2021 Tax Supplement

Legal & General Group Plc

Foreword from our Group Chief Financial Officer

"Our clear and transparent approach to tax and our total tax contribution are part of inclusive capitalism."

Our purpose is to build a better society, while improving the lives of our customers and creating value for shareholders. To do this we're investing in long-term assets that benefit everyone, from housing to renewable energy - we call it inclusive capitalism.

This shapes the way we invest, plan, hire and do business.

Jeff Davies
Group Chief
Financial Officer

Annual Report:
group.legalandgeneral.com/
annualreportsummary

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Our tax strategy

Our tax strategy is set to be sustainable, well governed, fair and transparent.

Our behaviours

We always consider the group's reputation, and corporate and social responsibilities when considering tax.

We work with HMRC and other tax authorities cooperatively, collaboratively and on a real-time basis where possible.

We consider tax as part of every major business decision.

We contribute to the development of UK and international tax policy and legislation where we can.

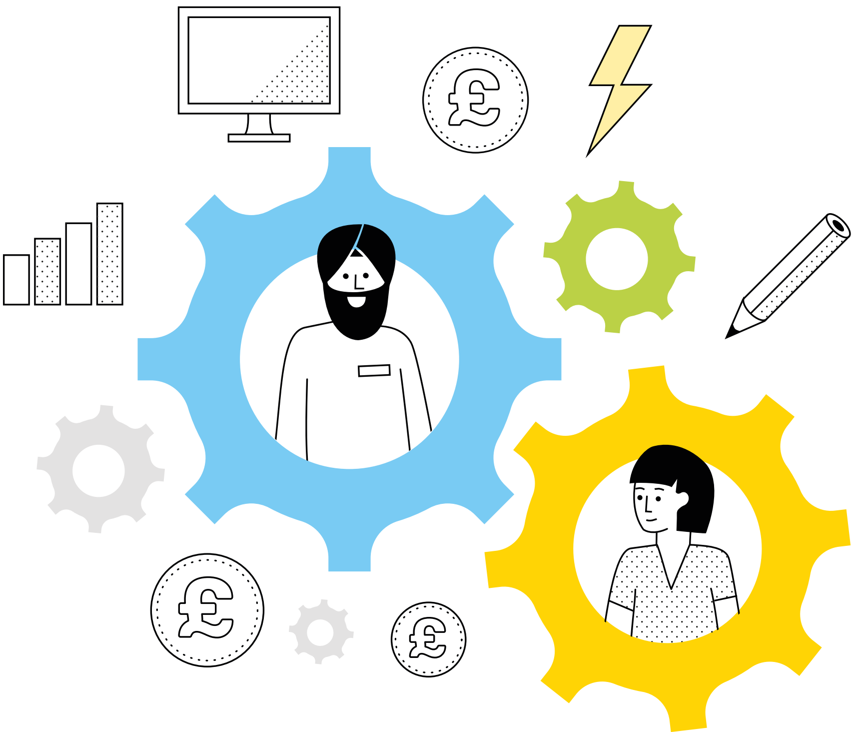
Our approach to tax is consistent with our values. We manage tax risk consistently with the group's three lines of defence risk management framework.

Our actions

We meet all of our legal requirements, making all appropriate tax returns and tax payments accurately and on time in the territories in which we operate.

We do not undertake any transactions with the sole purpose of creating a tax benefit in excess of what is intended by relevant tax legislation, or that are outside of the group's risk appetite, or are not in line with our Group Code of Ethics.

We operate appropriate tax risk governance processes, including Board oversight.



Our tax strategy in action

> "Our tax strategy supports our group strategy, our commitment to inclusive capitalism and the way we do business, and we recognise that the taxes we pay are an important part of this. It sets out the behaviours we adopt when it comes to our tax affairs."
>
> **Grace Stevens**
> Chief Tax Officer

We have a responsibility to create better value for our shareholders and help build a better society – and we recognise that paying and collecting taxes is an important part of how our businesses contribute to society.

We aim to be:

- **sustainable long-term** – our group's tax rate depends on our business performance and not artificial tax planning
- **well governed** – we manage tax risk like any other risk in our business and invest in our people
- **fair** – we recognise the impact tax has on wider society and undertake to act responsibly in all tax matters
- **transparent** – we seek to explain the taxation of our business to all our stakeholders.

Our tax strategy helps us meet our aims and is reviewed and approved annually by both the Board of Directors and our Audit Committee. As Chief Tax Officer, I have day-to-day responsibility for our strategy and how we implement it in line with our values. Jeff Davies, the Group Chief Financial Officer, is the named executive member of the Board with ultimate responsibility for our tax affairs.

The Group Tax team at Legal & General is responsible for the development, management and delivery of the tax strategy for the group. This includes responsibility for the group's tax policy, external influence, risk management, advice, reporting and compliance, while providing tax insight across all parts of our business and making sure that we have the right people in the right roles.

This tax supplement sets out our tax strategy for the group – what we will and won't do in relation to tax – and provides a more detailed review of how much tax we pay, where we pay it and of the numbers in the annual report and accounts.

Our year in review

As part of our commitment to tax transparency, this tax supplement expands on the information given in our annual report and accounts.

This includes our total tax contribution, consolidated Country-by-Country data and an explanation of our tax charge in the accounts.

