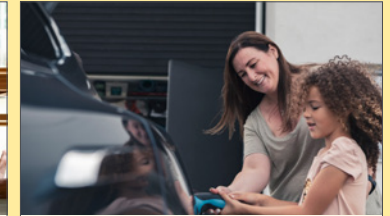
Mental health

- Access to an employee assistance programme 24/7, 365 days a year for our people and their immediate families. In 2023 this was extended to all future talent candidates in our pipeline, meaning that any apprentice or graduate who accepts an offer with us can use the service before they officially onboard on one of our programmes. This helps support these people as they make the transition from education to the workforce.
- Access to mental health support via Bupa which includes a direct access pathway (i.e. no GP referral required) and a family mental health support line.
- Access to mental health first-aiders.
- Free access for employees globally to Unmind – an app that offers clinical techniques to help manage symptoms of stress, anxiety and depression.



Social connection

- Work+Family Space: access to advice and resources to help employees balance work and caring responsibilities for children, elderly and pets. Eight days of backup care provided for any of these groups for free.
- Access to Care Concierge, which can help with sourcing later-life care for older family members (see page 17 for more information).
- Access to our active employee networks (see page 58 for more information).
- Dedicated time off to volunteer in the community.
- Financial benefits offered to employees’ chosen charities if they fundraise, volunteer, or become a school governor or charity trustee.



Financial health

- Enhanced income protection support to 66% of base salary for those unable to work through injury or illness.
- Access to a workplace ISA with reduced fees.
- Access to an electric car scheme providing a generous benefits package if employees lease a brand-new electric car for personal use.
- Share save schemes.
- Access to Salary Finance, a Legal & General investee fintech company which gives employees access to workplace savings, loans and payday advances.
- Shopping discounts at hundreds of retailers via our Smart Spending benefit.

Looking after our people continued

Health and safety

In 2023 we outlined a new health and safety strategy with a vision to: “Protect people and places and promote safer and healthier lives”. The new strategy runs from 2023 to 2026 and features six principles:



Four areas of focus are designed to ensure the strategy is implemented:

Develop a proactive and influential health and safety culture

Drive quality and cross-Group consistency

Use technology and innovation to drive better outcomes

Keep pace with change

Health and safety governance

We strengthened our governance through the creation of a new Health and Safety Committee. This is a sub-committee of the Executive Risk Committee which in turn reports to the Group Management Committee. Its remit is to provide executive-level direction for health, safety, modern slavery and human rights. This includes driving a proactive culture focused on health, safety, and wellbeing, agreeing Group policy and maintaining the overall framework for ensuring that Health and Safety risks are appropriately identified, managed and legal requirements are met. In addition to this committee, two more health and safety groups were created: Subject Matter Expert Working Group and a Corporate and Workplaces Health and Safety Working Group, both designed to drive best practice and consistency in health and safety across our workplace.

Healthy, safe and productive work environments

We continued to ensure our employees were provided with the best environments for hybrid working. This includes providing modern, flexible space in our offices through refurbishments that include collaboration spaces, living walls and quiet spaces. Our approach to workplace design accounts for our people's needs, including mobility issues, neurodiversity requirements and hearing and sight impediments to ensure that our spaces are as inclusive as possible.

The operation of our core offices continues to be managed through a health and safety system aligned with ISO45001 and our offices are audited by a leading health and safety consultancy. We have a well-established and documented process for identifying health and safety hazards, risks and responding to incidents and near misses. We continue to review and update our risk assessments, which are the cornerstone of our management system. We also use our assessments to form policy, processes and guidance for our people. Procedures and processes are reviewed regularly to ensure compliance with law and best practice.

All employees benefit from a range of occupational health services and individual occupational health assessments tailored to specific needs. All employees are required to complete a group-wide health and safety computer-based training module. We recognise that consultation and communication are essential to drive effective management of health and safety. In addition to our governance, we have location-specific health and safety committees and a dedicated health and safety page on our intranet site which outlines our management system, guidance and resources. There is a dedicated mailbox for employees to report hazards and ask for assistance.

We also work in partnership with our recognised union, Unite, to support our people in raising and addressing health and safety concerns.

Looking after our people continued

Sickness data

In the UK, we track sickness leave and monitor the factors that contribute to people taking time off work. Within our total UK workforce, in 2023, 2.5% days were lost across the workforce to sickness leave. Of these lost days, 27.9% were due to psychological ill health.

This data will continue to be used to understand our people's ill health, what causes it and how we can prevent and remediate it.

Key health and safety statistics – UK

The table to the right shows health and safety statistics for all our UK employees including our subsidiaries and contractors on Legal & General owned UK sites.

High consequence work-related injuries relate to a work-related injury from which the individual cannot, does not, or is not expected to recover fully to pre-injury health status within six months of the incident taking place.

The main types of recordable work-related injuries for our employees were bruising and abrasions to fingers and thumbs and injuries as a result of moving objects around. For Legal & General contractors on Legal & General owned sites, the main type of injuries were also bruising and abrasions to hands as well as some slips and trips.

Key health and safety data for Legal & General employees in the UK (incidents taking place on Legal & General owned sites)

	Total number	Rate per 100,000 hours worked
The number and rate of fatalities as a result of a work-related injury	0	0
The number and rate of high-consequence work-related injuries (excluding fatalities)	0	0
The number and rate of recordable work-related injuries (number of injuries/ hours worked x 100,000)	105	0.62
The number of hours worked	16,841,510	

Key health and safety data for contractors on Legal & General owned sites (in the UK)

	Total number	Rate per 100,000 hours worked
The number and rate of fatalities as a result of a work-related injury	0	0
The number and rate of high-consequence work-related injuries (excluding fatalities)	0	0
The number and rate of recordable work-related injuries (number of injuries/ hours worked x 100,000)	129	1.80
The number of hours worked	7,148,493	

Through comprehensive risk assessment processes that are applied in line with UK health and safety legislation, we determine the likely hazards to which our employees and contractors on our owned sites are exposed. The hierarchy of control is followed to mitigate the risk of accidents to the lowest levels as far as is reasonably practical.

All rates have been calculated per 100,000 hours worked which is the UK standard for reporting. All figures are for our UK employees and contractors working on our owned sites in the UK. Employees in our international offices are not included in the statistics currently.



Engaging with others

Influencing public policy

Influencing through memberships

We participate in several industry bodies and have signed up to a range of sustainability-related standards.

We are members of Business in the Community (BITC), a UK-based membership organisation which is 'leading a movement to create a fair and sustainable world in which to live and work'.

In 2022, we gained Good Business Charter certification and retained this in 2023. The Charter commits us to a range of actions to ensure the ethical running of our company, including paying a real living wage, supporting employee wellbeing, engaging with worker representatives, promoting diversity and inclusion, protecting the environment and ethical sourcing practices. Full details of the certification can be found on the Good Business Charter website: www.goodbusinesscharter.com/

We are participants in the UK division of the United Nations Global Compact, as well as being a signatory of the Global Compact.

For a full listing of our industry body memberships and recognitions, please see our corporate website.

Our approach to public policy

When approaching public policy work, we have a set of principles by which we engage government and policy makers.

Our public policy principles which are agreed at Board level are:

- 1 We make no political donations.
- 2 We are politically neutral, working with all parties, officials, regulators and other policy organisations in the jurisdictions in which we operate.
- 3 We work collaboratively both directly and through a range of industry representative bodies.
- 4 We aim to deliver evidence-based, practical proposals for consideration by policymakers.
- 5 We aim to be experts and thought leaders: we are an organisation rich in expertise that we're willing to share with those responsible for formulating public policy.
- 6 We are focused on delivering positive outcomes for customers, shareholders, investment markets, the broader economy and society.

We had extensive engagement with policy makers and regulators throughout 2023. We engaged with policy makers on a range of themes including Solvency UK; retirement and pensions; investment management; and sustainability.



Engaging with others continued

ESG ratings, accreditations and commitments

As a listed company, we are frequently rated by ESG rating providers and proactively participate in several ESG indices. We are committed to working with many organisations to ensure responsible business

practice. Working with these organisations provides us with greater access to expert knowledge to help better run our business and share best practice from our perspective.

ESG indices



ISS

ISS ESG Corporate Ratings on companies provide investors with in-depth insight to effectively incorporate sustainability into their investment decisions. As of January 2023, Legal & General received a C+ rating, achieving Prime status.



Sustainalytics*

In January 2024, Legal & General Plc received an ESG Risk Rating of 18.6 and was assessed by Morningstar Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. In no event should this information be construed as investment advice or expert opinion as defined by the applicable legislation.



FTSE4Good

FTSE4Good Index Series

The FTSE4Good Index Series is designed to measure the performance of FTSE companies demonstrating strong ESG practices. For 2022, our overall FTSE4Good ESG score was 4.5 enabling us to remain a constituent of the FTSE4Good Index Series.



