

2 September 2019

Legal & General Group plc
("L&G" or "the Company")

Statement made under section 430(2B) of the Companies Act 2006

The Company announced on 31 May 2018 that Mark Zinkula had informed it that he proposed to step down as Chief Executive of Legal & General Investment Management, and as a director of the Company, on 31 August 2019. As envisaged, Mr Zinkula stepped down on 31 August 2019. In accordance with section 430(2B) of the Companies Act 2006, this statement sets out the payments to be made to him after he ceases to be a director of the Company.

Legal & General Group Plc. Performance Share Plan 2014 ("PSP")

Mr Zinkula was granted awards in the form of nil cost options under the PSP while he was a director of the Company. Those awards remain subject to the rules of the PSP (including rules providing for malus and clawback). Details of the arrangements in relation to outstanding awards are as follows:

- i. Option granted on 14 April 2015 is outstanding over 100,800 shares: this award vested in March 2018 and will be exercisable in the period from 1 September to 31 December 2019. On exercise, the resulting shares will be restricted until the originally envisaged release date of March 2020. In this statement, 'restricted' means that the shares may not be transferred, assigned or otherwise disposed of without the consent of L&G, other than to meet tax and social security liabilities.
- ii. Option granted on 21 April 2016 is outstanding over 204,181 shares: this award vested in March 2019 and will be exercisable in the period from 1 September to 31 December 2019. On exercise, the resulting shares will be restricted until the originally envisaged release date of March 2020, in respect of tranche 2 of the option comprising 102,090 shares; and March 2021 in respect of tranche 3 of the option comprising 102,091 shares.
- iii. Option granted on 18 April 2017 over 629,934 shares: this award will vest subject to the satisfaction of any performance conditions on the later of the normal vesting date and the date on which the directors determine the extent to which any performance conditions have been satisfied. The number of shares subject to the option will be reduced pro-rata to reflect the part of the performance period after 31 August 2019 during which Mr Zinkula will not have been a director. Following vesting, this option is exercisable until 31 December 2020. Whilst one third of the resulting shares will be released immediately on exercise, one third of the resulting shares will be restricted until March 2021, and a further one third will be restricted until March 2022.
- iv. Option granted on 16 April 2018 over 597,199 shares: this award will vest subject to the satisfaction of any performance conditions on the later of the normal vesting date and the date on which the directors determine the extent to which any performance conditions have been satisfied. The number of shares subject to the option will be reduced pro-rata to reflect the part of the performance period after 31 August 2019 during which Mr Zinkula will not have been a director. The resulting shares will be restricted until March 2023.

In accordance with the rules of the PSP, dividend equivalents may be paid in the form of additional shares in relation to dividends paid during any retention period.

No PSP award has been or will be made to Mr Zinkula for the 2019 financial year.

Legal & General Group 2010 Share Bonus Plan ("SBP")

The outstanding awards of restricted shares made to Mr Zinkula under the SBP will vest on 31 August 2019, and will be restricted, as indicated below

- i. 166,682 shares granted on 18 April 2017 (restricted until 18 April 2020);
- ii. 164,818 shares granted on 16 April 2018 (restricted until 16 April 2021); and

- iii. 121,306 shares granted on 16 April 2019 (restricted until 16 April 2022).

Dividends accrue on the shares subject to these SBP awards and will be paid in additional shares.

2019 Discretionary Bonus

Mr Zinkula is eligible to be considered for a time pro-rated bonus in respect of the 2019 financial year. Any award made to him would be made at the usual time, would be reported in the Company's annual report on remuneration and would be subject to the rules in place from time to time in relation to bonus including in respect of performance, deferrals, holding period and malus/clawback.

Transitional matters

The Company will meet reasonable repatriation costs for Mr Zinkula and his dependent family in an amount not expected to exceed £25,000, and will reimburse reasonable costs of preparation of tax returns for the 2019 financial year provided those costs are pre-approved by the Company.

All remuneration payments to be made to Mr Zinkula will be made in accordance with the Company's Remuneration Policy approved by shareholders at the 2017 AGM. Mr Zinkula will not receive any other remuneration payment or any payment for loss of office of the type specified in section 430(2B) of the Companies Act 2006.