Our 2021 tax position
This year we have included our year-on-year total tax contribution for the past five years in this report to provide easy context for our tax contribution. In 2021, our total tax contribution was over £1.65 billion, our highest on record.

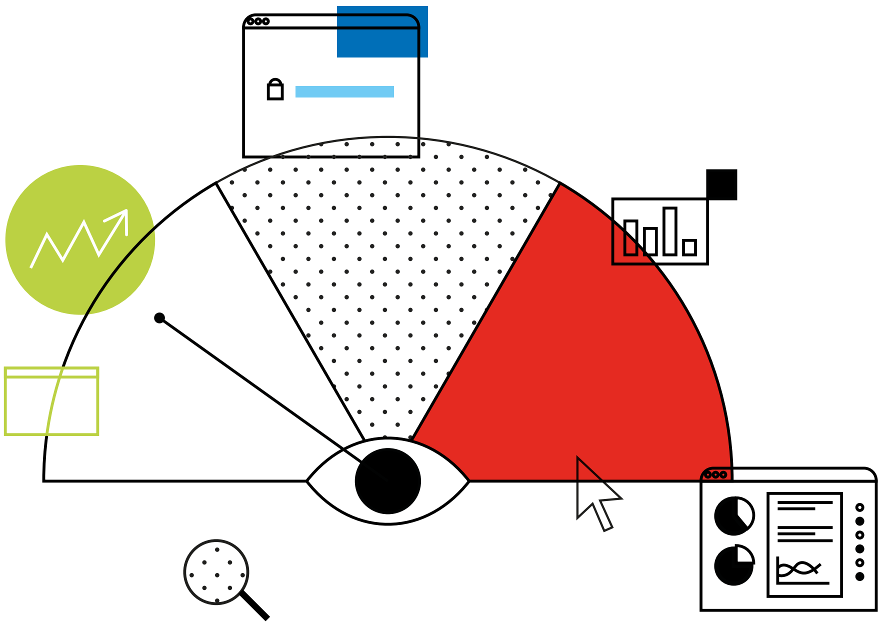
Our effective tax rate in 2021 was 17.9% (2020: 12.1%). The largest difference is the one-off impact of revaluing our UK deferred tax balances to a higher tax rate, anticipating the introduction of the 25% headline rate of corporation tax in the UK from 1 April 2023.

Looking ahead
There are sizeable changes to the tax landscape on the horizon. The Organisation for Economic Co-operation and Development (OECD) agreed a landmark deal to implement a global minimum tax rate, alongside a tax on digital services based on the end user location. Model rules for the global minimum tax rate were published in December, with the intention that these should be effective from 2023.

The next step is for these model rules to be implemented into local legislation across the globe. The UK government has indicated that it intends to implement these rules from 2023, and we expect all jurisdictions to have implemented the rules over the next couple of years. This is an ambitious target for introducing a new global tax regime, and significant effort will be required for multi-national groups to achieve compliance with the new rules.

With the continuing growth in our housing businesses, property taxes, including the newly introduced Residential Property Developers Tax (RPDT) in the UK, will likely form a higher proportion of the taxes we pay and collect. Together with the OECD changes, the increase in corporation tax in the UK, and the introduction of the social care levy, it is clear that a higher tax environment for large businesses is on the horizon.

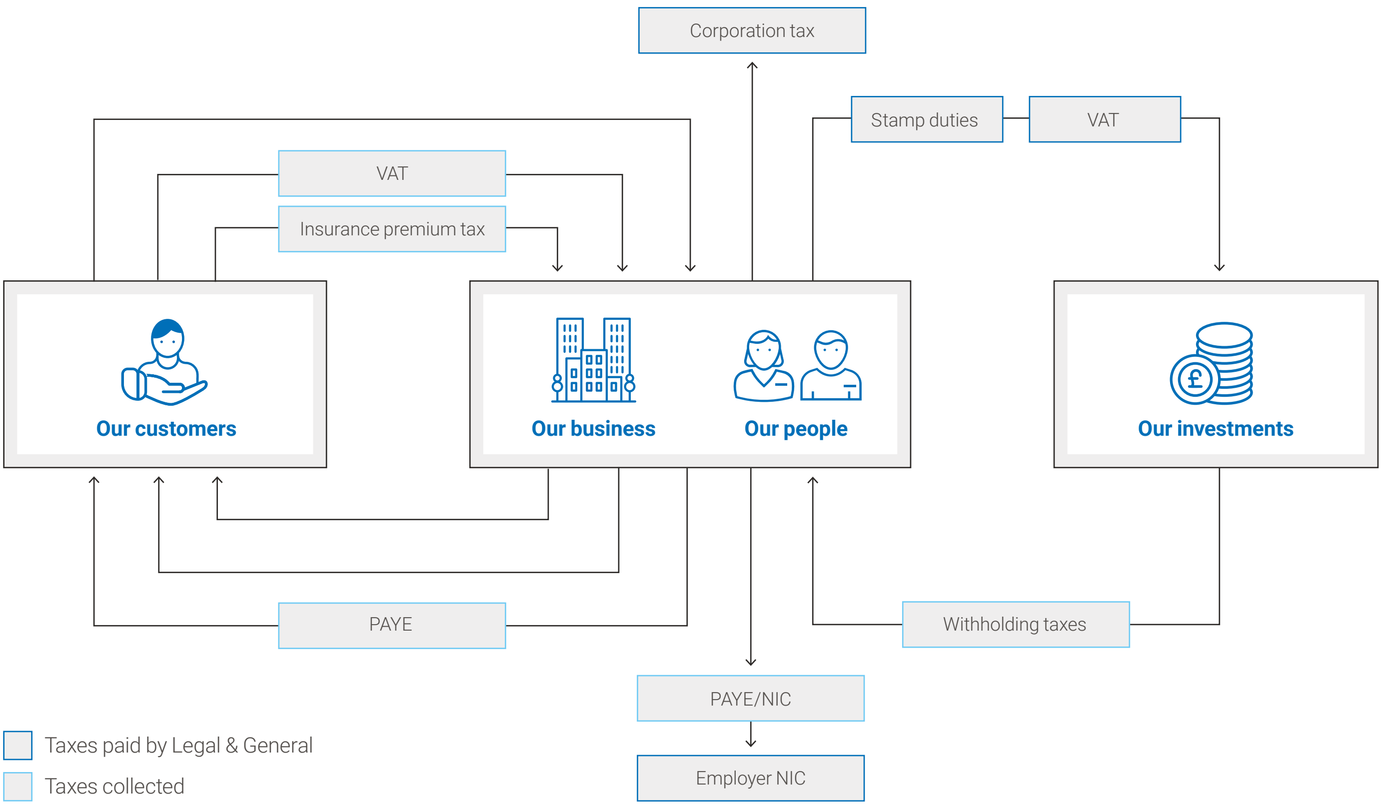
Our 2020 tax disclosures were highly commended in PwC's Building Public Trust Awards for a domestic FTSE350 group. We hope our tax supplement helps our stakeholders better understand how we do tax at Legal & General.