S&P Global Corporate Sustainability Assessment (CSA) score 2023

The S&P CSA score is the S&P Global ESG Score without the inclusion of any modelling approaches. Position and scores are industry specific and reflect exclusion screening criteria. Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

Accreditations and commitments



United Nations Global Compact

The UN Global Compact is a voluntary United Nations initiative to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies and to report on their implementation. The Global Compact supports companies to do business responsibly by aligning their strategies and operations with the Ten Principles on human rights, labour, environment and anti-corruption.



Good Business Charter

The Good Business Charter is an accreditation which organisations in the UK can sign up to in recognition of responsible business practices. It measures behaviour over 10 components: real living wage, fairer hours and contracts, employee wellbeing, employee representation, diversity and inclusion, environmental responsibility, paying fair tax, commitment to customers, ethical sourcing and prompt payment. An organisation must meet all 10 commitments to receive the GBC accreditation.



Living Wage Foundation

We are a Real Living Wage Employer (and a member of the Living Wage Foundation), committed to paying our people a fair and respectable wage.



Business in the Community (BITC)

We are a member of BITC. BITC and its network of business members aim to create a fair and sustainable world in which to live and work. Formed in 1982, BITC is the largest and longest-established membership organisation dedicated to responsible business.

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Influencing through responsible investment management

Our investment management business is a major global investor with total assets under management (AUM) of £1.2 trillion, of which £378 billion is in strategies explicitly linked to ESG criteria. We strongly believe that ESG factors such as climate change, social inequality and executive pay are financially material. Therefore, for us, responsible investing involves incorporating ESG considerations into investment decisions.

Responsible investing is core to our investment approach and purpose: to create a better future through responsible investing. This position enables us to use our influence to ensure:

- companies integrate ESG factors into their culture and everyday thinking
- markets and regulators create an environment in which good management of ESG factors is valued and supported.

It also gives us an opportunity to raise market standards and best practice. We are proud to have received a 5* ranking from the UN PRI for five modules: Policy governance and strategy, Passive equity, Real estate, Fixed income (SSA) and Fixed income (corporate). We remain a signatory of the Financial Reporting Council's UK Stewardship Code for a third year running.

We have three areas of focus as an asset manager:

Holding boards to account

To be successful, companies need to be led by people who are well-equipped to create resilient long-term growth. By voting and engaging directly with companies, we encourage management to control risks while seeking to benefit from emerging opportunities. We aim to safeguard and enhance our clients' assets by engaging with companies and holding management to account for their decisions. Voting is an important tool in this process, and one which we use extensively.

Creating sustainable value

We believe it is in the interest of all stakeholders for companies to build sustainable business models that are also beneficial to society. We work to ensure companies are well-positioned for sustainable growth and to prevent market behaviour that destroys long-term value. Our investment process includes an assessment of how well companies incorporate relevant ESG factors into their everyday thinking. We engage directly and collaboratively with companies to highlight key challenges and opportunities, and support strategies that seek to deliver long-term success.

Promoting market resilience

It is essential that markets (and, by extension, the companies within them) can generate sustainable value. In doing so, we believe companies should become more resilient amid change, ultimately benefiting the whole market. We use our influence and scale to ensure that issues affecting the value of our clients' investments are recognised and appropriately managed.

Significant environmental issues such as climate change and biodiversity loss remain a dominant theme of engagement as we continue to hold companies to account on their progress to net zero. For more information, see our Climate and nature report.

In 2023, some of our key activity on social and governance issues included:

Antimicrobial resistance (AMR)

We have been engaging companies, government and other external stakeholders on the issue of AMR since 2020 and in 2023 sought to further drive engagement on this topic. Some highlights include:

- speaking at events like The World AMR Congress in Philadelphia, PA, US and the Groundswell Regenerative Agriculture Festival in Hertfordshire, UK. These events allow us to engage with a

diverse range of stakeholders including academics, healthcare professionals, corporates, government officials, policymakers and regulators and raise awareness of the role institutional investors can play in curbing AMR. Participating in these events is also a way for us to galvanise action and show that engagement isn't just restricted to the boardroom

- together with our peers and as representatives of Investor Action on AMR, we again co-signed letters to some of the finance ministers of the G7 countries. We emphasised the crucial need for them to expedite action to mitigate AMR, including taking the appropriate steps to address the antibiotic market failure and create the right economic conditions to preserve essential existing antibiotics.

Nutrition

Nutrition continued to be a key focus in 2023. We put pressure on both food producers and governments to improve the nutritional quality of food available to consumers. We are members of the Access to Nutrition Initiative (ATNI) and the ShareAction Healthy Markets Initiative. We spoke at the UN's Food Systems Summit in Rome, Italy which was convened by the UN Secretary-General to review progress in achieving the 2030 Agenda for Sustainable Development.

Diversity

We have been actively engaging on the topic of diversity with our investee companies since 2011 and actively voting on the issue since 2015. Our expectations continue to evolve over time as we respond to the changing landscape and progress of companies. In 2023, we updated our diversity expectations and published our policy which sets out our commitment in pushing companies in which we invest to:

- have at least 40% of women at board and executive leadership team level
- have at least one person of ethnic minority background on the Board
- disclose D&I policies and representation data; and

- disclose their gender and ethnicity pay gap information along with actions to close any stated gap.

Other key updates within diversity in 2023:

- continuing engagement with our ethnic diversity campaign. Since 2022, we have voted against companies in the FTSE 100 and S&P 500 indices where the Board does not include at least one person from an ethnic minority background. In 2023, we widened our scope to include the FTSE 250 and Russell 1000 indices and in early 2023, wrote to 95 companies across these indices who didn't have any representation at Board level of people from ethnic minorities. Our expectation for these companies to have at least one person of ethnic minority on the Board is in line with the UK's Parker Review, allowing smaller companies more time to meet our expectations. We will expect compliance by 2024. The sanctions remain consistent with the larger companies and we will vote against companies within these indices that don't meet these criteria from 2025
- we continued to push for improved gender diversity and in 2023, we voted against 16 companies with all-male executive leadership teams. We will continue to engage with these companies to remind them of our expectations.

Income inequality

Failure to address the issues of income inequality and poverty can pose a material risk to investee companies. In 2023, we launched our first engagement campaign on this theme, which carries with it a voting sanction for those companies that fail to meet our minimum expectations. Targeting the food retail sector, we wrote to 15 supermarket retailers setting out our expectations of them which includes paying all employees a living wage. If, by 2025, these companies have failed to provide the disclosures set out in our minimum expectations, we will vote against the re-election of the Chair, Chair/CEO or President and pre-declare our voting intentions.

Our supply chain

Our supply chain strategy

We have a complex global supply chain and understand that our actions have far-reaching consequences. We recognise the importance of balancing financial considerations with promoting environmental and social sustainability both within our operations and within our supply chain.

In 2023, our core UK business (excluding subsidiaries) had a total of 1,957 direct suppliers. 64% of our overall supplier spend was with our top 50 suppliers. Within our top 50 suppliers, 26% are in the technology sector and a further 24% provide professional services.

Our robust procurement framework allows us to engage with our supply chain effectively and fairly, in a manner that manages risk and promotes value in the best interests of our customers, employees, regulators and shareholders. As part of that framework, our contracts set out the commercial and legal parameters of our engagements with our suppliers including compliance with laws and regulations and provisions to ensure continuity of services and the security of data.

Our Supplier Code of Conduct sets out our ambition and defines how we expect our suppliers to play their part. The Code of Conduct focuses on areas like wages, environment and climate change, human rights and modern slavery and diversity, equity and inclusion.

We continuously adapt our practices to align with evolving sustainability expectations and requirements. This includes assessing suppliers' environmental practices, labour conditions and adherence to human rights principles. Through regular audits and assessments, we aim to maintain a responsible and ethical supply chain.

Engagement and collaboration

Throughout 2023, we actively engaged with our suppliers to promote sustainable practices. For example, we held several meetings with our travel management suppliers to monitor their sustainability proposition strategy which resulted in the following actions:

- sustainable venues – engaged with our travel contractor and sub-contractor to promote their 'green accredited venues' which achieve zero waste and source ethically. We will set a target for 2024 to enable us to track and increase the level of 'green venues' we book for our events
- carbon measurement – in collaboration with our environment teams, we investigated methods to capture and reduce carbon resulting from travel. Employees can now see the carbon emissions for their flights and hotels before they book, as we seek to influence travel behaviour.

Social enterprises

Social enterprises are businesses which trade for a social or environmental purpose. They prioritise benefits to people and the planet and use their profits to further their social mission.

We have had a long-standing commitment to increase our spend with social enterprises and in 2023 this resulted in a 23% increase compared to 2022.