Our tax universe

Tax encompasses more than just a charge on a company's profits. We pay and collect taxes at all parts of our business cycle, from the premiums we invest to the tax we pay on our profits.

The taxes we pay primarily arise where our business assets, capital, people and customers are located – where we have real economic substance.



Our business

Tax on our profits, employment taxes and transaction taxes.

Our people

Income tax and NIC withheld and paid to HMRC.

Our customers

For example, income tax withheld and paid to HMRC on annuity payments.

Our investments

For example, withholding taxes on investment returns and transaction taxes.

Our total tax contribution

At Legal & General we pay and collect a number of taxes – for our business, our people, our customers and our investments. We pay and collect various taxes in the countries in which we operate.

Tax paid

These are taxes paid directly to the tax authorities in the countries in which we operate, including corporation tax on profits, employer NICs and withholding taxes on investment income:

£835m

+

Tax collected

These are taxes generated in our value chain but not directly suffered by Legal & General. We collect these taxes and pay them to relevant tax authorities:

£820m

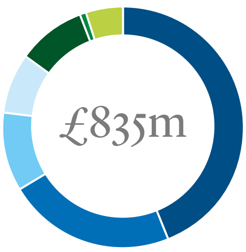
=

Total tax contribution

The total value of taxes that Legal & General have responsibility for – it is the sum of all the taxes paid and collected:

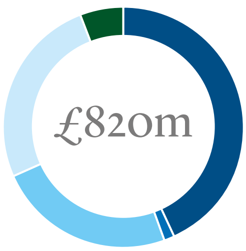
£1,655m

Total taxes paid



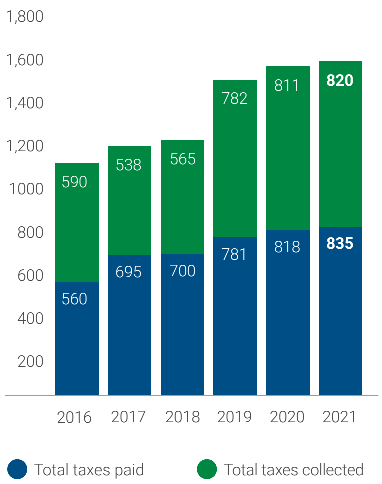
- **£368m** Profit taxes
- **£188m** Withholding taxes suffered in the UK
- **£88m** UK property and other taxes
- **£66m** UK irrecoverable VAT and premium taxes
- **£77m** UK payroll taxes
- **£8m** Overseas profit taxes
- **£40m** Other overseas taxes

Total taxes collected



- **£355m** UK PAYE deducted from policyholders
- **£11m** UK property and other taxes
- **£196m** UK VAT and premium tax
- **£212m** UK payroll taxes
- **£46m** Overseas taxes

Total tax contribution (£m)



Our global tax footprint

Our consolidated group includes approximately 300 entities, including companies, branches, funds, trusts and partnerships operating across the globe.

We have operations in the UK, US, Bermuda, Germany, Hong Kong, Ireland, Italy, Japan, Jersey, Luxembourg, the Netherlands, Australia, Sweden and China. Our global investing footprint covers most of the world.

Our group's asset management, insurance and savings activities can be complex and involve significant transactional volumes and values as well as cross-border transactions. Where we suffer and pay tax reflects the reality of the global nature of our business.