Social enterprises often offer unique products or services that benefit local communities. For example, we use The Big Lemon, a social enterprise based in Brighton & Hove to provide a free shuttle bus service using electric buses to enable our people to get to and from the office. By working collaboratively with organisations like The Big Lemon, we can address social and environmental challenges together whilst also supporting economic development.

This alignment with our broader societal values can help contribute to long-term business sustainability.

Modern slavery and our supply chain

We continued to work with our suppliers in 2023 to prevent and mitigate modern slavery activity.

Key updates include:

- in our Real Assets business, 20 detailed modern slavery strategy plans were produced by our main contractors with audits undertaken on 21 projects. These audits were all unannounced and included worker interviews
- in our CALA business, eight site audits were undertaken in 2023. The site audits, all of which were unannounced, covered areas including rates of pay, recruitment processes and right to work and payroll methods. Across these audits, 397 worker interviews were conducted with employees of sub-contractors
- we began a review of existing arrangements with six tier one suppliers to our Real Assets business who are our managing agents across our assets. Initial plans are to ensure that modern slavery awareness posters, helplines and whistleblowing helplines are visible across our operational assets in the UK.

We also took steps to counter the risk of modern slavery in our own operation. A summary of this activity is given on page 48 and a full account can be found in our 2023 Modern slavery statement which is published on our website.

Looking forward

Our focus for 2024 will be to:

- strengthen supplier engagement, evaluation and monitoring by expanding sustainable sourcing
- explore partnerships with suppliers who have strong sustainability credentials
- invest in technologies and systems that enhance transparency and traceability within the supply chain.

Protecting human rights

As a leading financial services company and major global investor, we understand our ability to influence, lead and drive positive change and we take this responsibility very seriously. This includes a commitment to uphold human rights throughout our operation and supply chain and zero tolerance of labour abuses including modern slavery.

Our main annual disclosure on the issue of modern slavery and human rights is our Modern slavery statement, which can be found on our corporate website. The statement covers, among other matters:

- how we assess modern slavery and human rights risk in our operation and value chain
- the due diligence we perform
- our policies and practices.

Human rights: our commitment

We are committed to maintaining high standards when it comes to the protection of human rights in our operation and our value chain. We base our approach on standards set by various bodies, of which we are members or whose guidance we follow:

- our overall approach continues to be aligned with the United Nations Guiding Principles on Business and Human Rights
- we fully support the principles of the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work
- we have been a signatory and supporter of the UN Global Compact since 2012

- we are members of the Gangmaster and Labour Abuse Authority Construction Protocol, a Real Living Wage Employer (and a member of the Living Wage Foundation) and an advocate of the UN Sustainable Development Goals
- we have incorporated the internationally recognised Ethical Trading Initiative (ETI) Base Code within our supplier code of conduct, reflecting the importance of human rights considerations in our value chain.

Human rights in our supply chain

We understand our responsibility to prevent, mitigate and remediate where appropriate the risks of human trafficking, forced, bonded and child labour; and to respect human rights in our operations and our supply chain. Whilst we acknowledge that there may be human rights impacts within our supply chains, we are committed to taking these impacts seriously. This approach is supported by our supplier code of conduct, human rights policy and code of ethics which all apply across the Legal & General Group. They set out our obligations to customers, employees and communities in our operations and supply chain.

We take any breach of our policies or allegations of labour abuse extremely seriously. We provide an independent and confidential whistleblowing hotline that enables our employees, suppliers and their staff around the world to raise concerns on this or any other issue that may be of concern to them (please see page 50 for more information on our whistleblowing policy).

Influencing our investees

In 2023, our investment management business published its Human Rights policy document which outlines the expectations and approach towards human rights issues that we expect of our investee companies.

Modern slavery

We remain committed to playing our part in eradicating modern slavery. In 2023, we increased our efforts to assess the risk of, detect, mitigate against and remediate instances of modern slavery in our operation and supply chain.

During the year, we:

- joined the UN Global Compact's Modern Slavery Working Group, enabling us to undertake further training on this topic and learn from peers in the industry
- became a member of Unseen, a UK charity that supports survivors of trafficking and modern slavery as well as providing expert support to businesses, communities, governments, among others aiming to stamp out slavery for good
- focused our activity on training; securing external counsel and support; and undertaking audits across our owned and managed sites, looking for evidence of any instances of modern slavery or breaches of human rights.

We also took steps to tackle modern slavery in our supply chain. A summary is given on page 47.

Our 2023 Modern slavery statement

Our 2023 Modern slavery statement describes the steps we have taken to identify the risks, and remediate any instances, of modern slavery and human rights violations. It covers our strategy, risk processes, governance and key performance indicators relating to this issue in our operation and supply chain.

A copy of the statement can be found on our corporate website, as required by the Modern Slavery Act 2015.

Business ethics

Ethical and responsible behaviour is an integral part of the way we do business at Legal & General. It's the foundation of the positive difference that our company is seeking to make to society for years to come.

We believe that without ethical practices underpinning our approach to business, we lose the right to take a stance on 'bigger picture' social, environmental and governance issues. That's why we hold ourselves and our employees to high standards when it comes to role modelling responsible behaviour. It's important to us that all our stakeholders can expect us to behave fairly and to do the right thing. This means adhering to regulatory requirements and principles, including the FCA's Conduct Rules and other country equivalent regulations.

Bullying and harassment

We are committed to creating an inclusive workplace where everyone can succeed, no matter who they are. Any act of bullying, harassment, discrimination or victimisation, whether between employees or in their interactions with customers, clients, suppliers or anyone else who does business with Legal & General will not be tolerated. We continuously strive to ensure our work environment is one where everyone is treated with dignity and respect. Our dignity at work policy (an internal document) covers bullying and harassment of employees in the workplace by other employees, managers, customers, visitors, contractors and anyone else engaged to work with us. It also applies in other workplace settings including business trips and work-related social events. For more on interpersonal ethics, see our Code of Ethics on our website.

Code of Business Ethics

Our Group Code of Ethics, which is available on our website, sets out our expectations for how our employees will do business on our behalf. Our commitment to those working, dealing or liaising with Legal & General is that we will:

- always be open, honest and fair in our dealings with each other and with our customers, communities, business partners, suppliers and any other stakeholders with whom we interact
- never tolerate any act of discrimination, bullying, harassment or victimisation either among our employees or in our relationship with any other individual or organisation
- operate within all applicable laws, rules and regulations in all countries where we have a presence
- safeguard personal data and any information of a non-public nature
- avoid acting in any way that could bring Legal & General into disrepute or undermine the values it represents
- empower everyone who does business with us to tell us when things go wrong and move quickly to put things right.

Anti-bribery and corruption

We will not tolerate any person acting on behalf of the Group participating in any form of corrupt practice, including the acceptance, promise, offer or giving of anything that may be considered a bribe. Our financial crime risk policy applies across the Group and mandates that controls are put in place to prevent and detect such activity. Controls include an annual bribery and corruption risk assessment; regular training; due diligence measures; reporting of suspicions of bribery and corruption; and the control and approval of giving and receiving of gifts and hospitality, political and charitable donations and corporate sponsorship.

Taxation

Our tax strategy is designed to be sustainable, well-governed, fair and transparent. This is underpinned by thorough and comprehensive reporting of our tax affairs through the publication of our annual tax supplement, which includes:

- a summary of our tax policies
- our total tax contribution
- our global tax footprint
- information on our approach to tax governance and tax planning.

Please see our 2023 tax supplement for more information on our tax position.

Cyber and information security

We have an established information security framework which comprises a suite of policies, standards and guidance that apply across the Company. As with many organisations, Legal & General faces an ongoing threat of cybersecurity attacks. We do our utmost to ensure minimal disruption to our business operations and to reduce any risks facing our customers and employees. We are ISO/IEC 27001 certified. This assessment provides independent assurance that we follow industry-standard security management practices. Our employees have to take a mandatory information security training module. This aims to support and equip our people with the necessary knowledge to identify and respond to security threats, as well as how to operate in a secure manner. This is supported by regular communication on security good practice and an ongoing rolling programme of phishing testing. For further information, please see our cyber and information security statement on our policies page.

Data privacy

Protecting the personal data of customers is extremely important to us. Customers need to be able to trust us with their personal information which often contains sensitive information. Our privacy policy can be found on our website bit.ly/LegalandGeneralPrivacypolicy. It relates to our retail customers and/or individual consumers of our goods and/or services, including users of our application-based technology and those individuals who request financial advice, obtain quotes, utilise our services, purchase our products, enter into agreements with us, individuals that we cover under employer sponsored schemes and/or individuals that we may otherwise interact with in the course of our business.

This comprehensive policy details the type of personal information we might hold about our customers, how and why we use it and the sources of this information. The policy also details how we use the information in accordance with data protection laws.

When things go wrong



We know that, despite our efforts to apply high standards of behaviour to how we run our business, there may be times when things go wrong or we do not meet the standards we set. On those occasions, it is important that we provide a means for redress and remediation. As well as processes and teams dedicated to complaint handling, we offer financial redress where needed and operate an impartial whistleblowing facility for all our stakeholders.

Our whistleblowing policy

Our whistleblowing policy is proactively communicated to our employees, via our intranet and supported by compulsory training for all employees.

Anyone calling our whistleblowing line about a human rights issue, be they an employee, supplier, customer, or other stakeholder, can do so anonymously if they wish and without fear of retaliation. Most of the referrals come from employees, who choose to come forward openly with their concerns, although we have processes in place to manage anonymous referrals as well.

All referrals are assessed within seven days of receipt and the in-scope referrals are investigated. Investigations are conducted fairly and impartially and are led by experienced investigators from the Group Financial Crime team or delegated to independent subject matter experts. The scope of each investigation is clearly documented and procedures are in place to manage confidentiality. Human Resources (HR) consultants support all whistleblowing investigations to enable swift referrals of any welfare concerns. All other concerns are routed through to the appropriate business area or function.

The Whistleblowing Oversight Committee, which meets quarterly, oversees the effectiveness of the function and the fair treatment of our referrers. The committee is chaired by the Chief Risk Officer (who reports to the Group Chief Executive Officer) and includes representatives from HR, legal, audit and non-financial risk. They assess performance using a range of key performance indicators in line with industry peers and track the timely completion of cases against a 60 working-day service level agreement. The Whistleblowing Oversight Committee receives reports on all cases which detail the findings and any recommendations. Reports are presented to the Group Board and various other legal entity boards on an annual basis.

We do not publish data on referrals publicly to protect the confidentiality and anonymity of our referrers.

Our vision is to build a workplace where we can all perform at our best, no matter who we are. Creating more diverse workforces and more inclusive workplaces is highly important to us: both as an investor and asset manager, and as an employer of 11,500 people.

Diversity and inclusion



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Building a more diverse workforce and a more inclusive workplace is a potential source of commercial advantage for us. It's also the right thing to do.

Section outline

In this chapter, we set out our D&I strategy and targets and describe the actions we have taken towards achieving them. We also disclose various people data, including our statutory gender pay gap and new ethnicity pay gap disclosures, which are one way of measuring the progress we are making on our objectives.

Our approach

Our vision is to build a diverse workplace and foster an inclusive culture where we can all perform at our best, no matter who we are. Not only is it the right thing to do, but we believe that diversity of experience will help us to meet our commercial ambitions.

Selected highlights

- We set a goal that 17% of senior roles would be held by people from ethnic minorities. We are currently at 17.3%.
- In 2023, 47% of our new hires were female, compared to 41% in 2022.
- We launched programmes to help recruit and retain diverse talent, including work experience programmes and talent sponsorship.
- For the first time, we have published ethnicity pay gap data for our people.



Diversity and inclusion

Diversity and inclusion strategy

Our vision is to build a workplace where we can all perform at our best, no matter who we are.

Diversity and inclusion are strategically important topics for the Group. Building a more diverse workforce and a more inclusive workplace is a potential source of commercial advantage for us. It's also the right thing to do.

Our commitment to diversity and inclusion

At its heart, our business is predicated on using capital to meet significant social challenges through long-term investment. We are ambitious in the scale of the challenges we seek to address. To meet these ambitions, we believe that we need a culture which fosters collaboration, constantly improves its people's decision-making and moves quickly to solve problems in innovative ways. We believe that diversity of experience brings diversity of thought and perspective, which in turn drives greater proximity to customers, better-informed decisions and a culture which more readily embraces innovation.

This requires certain leadership characteristics, such as curiosity, intellectual humility and interpersonal authenticity. In combination, these characteristics create team environments where a range of ideas, insights and perspectives can be gathered; and where our people's wide range of innate strengths and potential can be harnessed for the benefit of our firm and our clients, customers and shareholders.

Our strategy

Our strategy to realise the vision of a more diverse workforce and a more inclusive workplace is set out in the graphic below. This strategy has been in place for two years and during this time we have made progress in delivering it. We have strong foundations built on a much-improved understanding of our people's lived experience and of our organisational culture.

Our diversity and inclusion strategy

Our three strategic priorities

Recruit and retain diverse talent

Invest in line manager capability

Create opportunities for everyone at Legal & General

Outcomes

Greater diversity

A more inclusive culture



What we measure and report

This chapter describes the actions we took during 2023 to realise our D&I ambitions. This is a multi-year programme of work and we expect to continue many of the actions into 2024 and beyond, in line with the time horizons of our objectives.

We also report information about our employees' protected characteristics (with a focus on gender and ethnicity) and our pay gaps by gender and ethnicity. Our actions are designed to increase representation. An anticipated consequence of fairer representation is the narrowing of pay gaps.

The action we take

A description of what we've done

Our representation data

Progress against our goals and commentary on the causes

Our pay gaps

Progress in narrowing gaps and commentary on the causes

Diversity and inclusion strategy continued

Our goals

We have set the following goals for our D&I strategy.

The goal for representation of people from ethnic minorities in our workforce was set in 2022 and this is the first year where we are reporting progress. A further breakdown of this representation data, along with commentary, can be found on pages 60 to 63.

Goal	Target date ¹	2023 performance	2022 performance
50% of workforce to be women	End of 2025	46.5%	45%
17% of workforce to be from ethnic minorities	End of 2027	16.9%	16%
40% of senior roles ² to be held by women	End of 2025	37.2%	38%
17% of senior roles to be held by people from ethnic minorities	End of 2027	17.3%	17%
At least 40% of Board roles to be held by women	End of 2025	42%	42%
At least 17% of Board roles to be held by people from ethnic minorities	End of 2027	25%	25%
Progressive narrowing of gender pay gap	Ongoing	See pages 64 to 69	

Inclusion and pay gaps

Over time, we would expect that improved representation of women and people from ethnic minority backgrounds across all levels of the organisation would have the overall effect of narrowing our pay gaps. We strive to ensure the progressive narrowing of pay gaps year over year. However, the recruitment of individuals into more junior roles with the intention of developing their career with us could have the short-term effect of widening such gaps in any given year. Progress against pay gap closure is influenced by a wide range of factors.

For more information on our gender and ethnicity pay gaps, please see pages 64 to 69.

Governance of our strategy

Our vision, the action plan and measuring our progress are the responsibility of our Global D&I Council, which provides regular updates to the Group Board's Nominations and Corporate Governance Committee, and is chaired by Laura Mason, CEO of LGC.



1. Dates should be taken to mean by 31 December of the year in question.

2. 'Senior roles' means employees in our four most senior management grades.

Greater diversity

A more diverse workforce

A more equitable company where everyone can succeed is one whose workforce diversity reflects that of the communities and customers we're here to serve. We've set diversity goals which focus on improving the representation of women and people from diverse ethnic backgrounds at Legal & General.

Achieving this objective requires us to hire from a more expansive talent pool and to retain our talent, by ensuring that employees have equitable access to opportunities. In doing this, we are working to reverse historic imbalances in the industries in which we operate.

In 2023, we built on the foundations laid in previous years to diversify our workforce through additional targeted actions across our business.

Recruiting and retaining diverse talent

Hiring more diverse talent is the first step in creating a more diverse workforce. This involves developing a pipeline of future talent and bringing in individuals to more senior or technical roles.

In 2022, we commissioned an in-depth review of our hiring practices, which gave us a number of areas of focus:

- smarter attraction through targeted partnerships and better communication
- translation of diversity goals into operational metrics and better reporting to help us track progress

- a range of process changes to reduce even further the risk of bias during recruitment
- investment in training on bias awareness and process good practice.

In 2023, we continued to act on these findings and so improve the inclusiveness of our practices. This included:

- greater transparency in our job advertisements by using a language decoder to reduce the risk of exclusive language inadvertently being used
- better recording of candidates' diversity data during the interviewing process, which has allowed us to identify parts of the process where bias may be playing a part in selection decisions
- embedding more detailed reporting and forecasting so our business teams can track progress against diversity goals more proactively and closely.

Targeted action to retain female talent

We're aware of the impact that career breaks driven by caring commitments can have on individuals' ability to re-enter the workforce and that this can disproportionately affect women. To tackle this, and therefore retain women in the workforce, in 2023, we set up our new Returners Programme in partnership with Career Returners, which comprises 7,700 professionals who have taken career breaks of over 18 months. 45% of the network are from minority ethnicities. The pilot of this programme led to the hire of four individuals into ring-fenced roles in our business, progress on which we can build in future. The returners are supported by a programme of coaching to ensure a smooth transition back into the workplace. Following positive verbal feedback, we plan to scale the programme across Legal & General.