Our global tax contribution can be broken down as:

Country	2021 profits[1]	2021 total corporation tax charge	Profit taxes paid[2]	Other taxes paid	Taxes collected	2021 total tax contributions	2020 profits[1]	2020 total tax contribution
UK	1,916	431	556	231	774	1,561	1,308	1,557
US	18	12	7	39	42	88	(108)	68
Bermuda	549	–	–	1	1	2	584	1
Ireland	6	1	3	–	1	4	5	1
Other[2]	(1)	1	(2)	–	2	–	(1)	2
Total	**2,488**	**445**	**564**	**271**	**820**	**1,655**	**1,788**	**1,629**

All figures in £m
1. IFRS profit before tax.
2. Includes withholding taxes suffered on our overseas investments.

Reinsurance

Legal & General operates a global reinsurance hub in Bermuda, which was established in 2015 to act as the reinsurance hub for the group and to support the growth of our international Pension Risk Transfer businesses.

Our Bermudan operations are staffed by our dedicated team of insurance and finance professionals. As there are no profit taxes in Bermuda, the taxes we pay in Bermuda are on our people and property.

Bermuda is one of the largest reinsurance markets in the world with a robust, Solvency II equivalent, regulatory framework and the Bermuda Monetary Authority (BMA) is a well-established regulator. Bermuda has a highly qualified and experienced local workforce.

Transfer pricing

We apply arm's-length transfer pricing principles to payments between group companies in line with our group transfer pricing policy and OECD requirements. Where these transactions arise between two companies in different territories, we may seek third-party advice to ensure those payments are priced correctly.

Investment funds

We have established collective investment schemes, which are investment funds or entities, in the UK, US, Jersey, Ireland and Luxembourg. It is common to set up funds in jurisdictions like these that generally do not impose an additional layer of tax on the fund itself as well as for operational reasons.

Regardless of what territory the fund is established in, investors will pay tax on their returns in line with the tax rules of the jurisdiction they are resident in. In some situations, investors may also pay tax in the jurisdiction that the fund is located; for example, overseas investors may pay UK tax on rental income from UK properties. Where our group companies invest in these funds, they pay corporation tax in their country of residence (usually the UK) on any investment return.

Although the funds do not typically pay additional tax in the territory in which they are resident, funds may receive some investment return, such as dividends, net of withholding taxes which are imposed by other territories. It is sometimes possible to reclaim these taxes depending on the tax agreements in place between the relevant jurisdictions. We routinely undertake tax reclaims on behalf of our funds where this is in line with local law and industry practice. This reclaim process is typically undertaken by our custodians with oversight from Group Tax.

Where we feel that the application of withholding tax is contrary to the law, we file claims with the respective tax authorities, for example, where withholding taxes are suffered on certain investments in EU territories. These claims may result in litigation against the respective tax authority. Where claims are made on behalf of the funds, the net proceeds of successful claims are paid to the relevant funds.

Tax in our financial statements

Our tax expense

We publish information about the group's tax expense in the notes to our financial statements (note 30). In 2021 the total tax expense attributable to equityholders was £445 million which is the equivalent of a tax rate of 17.9%. This compares to the headline rate of corporation tax applicable to UK companies in 2021 of 19%.

The rate at which we pay tax is principally driven by the 0% rate of taxation on profits arising in our Bermudan reinsurance hub, as well as adjustments relating to the finalisation of our tax position with tax authorities, including HMRC.

Our tax expense is made up of current and deferred tax. Current tax is an estimate of the cash tax to be paid to tax authorities in respect of our profits for the year. Deferred tax is an accounting balance which represents timing differences between when income and expenses are recognised for accounting purposes, and when they are brought into tax.

Our tax rate reconciliation

As a UK headquartered group, we explain how our total tax expense attributable to equity holders reconciles to the expense we would incur by simply applying the UK corporation tax rate of 19% to our accounting profits.

We split this reconciliation between 'recurring' adjustments and 'non-recurring' adjustments. Recurring adjustments are expected every year, driven by the structure of our business. Non-recurring adjustments are caused by one-off events.

	Total full year 2021 £m
Profit before tax attributable to equity holders	**2,488**
Tax calculated at 19%	**473**
Adjusted for the effects of:	
Recurring reconciling items:	
Higher/(lower) rate of tax on profits taxed overseas	**(104)**
Non-deductible expenses	**6**
Differences between taxable and accounting investment gains	**(13)**
Unrecognised tax losses	**1**
Non-recurring reconciling items:	
Adjustments in respect of prior years	**24**
Impact of the revaluation of deferred tax balances	**58**
Tax attributable to equity holders	**445**
Equity holders' effective tax rate	**17.9%**

Higher/(lower) rate of tax on profits taxed overseas

Different countries tax profits at different rates. Legal & General's principal activities are in the UK, US and Bermuda, and we pay tax at different rates on the profits arising in each of these countries.

Non-deductible expenses

UK tax law does not allow companies to claim tax relief for some expenses incurred in the normal course of their business activities. This can include expenses relating to projects (such as acquisitions and disposals) and customer entertaining.

Differences between taxable and accounting investment gains

There can be differences in how tax is calculated on gains and losses on investments compared to the accounting profits. For example, under UK tax law, gains and losses on the sale of subsidiary businesses may be exempt from tax.