Targeted action to meet a business need

We have taken targeted actions to hire more diversely in response to specific business needs and people risks. In 2023, we identified a particular need to recruit a more diverse range of individuals into actuarial roles in our institutional retirement business. The actuarial talent market is particularly competitive and our research indicated the need to apply a targeted set of actions to address the under-representation of women and people from ethnic minorities in these roles. We also recognised the role our existing actuaries could have in advocating for Legal & General as an employer and accessing their networks.

To support this campaign, we rolled out training for hiring managers, helping them to articulate better the reasons for an actuarial career at Legal & General. This word-of-mouth approach led to a tenfold increase in applications via referral and a fourfold increase in offers made to referred candidates (vs. performance in the equivalent timeframe in 2022). Even more positively, the referred hires were 55% female (vs. 20% of candidates sourced through other channels), and 55% were from an ethnic minority background.

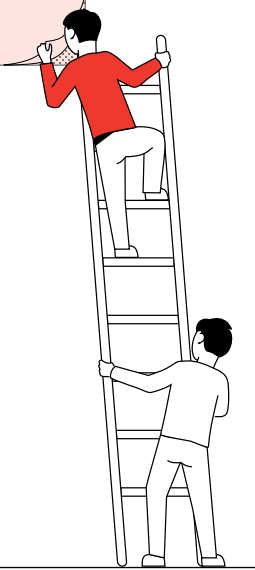


Greater diversity continued

A more diverse workforce continued

Tracking our progress

- In 2023, 47% of our new hires were female. This compares to 41% in 2022.
- In 2023, 22% of our new hires were from an ethnic minority background.



Creating opportunities for progression

While hiring more diverse talent is important, it's not enough by itself to create a more diverse workforce. Retaining and developing people by giving them opportunities to progress is equally important. This is especially true of our junior talent from under-represented groups, some of whom will be the leaders of our firm in future.

In 2022 we emphasised the role mentoring has in building opportunity. 2023 saw us build on this with a greater focus on sponsorship, which differs from mentoring in that it requires active interventions in individual careers on the part of the company's leadership.

In 2023 we launched the introductory cohort of our Diverse Talent Sponsorship initiative. We created 50 new strategic relationships between identified talented individuals from minority groups and senior leaders in the firm. By October 2023, a quarter of these people had successfully secured a lateral internal move or promotion. We also continued to encourage new mentoring relationships across the business. For example, a Women's 'speed networking' event saw 38 new mentoring relationships formed.

In our asset management business, we partner with the Diversity Project Pathway Programme designed to develop the female Portfolio Managers of the future. This programme aims to double the proportion of female fund managers by 2026 and does so through a structured series of development opportunities, networking and coaching.

Our emerging talent cohorts – graduates, apprentices, interns – are the future of our company. We hired 154 people into such roles in 2023. Of these hires 54% were female and 47% were from ethnic minority backgrounds.

We've taken a number of steps in 2023 to attract a diverse mix of candidates for future talent roles, including:

- work experience sessions run in partnership with our employee networks for neuro- and ethnic diversity
- insight days for students from under-represented backgrounds partnering with Urban Synergy, a youth-empowerment charity working with disadvantaged communities.



Working across the sector

A lack of female representation is a legacy issue in financial services. Therefore we work across the sector to promote opportunities for women to develop their careers, including through our membership of Women in Banking & Finance. In 2023, 40 women from Legal & General took part in networking, mentoring and development events focused on expanding their networks, learning new skills and professional development.

We also partner with Black Women in Asset Management. This partnership allows us to showcase roles across pensions and investments to a diverse group of people, as well as create opportunities for people in our firm for networking, mentorship and collaboration outside Legal & General.

A more inclusive culture

Building the diversity of our workforce is important, but we believe that the benefits of greater diversity are only truly realised when the way we do business – our culture – is fully inclusive.

The tone for organisational culture is set by leaders and managers, so our efforts to build a more inclusive culture are founded on ensuring these influential people understand and work to promote this objective.

Strengthening line manager capability

Line managers play an important part in individuals' experience of being part of the Legal & General team. Therefore, they play a central part in creating an inclusive culture, whether hiring new talent or managing their existing teams.

In 2023, we:

- finalised the development of our new 'How to Hire' training and piloted it with 80 hiring managers across the Group. The course brings together bias awareness with practical hiring skills, increasing proficiency for managers engaged in recruitment as well as awareness of bias and measures to mitigate against it. We also developed a different version of the learning for those areas of the business, like our operational centres, which see a high volume of hiring. We will continue to roll out this training in 2024
- launched an 'Intro to Inclusion' course, which covers the essentials of our approach to and expectations about D&I. It is now a mandatory part of our new hire induction
- included content on diversity and inclusion D&I in all our key management learning programmes
- included guidance and expectations about the role D&I should play in our performance management processes.

Leading by example

Cultural tone is set from the top, which is why we seek to involve our senior leaders in setting the agenda for D&I.

During 2023, we reviewed our most senior governance body on this topic, the Global D&I Council. We refreshed the Council's membership, giving each member a targeted area of focus. The Council continues to update the Group Board regularly via the Nominations and Corporate Governance Committee and to coordinate the work of our divisional D&I committees.

We also encourage individual leaders of the firm to use their influence, voice and perspectives to engage our employees and champion greater inclusion. In 2023:

- Nilufer von Bismarck, our Designated Workforce director, met with our employee networks and various D&I committees across the Group as part of her engagement duties
- Laura Wade-Gery and Tushar Morzaria, both non-executive directors, took part in employee events marking the foundation of our partnership with London Women's Forum and our celebration of South Asian Heritage Month, respectively.



Leading inclusively

Members of our capital business's senior leadership team took part in a series of Inclusive Leadership workshops designed to provoking conversations and challenge thinking. The programme allowed them to form a deep awareness and

understanding of the impact of bias in the workplace, learn to seek and value difference and leave with a blueprint to co-create a respectful and inclusive workplace culture.

Involving our people in inclusion

Defining and successfully building an inclusive culture depends on involving our people. We encourage a culture of curiosity, education and learning, through both our well-established employee networks and the ways in which we communicate with our people about diversity and inclusion.

Our employee networks

We have employee networks operating across the Group, focusing on:

- female representation
- ethnicity
- disability
- neurodiversity
- sexual orientation and gender identity
- socio-economic mobility
- family and carers
- health and wellbeing.

We also have a range of other employee-led groups which either focus on narrower themes or that aren't associated with protected characteristics, including:

- women in technology
- menopause
- military veterans, reservists, their families, and allies (new for 2023).

These groups play three key roles. They provide employees with opportunities to connect and access support, to promote belonging. They run events which seek to bring together diverse voices, often taking an intersectional approach where networks come together to engage people in new ways. And they provide ideas and feedback on the development of company policies and practice, to support our efforts to make Legal & General a more inclusive place to work.

Examples of intersectional events led by our networks include our South Asian Heritage Month celebrations, where the Culture Club and L&GBT+Allies networks came together for an evening of intersectional storytelling and celebration. Meanwhile our International Women's Day celebrations focused on telling the stories of neurodiverse women in the firm.

Ability network: helping us understand disabled employees

While our focus for D&I activity has been on women and people from ethnic minorities, our employee networks are helping us to understand and develop our approach towards including people from a range of diverse groups.

The first step in better understanding our employees' needs is to improve our data about them. Our Ability network, which works to make Legal & General a more inclusive place for disabled employees, supported us in an awareness raising campaign aimed at increasing employees' disclosure of data about their disabilities. At a series of awareness fairs, the network raised visibility of the steps we take to make our business more accessible to disabled employees.

Working with Unite

We frequently consult with our recognised union, Unite, on matters relating to D&I. This allows us to increase our understanding of our people's perspectives and concerns through ongoing engagement with Unite's Equalities representatives. For more on our Unite partnership, please see page 37.

A new work experience programme for neurodiverse people

In 2023, our Neurodiversity Network Chair recognised a need to give young people applying for work experience additional help in accessing such opportunities. They launched a programme aimed at neurodiverse people between 16-30, who may struggle to access such placements due to challenges with navigating application and interview processes designed by and for people with neuro-'typical' minds.

The programme consists of a series of structured sessions, led by people from a range of roles across the firm and combining interactive insight into a career in financial services and the variety of roles within Legal & General. Coaching sessions were designed to boost self-confidence and develop practical skills required to be successful in any career, including skills like CV writing and the use of LinkedIn for job-hunting.

Involving our people through communications

At the heart of our approach to communicating with our people about D&I is our Group-wide calendar of events. Promoting these through our networks and our corporate communication channels, we saw over 50 individual in-person, hybrid and virtual events take place in 2023.

An ongoing rhythm of employee-led communications helps us to share diverse voices on a range of inclusion topics, with our people telling their own stories and sharing their own perspectives through our corporate channels such as our intranet and LinkedIn.

Involving our people in inclusion continued



Partnerships and awards

We work with external bodies to help us develop our understanding of issues connected to diversity and inclusion. We also seek to recognise our, and our people's, successes by engaging with industry awards and recognitions.

Partnerships

We have established partnerships with the following bodies:



Awards and recognitions

During 2023, we achieved:

- identification as a 'Diversity Leader' in FT-Statista's European Diversity Leaders list. We were ranked 104 out of 850 European, cross-industry firms and seventh among UK-based financial services firms
- 'Exemplary Employer' status from Investing in Ethnicity. We have shown improvement year on year in this index
- 'Gold Standard' in the Investment Industry Benchmark Tracker (iIBT), a tool for evaluating organisational LGBT+ inclusion maturity. We achieved the maximum score of Level 5 in most categories
- 'Disability Confident: Committed' status from the Business Disability Forum. This means we have committed to improve disability inclusion in our firm
- 'Top 75 employer' status from the Social Mobility Foundation, a position we have now achieved for four years
- wins and accolades at FTAdviser's Diversity in Finance Awards:
 - Winner – Championing LGBT Inclusion
 - Winner – Championing Race Equality
 - Highly Commended – Championing Social Mobility
 - Highly Commended – Diversity and Inclusion Initiative of the Year (for our Neurodiversity Network).

People data

Introduction

In order to diversify our workforce, we must first understand our people. We use data to set meaningful targets which will drive positive impact throughout the organisation and improve how we do business. And, where we don't have specific targets, we report our performance year-over-year.

We strongly believe that transparency is key to making progress. The following tables contain people data which illustrate the composition of our workforce at 31 December 2023. 'Junior' grades are typically our most junior four grades; 'middle management' represents the next two grades; and 'senior management' our most senior grades along with directors and other executives.

In this section, we present data on:

- our total employee numbers
- new hires, retention and turnover
- the gender and ethnic diversity of our employee base
- flexible working
- parental leave.

Total number of employees

Our overall headcount remained relatively steady with 11,546 people employed as of 31 December 2023. We employ people in the UK, US and other jurisdictions in Europe, East Asia and North America. While the majority of our employees are in financial services and related roles, we also employ construction professionals through our subsidiaries.

11,546
people employed globally

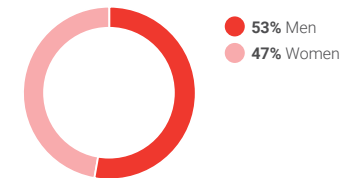
Employee breakdown by country

	UK	US	Other
Actual	10,238	1,154	154
Percentage	88.7%	10.0%	1.3%

New hires

In 2023 we hired 1,993 people into our business, a decrease of 22% year on year. In our core UK business (excluding our housing businesses), 37.7% of roles were filled internally, a consequence of our efforts to retain talent by recruiting internally. Globally, 47% of our new hires were women, an increase of 6% year-over-year. The following tables show a further breakdown in the new hires by age, management level and ethnicity.

New hires by gender



New hires by age

Age	%
30 and under	46%
31-40	26%
41-50	18%
51-60	9%
Over 60	1%

New hires by management level and gender

	All	Male	Female
Junior Grades 1-4	70%	47%	53%
Middle Management 5-6	28%	64%	36%
Senior Management 7+	2%	83%	17%

New hires by ethnicity

White	Black	East Asian/ South East Asian	Hispanic/ LatinX	Mixed/Multiple ethnicities	South Asian	Other ethnicities	Prefer not to say	Not disclosed
55.2%	4.7%	1.5%	0.8%	3.8%	10.5%	0.7%	1.6%	21.3%

88.7%

of our global workforce is based in the United Kingdom

47%

of our new hires in 2023 were women

22%

of our new hires in 2023 were from an ethnic minority group

1,993

individuals were hired into our business in 2023

People data continued

Employee turnover

Our voluntary turnover rates improved in 2023, with a rate of 8.9%, down from 11.8% in 2022. This number was broadly consistent across gender, business division and location. Voluntary turnover was higher among those aged under 30 at 11.7%, which may reflect a tendency among younger employees to change jobs more frequently at the beginning of their careers.

8.9%

Total voluntary turnover

Turnover by gender

	Voluntary
Female	8.2%
Male	9.5%

Turnover by management level

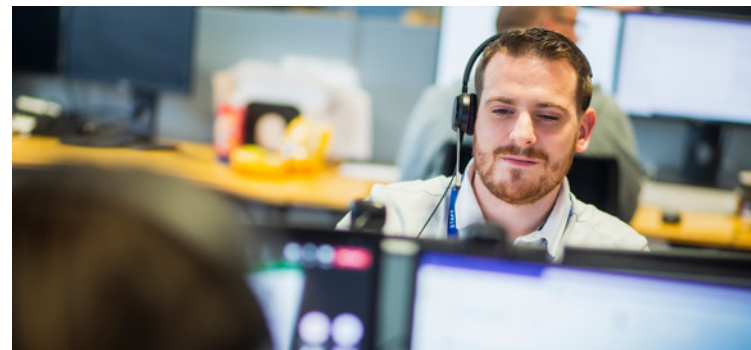
	Voluntary
Junior Grades 1-4	8.8%
Middle Management 5-6	6.3%
Senior Management 7+	4.6%

Turnover by age

	Voluntary
30 or less	11.7%
31-40	7.6%
41-50	5.3%
51-60	5.6%
Over 60	11.0%

Turnover by country

	Voluntary
UK (inc. Housing)	9.1%
UK (exc. Housing)	8.7%
US (Total)	7.3%



Flexible working patterns

We continue to take a flexible approach to hybrid working, offering a combination of office and home working depending on employee roles and business needs. The majority of our UK employees are on a hybrid contract, giving them flexibility between the office and home working.

Workforce flexibility

	%
Employees on permanent contracts	98.2%
Employees on fixed term contracts	1.8%
Employees working part-time	8.7%
Employees home based	4.5%

Parental leave

8,213 employees were entitled to parental leave and 81% of female employees who returned to work after maternity leave remained with us after 12 months. These figures are for our core UK and US businesses and do not include employees from our UK housing business.

In the UK we offer our people enhanced parental leave, providing a more generous benefit compared to statutory pay. Our UK employees can access a 'parental leave toolkit' – a digital benefit which offers coaching to mitigate the stress associated with planning parental leave and manage the transition confidently.

	Male	Female	Total
Total number entitled to parental leave	4,325	3,888	8,213
Total number that took parental leave (started leave in 2023)	26	190	216
Total number that returned to work after parental leave (returned in 2022)	27	180	207
Total number that returned to work after parental leave that were still employed 12 months after return date (returned in 2022)	18	156	174
Return to work and retention rate of employees that took parental leave (based on those who did/didn't return in 2023)	71.4%	81.3%	80.3%

8.9%

voluntary turnover rate, down from 11.8% in 2022

98.2%

of our employees have the security of a permanent contract

81%

of female employees returning from parental leave remained with us

People data continued



Diversity of our workforce: gender and age

We continue to work towards the objectives we set out for improving female representation at all levels of our workforce. These can be found on page 54 of this report.

Percentage of employees by employment category and gender

	Male	Female
Junior Grades 1-4	46.4%	53.6%
Middle Management 5-6	61.3%	38.7%
Senior Management 7+	74.4%	25.6%
All management grades	62.8%	37.2%
Board members	58.3%	41.7%
Group Executive Committee**	66.7%	33.3%
All employees	53.5%	46.5*

Percentage of employees by employment category and age group (exc. housing businesses)

	30 or less	31-40	41-50	51-60	Over 60
Junior Grades 1-4	34.7%	29.2%	21.2%	12.1%	2.7%
Middle Management 5-6	7.1%	33.9%	35.1%	20.1%	3.7%
Senior Management 7+	0.0%	12.3%	49.7%	34.8%	3.2%
All Employees	21.2%	30.1%	27.6%	17.4%	3.8%

** The Group Executive Committee existed under our old governance framework until 31 December 2023. The Group Management Committee replaced this committee under the new governance framework effective from 1 January 2024.

Deloitte have provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ('ISAE 3000') over the selected metrics identified with a *. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the appendix of this document.

46.5*%

of our workforce is female, up from 45% in 2023

37.2%

of our management roles are held by women, down from 38% in 2023

42%

of our Board members are female, meaning we have met our 2025 target

People data continued

Ethnic diversity

We have set an objective that 17% of our employees, and 17% of our management grade employees, will be from ethnic minorities by 2027. We currently hold ethnicity data on 81.9% of our workforce. This means that the actual percentage of people from ethnic minorities may be higher than currently cited here, as some of those not sharing such data may be from these groups. This disclosure excludes our UK housing businesses, where disclosure rates are not sufficiently high to give us meaningful data to report.