Unrecognised tax losses

Most jurisdictions allow a taxpayer to offset a loss incurred one year against a profit arising in a future year, or against profits arising elsewhere in the group. However, it may not be possible to obtain relief for losses in certain situations depending on expectations of future profits and the requirements of tax law.

Prior year adjustments

The tax charge included in the accounts is management's best estimate of the tax we will pay on our 2021 results based on the information available at the time. When we come to file our tax returns, there may be differences between the expense in the accounts and what we owe to HMRC and other tax authorities. This 'true-up' is reflected in the subsequent period's accounts as a prior year adjustment.

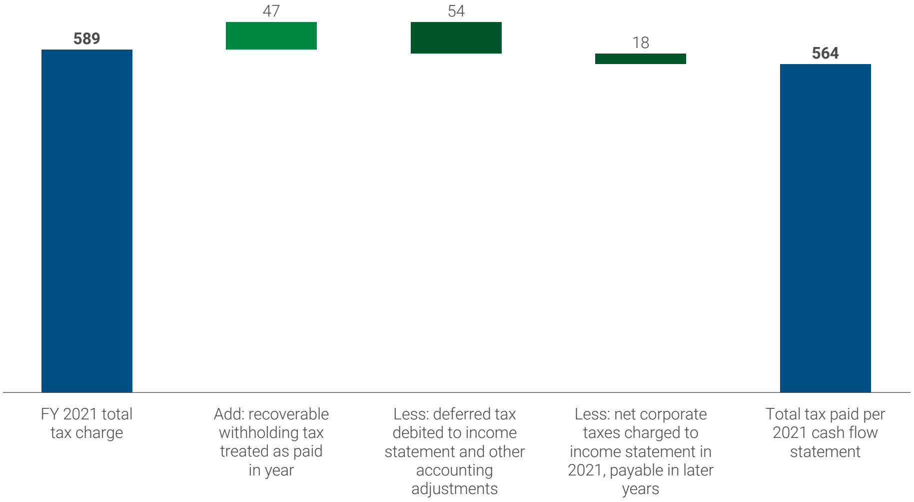
Impact of the revaluation of deferred tax balances

Deferred tax assets and liabilities are revalued each year based on the tax rates that are expected to apply in future when the tax is paid, or the tax relief is given. In March 2021, the UK government announced an increase in the headline rate of UK corporation tax to 25% from 1 April 2023. As such, we have revalued our UK deferred tax balances to the higher rate.

Tax in our financial statements
continued

Cash flow reconciliation
The chart below reconciles the tax charge in the income statement (£589 million) to the tax paid in the statement of cash flows (£564 million).

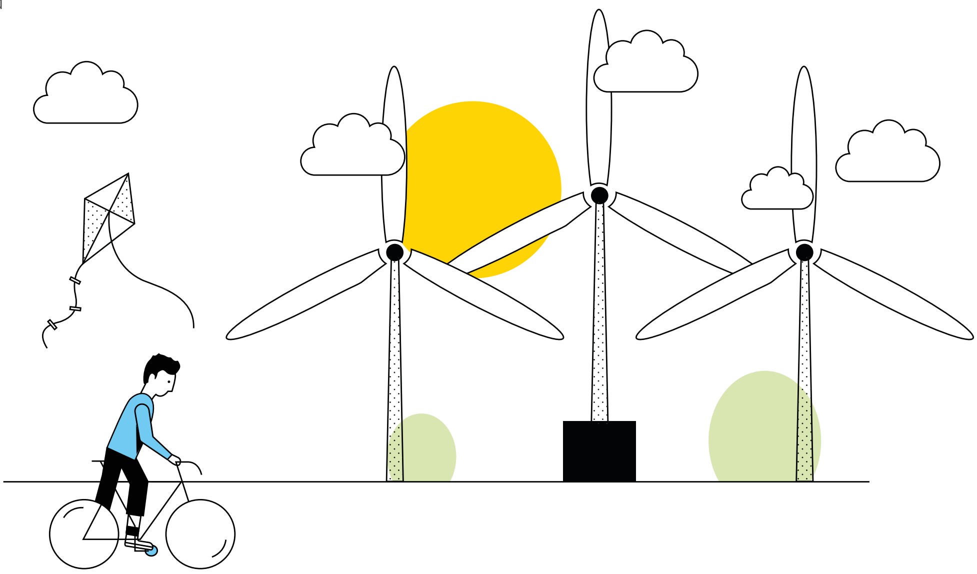
Financial Year 2021 reconciliation from total tax charge to total tax paid (£m)



Uncertain tax positions
We may provide for uncertain tax positions, where there is an amount which may become payable to tax authorities. We report these uncertain tax positions in accordance with the relevant IFRS standards.

These provisions are subject to internal review by the Tax Risk Committee and are subject to audit by our auditors. We may seek third-party validation, in particular where these amounts are material, or there is significant uncertainty. Where these amounts are material, they are agreed with the Board, and disclosed in our annual report and accounts.

For year-end 2021, we recognised an uncertain tax asset in relation to withholding tax claims made by our funds in certain EU jurisdictions. We do not hold any other uncertain tax positions which are sufficiently material as to be disclosed separately in our accounts.