All Grades

	%
Minority ethnicity	16.9*%
Not specified	16.5%
Prefer not to say	1.6%
White ethnicity	65.0%

UK employees

	%
White	65.7%
Black	2.3%
East Asian/South East Asian	1.7%
Mixed/Multiple ethnicities	2.3%
South Asian	7.8%
Other ethnicities	0.7%
Prefer not to say	1.7%
Not disclosed	17.8%

Management Grades

	%
Minority ethnicity	17.3%
Not specified	17.7%
Prefer not to say	1.9%
White ethnicity	63.1%

US employees

	%
White	64.1%
Black	13.7%
Asian	12.1%
Hispanic/Latinx	4.9%
Mixed/Multiple ethnicities	2.2%
Other ethnicities	0.2%
Prefer not to say	0.3%
Not disclosed	2.5%

Deloitte have provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ('ISAE 3000') over the selected metrics identified with a *. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the appendix of this document.

We use the following terminology when reporting on ethnic diversity:

- **Black** – which includes Black African, Black Caribbean, African American and all other Black heritages
- **East and Southeast Asian** – which includes Chinese, Japanese and all other East and Southeast Asian ethnicities (UK only)
- **South Asian** – which includes Indian, Pakistani, Bangladeshi and all other South Asian ethnicities (UK only)
- **Asian** – which includes all South and East Asian ethnicities and heritages (US only)
- **Latino, Latinx/Hispanic** – which includes those from Latin American or Spanish speaking backgrounds or heritages (US only)
- **Other** – which includes Jewish, Arab, Indigenous, Pacific Islander, American Indian and Alaska Native, and all other minority ethnicities
- **Mixed** – those who identify as having multiple ethnic backgrounds
- **White** – which includes all White ethnicities
- **Not disclosed** – employees for whom we don't hold ethnicity information



16.9*%

of our workforce is from an ethnic minority background

17.3%

of management grade employees are from an ethnic minority background

81.9%

of our employees have shared information about their ethnicity

1.6%

of our employees have specified that they do not want to share this data

Excluding our UK housing businesses

Our pay gaps

Since 2017, we have been reporting data on our gender pay gap, and this year we are reporting our ethnicity pay gap for the first time.

Pay gap data is one tool for understanding the lived reality of individuals from various different backgrounds in our company. Taken alongside other quantitative and qualitative data sources, it can paint a picture of the culture of an organisation and point to any areas where systemic inequality needs to be addressed.

In this section, we share our seventh annual gender pay report and our first ethnicity pay gap report. As in previous years, we are reporting this data for our UK operation only, covering 88.7% of our global workforce.

The role of pay gap reporting

We take the view that pay gap reporting is an important diagnostic tool in understanding a company's culture and in assessing its efforts in redressing imbalances in diversity and inclusion. Pay gap reporting therefore complements our wider work on D&I: understanding and improving the experience of the people who work for us is built on a foundation of data, but data alone cannot tell the full story.

Importantly, we also believe that our strategy for creating a more diverse workforce and a more inclusive workplace – recruiting and retaining diverse talent, creating more opportunities for progression and improving management capability in this area – will have the effect, over time, of eliminating pay gaps. Under-representation and pay gaps are both

symptoms of historic workplace cultures which have not valued diversity or inclusion; taking steps to fix these cultural issues has the effect of improving representation and closing pay gaps. A description of the actions we are taking to advance our diversity and inclusion goals, including closing pay gaps, can be found on pages 53 to 59.

Pay gap methodology

While pay gap data is important, it is only one part of the story. The methodology for reporting, as set out in the UK government pay gap reporting regulations, is not entirely unproblematic. It provides a picture of one set of data at one given moment in time (the 'snapshot date') and that is why we encourage stakeholders who want to form a view of our organisational culture to do so with reference to the data and narrative presented earlier in this chapter, alongside our pay gap data.

Finally, we have long taken the view that pay gaps are a systemic and not a firm-specific issue. The industries in which we operate remain skewed towards employing more men than women and more white people than those from ethnic minorities, in senior and higher-paying roles. This historic imbalance continues to play out because rectifying it is an ongoing, multi-year process.

Our gender pay gap

In 2023, we saw a slight widening of our median gender pay gap, from 22.4% to 23.6%, the first such widening following a seven-year run of annual narrowing. There was a similar widening of our mean gender pay gap, to 21.3%. The hourly rate of pay for our median-ranked male employee was £29 and £22 for our median-ranked female employee. The median bonus pay gap also widened by 3.6%. Please see pages 66 to 68 for full data disclosure.

The reason for the widening is likely to be because of increased hiring of larger numbers of women into more junior roles in the firm. While this is a positive

step in that it increases our overall female representation, as well as bringing in junior talent whom we can develop into more senior roles later in their career, it has the negative short-term effect of widening the pay gap.

While we are disappointed to see the reversal in the narrowing of our pay gap, we believe that progress on this will not be linear and that year-over-year reverses are not necessarily a sign of stalled progress overall.

Our ethnicity pay gap

We see ethnicity pay gap reporting as the next logical step in understanding, reporting and making efforts to remedy any systemic inequalities that exist in our company. We are reporting our gap this year for the first time, following a campaign to increase the amount of employee ethnicity data we hold. During 2022 and 2023, we increased the number of employees for whom we hold such data to 81.9% (excluding our housing businesses).

For 2023, we are reporting a limited set of ethnicity pay gap data. This is to ensure that we take the time to track data year-over-year and understand it thoroughly. Reporting an overall pay gap is an important first step: it lays the foundation for more sophisticated reporting, when we are sure we absolutely understand our data and what it is telling us, so we can share these insights with our stakeholders.

This year, we are reporting an overall negative median pay gap of 32.1%, which means that the hourly pay for our median-ranked employee from a minority ethnic group is 32.1% higher (£32) than the hourly pay for our median-ranked employee from a white background (£24). We also have a negative mean pay gap and negative median bonus gap, with a positive mean bonus gap. Fuller details can be found on page 69.



Our pay gaps continued

The data tells us that, overall, we have a higher proportion of employees from an ethnic minority background in roles that pay above the median salary. This drives the 'negative' median pay and bonus gaps and the 'negative' mean pay gap. Our analysis suggests that this is related to the demographic make-up of the UK and of the locations in which Legal & General employs people. Our largest UK sites are London, Cardiff and Hove. In general, our highest-paying roles are in London, which reflects the position of the City of London in the financial services industry and the market conditions that are prevalent in London and the Southeast of England. London has a significantly larger population from minority ethnicities than our other largest locations: a fact reflected in our own employee base.

The data also tells us that, overall, the average bonus paid to white employees was higher than that paid to employees from a minority ethnicity (when calculated as a mean; when calculated as a median, bonuses paid to employees from minority ethnicities are higher than to white employees). Our analysis indicates that this is related to the makeup of people in our most senior and highest-paying roles, where we have lower representation of people from ethnic minorities. With a mean calculation, the high bonuses of a small number of very senior people can distort the overall picture, which is why we prefer to report both median and mean pay gaps.

The underlying demographic picture is complex and we plan to develop our reporting discipline over the coming years.

What we report: median and mean pay gaps

Although we are required to report both median and mean gender pay gaps and have aligned our ethnicity pay gap reporting to this principle, we consider the median gap to be a more useful indicator of the overall pay situation at Legal & General. The mean is more likely to be influenced by outlying pay figures for a small number of individuals, whereas the median ranks individuals from lowest to highest paid, giving a more representative picture of our employees' pay profile.

What we report: our structure

The headline pay gap figures reported here represent the position across our UK operation, aggregating all our reportable entities along with a small number of employees of entities which are too small to report in their own right. This aggregation gives our overall Group pay gap data.

Our operating entities are:

- Legal & General Resources Ltd, which consists of our retail, capital investment and retirement businesses as well as our corporate functions
- Legal & General Investment Management Holdings (LGIM(H)), which comprises our investment management business
- CALA Homes Ltd, a wholly-owned subsidiary housebuilding business
- Legal & General Homes, an employing entity for our housebuilding businesses.

Please note that we have not reported ethnicity pay gap data at an entity level in this first year of reporting.



Our pay gaps continued

Group aggregated data

Difference in hourly rate of pay

Salary	Pay gap	Male hourly pay	Female hourly pay
Median	23.6*%	£29	£22
Mean	21.3%	£37	£29

Proportion of male and female employees according to quarter pay bands

Quarter	Male	Female
Top quarter	70.1%	29.9%
Upper middle quarter	62.1%	37.9%
Lower middle quarter	52.2%	47.8%
Lower quarter	43.4%	56.6%

Legal & General Resources Ltd

Difference in hourly rate of pay

Salary	Pay gap	Male hourly pay	Female hourly pay
Median	25.0%	£26	£19
Mean	20.9%	£33	£26

Proportion of male and female employees according to quarter pay bands

Quarter	Male	Female
Top quarter	63.3%	36.7%
Upper middle quarter	57.8%	42.2%
Lower middle quarter	45.4%	54.6%
Lower quarter	40.6%	59.4%

Difference in bonus pay

41.2%

Difference in median bonus pay

45.4%

Difference in mean bonus pay

Proportion of male and female employees who received bonus pay

83.2%

male

87.7%

female

Difference in bonus pay

41.5%

Difference in median bonus pay

40.0%

Difference in mean bonus pay

Proportion of male and female employees who received bonus pay

87.2%

male

88.1%

female

23.6*%

Difference in median hourly rate of pay

21.3%

Difference in mean hourly rate of pay

25.0%

Difference in median hourly rate of pay

20.9%

Difference in mean hourly rate of pay

Deloitte have provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ('ISAE 3000') over the selected metrics identified with a *. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the appendix of this document.

Our pay gaps continued

LGIM(H)

Difference in hourly rate of pay

Salary	Pay gap	Male hourly pay	Female hourly pay
Median	13.2%	£46	£40
Mean	17.1%	£56	£46

Proportion of male and female employees according to quarter pay bands

Quarter	Male	Female
Top quarter	73.0%	27.0%
Upper middle quarter	67.7%	32.3%
Lower middle quarter	61.5%	38.5%
Lower quarter	51.8%	48.2%

CALA Homes Ltd

Difference in hourly rate of pay

Salary	Pay gap	Male hourly pay	Female hourly pay
Median	20.0%	£28	£22
Mean	19.9%	£31	£25

Proportion of male and female employees according to quarter pay bands

Quarter	Male	Female
Top quarter	81.4%	18.6%
Upper middle quarter	71.5%	28.5%
Lower middle quarter	55.9%	44.1%
Lower quarter	58.3%	41.7%

Difference in bonus pay

37.8%

Difference in median bonus pay

39.5%

Difference in mean bonus pay

Proportion of male and female employees who received bonus pay

91.6%

male

92.7%

female

Difference in bonus pay

2.4%

Difference in median bonus pay

24.0%

Difference in mean bonus pay

Proportion of male and female employees who received bonus pay

92.8%

male

93.7%

female

13.2%

Difference in median hourly rate of pay

17.1%

Difference in mean hourly rate of pay

20.0%

Difference in median hourly rate of pay

19.9%

Difference in mean hourly rate of pay

Our pay gaps continued

Legal & General Homes

Difference in hourly rate of pay

Salary	Pay gap	Male hourly pay	Female hourly pay
Median	-32.5%	£17	£22
Mean	-14.9%	£23	£27

Proportion of male and female employees according to quarter pay bands

Quarter	Male	Female
Top quarter	71.8%	28.2%
Upper middle quarter	68.2%	31.8%
Lower middle quarter	82.4%	17.6%
Lower quarter	85.1%	14.9%

Difference in bonus pay

12.6%

Difference in median bonus pay

-16.1%

Difference in mean bonus pay

Proportion of male and female employees who received bonus pay

18.0%

male

49.0%

female

-32.5%

Difference in median hourly rate of pay

-14.9%

Difference in mean hourly rate of pay

“

I confirm that the data reported is accurate.”

Emma Hardaker-Jones

Emma Hardaker-Jones

Group Human Resources Director, Legal & General

Our pay gaps continued

We see **ethnicity pay gap reporting** as the next logical step in understanding, reporting and making efforts to remedy any systemic inequalities that exist in our company. For 2023, we are reporting a limited set of ethnicity pay gap data, aggregated at a Group level. As is the case for gender pay gap reporting, this data applies to our UK employees only and is taken at the 'snapshot date', 5 April 2023 (unlike our representation data, which is taken at 31 December 2023).

Ethnicity

Difference in hourly rate of pay

Salary	Pay gap	White ethnicity hourly pay	Minority ethnicity hourly pay
Median	-32.1*%	£24	£32
Mean	-9.8%	£33	£37

Proportion of employees according to quarter pay bands

Quarter	White ethnicity	Minority ethnicity	Not specified	Prefer not to say
Top quarter	60.5%	15.7%	21.5%	2.3%
Upper middle quarter	58.9%	19.8%	19.2%	2.2%
Lower middle quarter	72.0%	12.5%	14.6%	1.0%
Lower quarter	74.2%	9.3%	15.2%	1.3%

Difference in bonus pay

-15.7%

Difference in median bonus pay

9.4%

Difference in mean bonus pay

Proportion of employees who received bonus pay

88.4%

White ethnicity

82.7%

Minority ethnicity

-32.1*%

Difference in median hourly rate of pay

-9.8%

Difference in mean hourly rate of pay

Deloitte have provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ('ISAE 3000') over the selected metrics identified with a *. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the appendix of this document.

Appendix: independent limited assurance summary for select data



Independent limited assurance summary

Independent Limited Assurance Report to the Directors of Legal and General Group Plc

Independent Limited Assurance Report by Deloitte LLP to the Directors of Legal & General Group Plc on selected Environmental, Social and Governance (“ESG”) metrics (the “Selected Information”) within the Social Impact Report of Legal & General Group Plc for the reporting year ended 31 December 2023.

Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2023, as listed below and indicated with a * in the Social Impact Report of Legal & General Group Plc has not been prepared, in all material respects, in accordance with the Applicable Criteria defined by the directors as set out in Social Impact Basis of Preparation 2023.

Scope of our work

Legal & General Group Plc has engaged us to perform an independent limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”) issued by the International Auditing and Assurance Standards Board (“IAASB”) and our agreed terms of engagement.

The Selected Information in scope of our engagement for the year ended 31 December 2023, as indicated with a * in the Social Impact Report, is as follows:

Selected Information	Reported Amount
Diversity and inclusion: Gender representation across the group (%)	46.5%
Diversity and inclusion: Ethnicity representation across the group (%)	16.9%
Median gender pay gap	23.6%
Median ethnicity pay gap (%)	-32.1%

The Selected Information, as listed in the above table, needs to be read and understood together with the Applicable Criteria www.group.legalandgeneral.com/report.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Applicable Criteria, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

We draw your attention to the specific limitations, due to the nature of the Selected Information, set out in the “Key procedures performed” section below.

Directors’ responsibilities

The Directors are responsible for:

- selecting and establishing the Applicable Criteria
- preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria
- publishing the Applicable Criteria publicly in advance of, or at the same time as, the publication of the Selected Information
- designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error
- providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of our limited assurance engagement.

Our responsibilities

We are responsible for:

- planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information
- communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information
- reporting our conclusion in the form of an independent limited Assurance Report to the Directors of Legal & General Group Plc.

Our independence and competence

In conducting our engagement, we complied with the independence and other ethical requirements of the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care,

confidentiality and professional behaviour. We applied the International Standard on Quality Management (UK) 1 (“ISQM (UK) 1”) issued by the Financial Reporting Council. Accordingly, we maintained a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures performed

We are required to plan and perform our work to address the areas where we have identified that a material misstatement in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement in respect of the Selected Information, we performed the following procedures:

- performed an assessment of the Applicable Criteria (the benchmarks used to measure or evaluate the underlying information) to determine whether they are suitable for the engagement circumstances
- performed analytical review procedures to understand the underlying subject matter and identify areas where a material misstatement of the Selected Information is likely to arise
- through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify and further assess risks of material misstatement in the Selected Information, and provided a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion
- through inquiries of management, obtained an understanding of internal controls relevant to the Selected Information, the quantification process and data used in preparing the Selected Information,

Independent limited assurance summary continued

the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information. We have not evaluated the design of particular internal control activities, obtained evidence about their implementation or tested their operating effectiveness

- inspected documents relating to the Selected Information, including board committee minutes to understand the level of management awareness and oversight of the Selected Information
- performed procedures over the Selected Information, including recalculation of relevant formulae used in manual calculations and assessed whether the data has been appropriately consolidated
- performed procedures over underlying data on a statistical sample basis to assess whether the data has been collected and reported in accordance with the Applicable Criteria, including verifying to source documentation
- performed procedures over the Selected Information including assessing management's assumptions and estimates
- accumulated misstatements and control deficiencies identified, assessing whether material
- read the narrative accompanying the Selected Information with regard to the Applicable Criteria and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We performed our engagement to obtain limited assurance over the preparation of the Selected Information in accordance with the Basis of Preparation. We draw your attention to the following specific limitation:

- the selected information in relation to ethnicity and gender representation data is derived from self-reported data, reported voluntarily by individuals within the organisation. Our procedures did not include validation that self-reported assertions are appropriate.

Use of our report

This report is made solely to the Directors of Legal & General Group Plc in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of Legal & General Group Plc those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than Legal & General Group Plc and the Directors of Legal & General Group Plc, we acknowledge that the Directors of Legal & General Group Plc may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Legal & General Group Plc and the Directors of Legal & General Group Plc as a body, for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

Deloitte LLP
London
5 March 2024