Our tax governance framework

Responsibility for our group's management of tax risk ultimately rests with the Board, with day-to-day responsibilities for the implementation of the group's tax strategy and supporting tax policies resting with the Chief Tax Officer.

Our tax risk management policy is aligned with the group's three lines of defence risk governance model, which includes a formal assessment of tax-related risks and a reporting process to ensure that tax risk in the business is managed in line with tax risk appetite. The risk rating of an issue will determine how far it is escalated through the risk governance structure, including, ultimately, to the Board.

How we measure tax risk

Groupwide tax risks are monitored by the Tax Risk Management Committee. This consists of the relevant tax senior management and the Chief Tax Officer and meets quarterly to assess existing and emerging tax risks across the business, covering all taxes. The measurement of tax risk can be both qualitative and quantitative, and is based on the view of qualified and experienced tax professionals within Group Tax. We may seek an external view for any potentially significant risks.

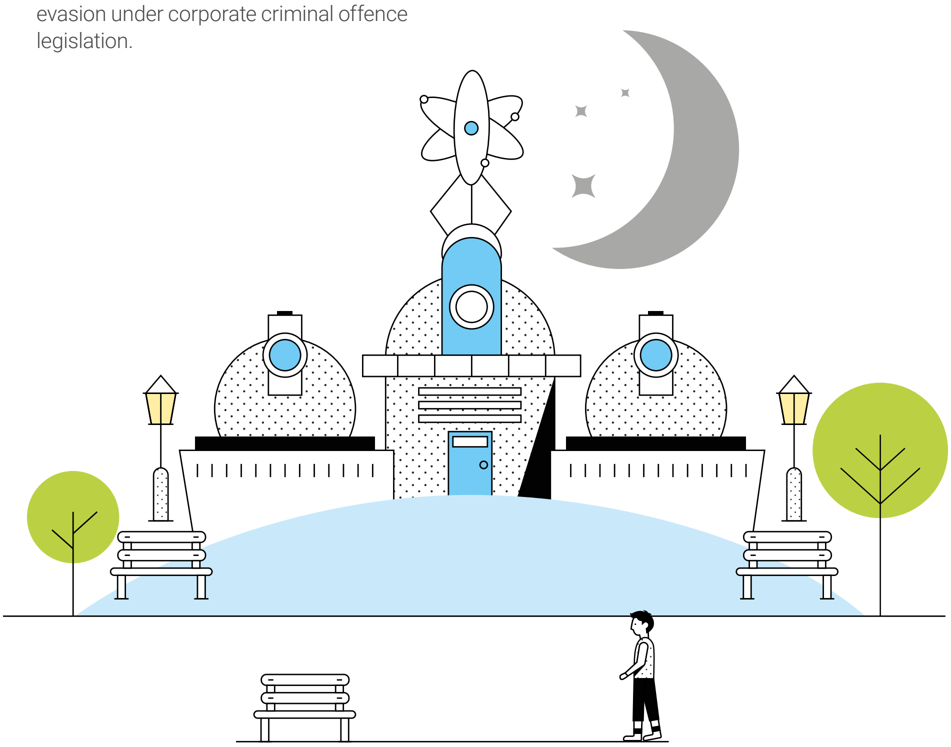
The Committee assesses tax risks against a scale, aiming to ensure that all tax risks are well understood and appropriately monitored and managed. The appropriate level of control is determined by the likelihood of the risk event occurring and the materiality of the risk.

How we manage tax risk

Legal & General operates a three lines of defence policy for managing all operational risk, and tax is managed consistently with this. The first line of defence is the operational management of tax risks and the day-to-day management of tax processes. Responsibility for these lies both with our businesses and with Group Tax where certain obligations are managed centrally. Tax risk is managed by employing appropriately qualified and experienced people in key tax-related roles, with specific tax responsibilities and accountabilities included in their job description acting under appropriate delegated authorities.

Group Risk provides a second line of defence by providing the tax function, with expert advice in the design and testing of tax-related control frameworks, and risk reporting. Group Tax work closely with Group Risk to ensure an appropriate risk framework is in place for tax matters across the group, including those operated by our business functions.

Group Internal Audit acts with independence for the last line of assurance and Group Tax can act in support if there is no conflict of interest with Group Tax. Group Financial Crime have responsibility for whistleblowing and reporting procedures related to the facilitation of tax evasion under corporate criminal offence legislation.



Our tax governance framework
continued

Our tax risks explained

The key tax risks for the group, together with acceptable risk level and approach to risk management, are stated below:

Our tax risks	Tax risks explained	Our risk appetite	Our risk management
Tax legislation and other regulations	New tax legislation, changes in interpretation or application of existing tax legislation, changes in tax rates and changes in accounting standards or other regulations, including tax policy, can generate significant tax risks. These changes may result in additional tax costs for the group and additional complexity in complying with new legislation or regulation.	We may accept and manage tax risk where the group's interpretation of the application of specific tax legislation differs from a tax authority's, but will not seek to apply an aggressive interpretation of tax legislation outside what is understood to be intended. For high-value tax risks based on technical interpretation, we will typically obtain a pre-transaction validation of the technical position from reputable professional tax advisors.	We actively monitor new or changing tax legislation and where appropriate participate in consultations over proposed legislation, either directly or through trade bodies. We actively engage with tax authorities to understand changes in their interpretation of existing tax legislation and seek tax authority clearances on our interpretation where we can. If new legislation is not clear and potentially material to the group, we will engage with reputable professional advisors to help us gain clarity.
Reputational	Our tax strategy aims to balance the needs of our key stakeholders, who may have different expectations of us. We need to understand those expectations and adapt our tax behaviours to manage any impact to our reputation within our overall risk appetite.	We have a very low risk appetite for suffering any detriment to our reputation that may be caused by our approach to, or decisions taken in respect of, taxation. We might take a stronger view with a tax authority to ensure the right outcome for our customers.	We actively manage tax risks associated with tax compliance and reporting processes by devoting considerable effort to ensuring that our compliance and reporting obligations are fulfilled using well-designed and controlled processes. We employ appropriately qualified and experienced people in key tax-related roles, with specific tax responsibilities and accountabilities included in their job description. We act quickly to remediate omissions and where applicable disclose adjustments to the relevant stakeholders. We engage reputable local tax advisors to assist with fulfilling our international tax compliance obligations where necessary.
Compliance and reporting	Ineffective management of our tax affairs could result in the group incurring excessive tax costs disproportionate to the group's results. Errors could be made, resulting in interest and penalty costs, as well as any payments of historical tax due. As well as cash tax due, we may be subject to additional costs related to increased audit activity from tax authorities. There is also an increased demand from tax authorities for 'real-time' access to our data. Our growing international presence results in significant additional compliance, and the potential for double-taxation.	All significant tax risks are reported and monitored in the group's risk management systems. Accepted tax risks are reported to relevant local risk and compliance committees and, if appropriate, will be passed to the Audit and Group Risk Committees in line with group procedures. We have low tolerance for tax risk arising from errors or omissions, late submission of tax returns or late tax payments for routine and established tax compliance obligations.	We actively manage tax risks associated with tax compliance and reporting processes by devoting considerable effort to ensuring that our compliance and reporting obligations are fulfilled using well-designed and controlled processes. We employ appropriately qualified and experienced people in key tax-related roles, with specific tax responsibilities and accountabilities included in their job description. We act quickly to remediate omissions and where applicable disclose adjustments to the relevant stakeholders.
Transactional	Transactional tax risks can be generated through new product releases, corporate transactions or expanding operations into new countries. Failure to understand and effectively manage transactional tax risks could result in additional tax-related costs.	Tax risks for material transactions will usually only be accepted on the basis of full disclosure to the relevant tax authorities, where possible. We may accept greater levels of tax risk if it is determined as acceptable as part of the overall commercial risk assessment of a transaction.	We actively manage tax risks associated with new transactions, products and countries. We work in partnership with the relevant business areas to understand risk exposures. We mitigate our transactional tax risks by full disclosure to the tax authorities on a real-time basis. Transactions are subject to review in an appropriate risk committee. Where there is a particularly complicated or significant transaction, we will validate our assessment with appropriate tax advisors.

Our commitments to tax transparency

Tax is an important and integral part of our business and we are committed to being transparent on tax.

- We recognise that our stakeholders on tax not only include our investors, tax authorities, customers and employees, but also wider society.
- We aim to provide useful information to our stakeholders to help them understand how we manage our tax affairs and the contribution we make to society through the taxes we pay. This includes voluntarily disclosing additional information which we consider is useful for our stakeholders to better understand our tax affairs.
- We have an open, cooperative and collaborative working relationship with HMRC, and other tax authorities where appropriate, across all our taxes.
- We believe that open consultation with governments results in more informed and sustainable tax legislation and we work with governments both directly and via industry trade bodies to respond to consultations and to explain the impact of proposals on our business, customers and investors.
- We engage with a range of interested parties and non-governmental organisations to discuss concerns about the tax system, and responsible and transparent tax practices of large companies. We recognise the expectations society, governments and consumers have of large companies on tax responsibility and transparency.
- As a significant investor, we ensure we speak to the companies we invest in about their tax policy and management as part of our overall engagement with them on governance and environmental and social impact.

Our attitude to tax planning and the use of tax advisors

Tax planning

Tax law contains claims and elections and a wide variety of options whereby tax matters can be managed efficiently, and where such outcomes are expected and are widely regarded as within the spirit of the law. We will make use of government endorsed tax claims and elections, or seek to benefit from exemptions or similar mechanisms available within the tax legislation, but we will not undertake transactions whose sole purpose is to create a tax benefit which is in excess of what is generally understood to be intended by tax legislation.

We will undertake tax planning only in the context of wider business activity with a real and commercial basis. Where we have a choice on how to structure a particular transaction, investment or business, we will structure it in a tax-efficient manner where we have concluded that it is a responsible, sustainable choice which fits with our business and tax strategy, in line with what we understand the intentions of the legislation to be for us, our policyholders and our investors. We do not base our decision on aggressive interpretations of the tax law.

Engagement with advisors

Legal & General is evolving in an ever-changing economic and regulatory environment. As a result, we engage appropriate external tax advisors to discuss and validate our understanding of the legislation on significant transactions or to provide insight or specialist advice on specific legislation, wider industry practice, or tax authority approach. We also use advisors for compliance or routine activity in some cases or locations where this is more cost-effective or operationally effective.

In 2021, the UK Government published a consultation on improving the standards of tax advisors, and the quality of tax advice provided to taxpayers. Group Tax may receive tax advice from third parties, and we seek to engage appropriately qualified and experienced advisors; we will not engage advisors whose principal business involves the production or distribution of tax-avoidance schemes. We are fully compliant with UK legislation for the Disclosure of Tax Avoidance Schemes (DOTAS), the VAT Disclosure Regime (VADR) and the Directive on Administrative Cooperation (DAC) framework.

Our interaction with tax authorities, NGOs and other third parties

Tax authorities

Legal & General principally operates in the UK; however an increasing proportion of our business is conducted overseas. We undertake to apply the same rigorous principles of transparency wherever we do business.

Where possible and practical, we will discuss new and complex tax positions with relevant tax authorities in real-time. For material issues this is often in advance of the transaction, or for other matters this would generally be before submission of the relevant tax returns. We may request generally available statutory or non-statutory clearances from relevant tax authorities in respect of specific transactions where there is material uncertainty or where the transaction is material to the group company involved. The complexity of tax law means that we may occasionally disagree with tax authorities on the technical interpretation of a particular area of tax law. We seek to resolve any differences of interpretation with tax authorities in a cooperative manner. In exceptional cases, we may resolve disputes through formal proceedings.

Tax authorities understand that businesses come in different shapes and sizes, and due to the intricacies of existing legislation, new legislation may have unintended consequences. Consultations on legislation with businesses and business groups allow HMRC to shift the burden of considering detailed implications to taxpayers.

We actively participate in these consultations to the extent they impact our business or our customers, either alone or as part of a wider business forum, with the view to improving the quality and relevance of the legislation. By responding to consultations and taking part in business groups, we seek to mitigate any outcomes which we consider to be inconsistent with the policy objective, or to alert tax authorities to unintended consequences.

NGOs and other third parties

Countries' approach to taxation is increasingly undertaken on a joined-up basis, with harmonisation of requirements facilitated by NGOs, like the OECD, and the EU. A need for greater tax transparency on a multinational level has led to the OECD Base Erosion and Profit Shifting (BEPS) framework and the EU Directive for Administrative Cooperation (DAC) framework.

We actively monitor developments as recommendations made by these groups are often adopted by tax authorities. Where appropriate, we will respond to consultations on future principles in so far as these could impact us, with the aim of clarifying areas of uncertainty ahead of local implementation.

In preparing this report, we look at various reporting standards published by NGOs and investor bodies relating to tax transparency to ensure our disclosures remain aligned with the expectations of our shareholders, investors and the wider public, for large corporate groups. We may take part in investor surveys where these relate to tax transparency or wider ESG objectives.

Demystifying tax – useful terms

Corporation tax (Paid)
The tax we pay on the profits we earn

Withholding tax (Paid)
The tax we pay on our overseas investment income

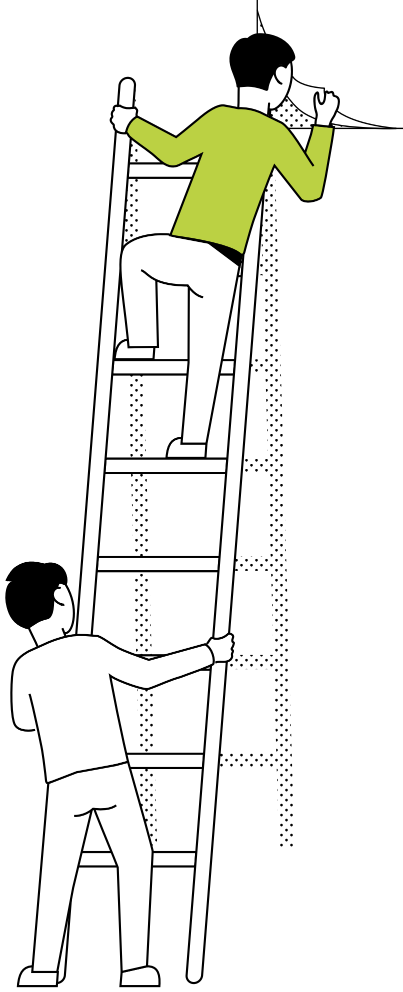
Property taxes (Paid)
The taxes we pay on properties and infrastructure we hold as investments and use in our businesses, including business rates, and taxes on transactions when properties are bought and sold

VAT (Paid and collected)
The tax charged on the services we provide, less VAT we can recover on the goods and services we buy

Payroll taxes (Paid and collected)
The taxes we pay on wages earned by employees and collect from employee wages on behalf of governments – primarily PAYE and National Insurance contributions (NIC) in the UK

Product-related taxes (Paid and collected)
The taxes on our products, including income tax collected on pension business and payments to annuity holders

Transactional (stamp) taxes (Paid)
The tax paid on legal transactions in regard to the properties and shares we buy



This document, published by Legal & General Group plc on 16 March 2022, complies with its duty under paragraph 16(2) of Schedule 19 of Finance Act 2016 to publish a group tax strategy for the year ended 31 December 2021.

Registered office:
One Coleman Street,
London EC2R 5AA

T 020 3124 2000
F 020 3124 2500
legalandgeneralgroup.com