

For professional clients only. Capital at risk.



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L&G
December issue



Welcome...to your regular news roundup from L&G



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DC Digest

A milestone that matters: L&G DC assets surpass £200 billion

We are proud to share an industry first: L&G's UK Defined Contribution (DC) assets have passed £200 billion¹, making us the largest DC pension provider in the UK. Behind the headline is impact at scale. We now support 5.7 million² pension scheme members, and we're using that scale to keep improving outcomes through investment design, proposition updates, technology and service.

What this means for clients and members

Designed for change: Our dynamic default investment strategy ranges continue to evolve, including options that open access to private markets within a DC framework. These innovations are designed to help members seek diversified growth over the long term.

Tools that drive action: We are investing in intelligent, personalised guidance, from our guided retirement planner to our workplace app, which is the UK's highest-rated workplace pension app³. These experiences help members plan with confidence and act at the right moment.

Experience that scales: Alongside a client retention rate in excess of 99%, we continue to serve our members well, with their feedback providing a Net Promoter Score of +58 and a satisfaction rate of 87% - key indicators of consistency as we grow.

This milestone follows strong momentum across the platform. For example, the Mastertrust has reached £40 billion in assets under management (as at November 2025), and reflects our sustained partnership with employers, trustees and advisers.



¹ Source L&G as at September 2025

² Source L&G as at September 2025

³ With 4.8 stars on iOS and 4.6 on Android as at November 2025. Recognised as 'Most Engaging' in the BehindLogin Experience Awards. Awards should not be considered a recommendation. Past performance is not a guide to the future.

Autumn Budget 2025: what it means for your Workplace pension

The Autumn Budget 2025 introduced some important changes that will affect workplace pensions and savings over the coming years. We want to reassure you that L&G is here to support you and your members through these changes.

Key changes announced

Salary sacrifice pension contributions

From April 2029, National Insurance will apply to any pension contributions made via salary sacrifice that exceed £2,000 per year. This means both employers and employees will pay National Insurance on the excess amount. We await finer details of the planned changes and we will work closely with you in the run up to April 2029.

ISA savings

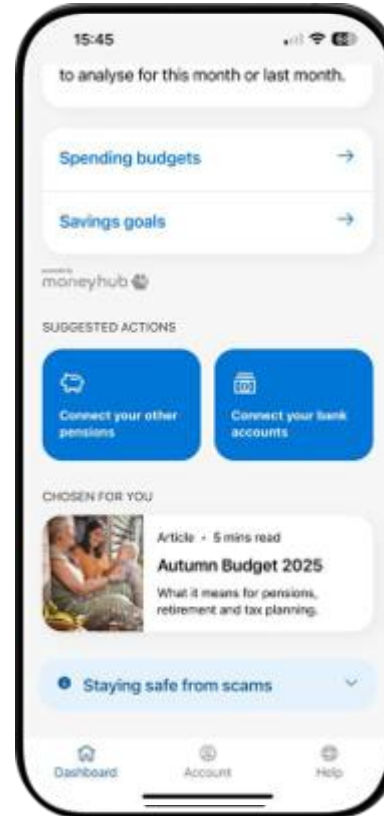
The tax-free allowance for cash ISAs will reduce to £12,000, while the overall ISA limit remains at £20,000. Over-65s will continue to receive the full £20,000 cash ISA allowance.

State Pension

While no immediate changes were announced to the State Pension structure, the Budget reaffirmed the freeze on personal income tax thresholds, which may influence retirement planning.

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Source: HM Treasury Autumn Budget Statement 26 November 2025:
[Autumn Budget Summary](#)



How we're supporting you and your members

Employer support: Our Workplace team will help you prepare your scheme for the salary sacrifice changes well ahead of April 2029.

Member guidance: Our helpline colleagues are ready to answer questions.

Clear communication: We'll keep members informed through all key touchpoints – including telephone lines, My Account, and the L&G App – so they know what's changing and where to find more information. Relevant content to support members will also be available on the [Content Hub](#). And you can download a readymade member email template outlining the changes on our [Campaign Hub](#).

There is plenty of time to digest these changes and understand their implications together. Our goal is to make this transition as smooth as possible for you and your members.

Over a three-day period following the Budget announcement, 67,000 members visited our app home page. 15% of members went on to view our Autumn Budget explainer article.



You can view our [post-Budget webinar](#) to find out more.

The hidden cost of financial caring

Our latest research¹ unveils that one in six UK adults are quietly shouldering the burden of financial caregiving – but at what cost?

This figure equates to about 8.4 million adults in the UK¹ that are acting as financial carers for their elderly relatives. Many step into the role in their thirties after spotting warning signs such as missed bills, forgotten accounts or difficulties with online banking. In too many cases intervention follows a scam, with losses typically running to hundreds of pounds before a family member can help.

But this support comes at a cost.

- One in five say the stress is ongoing, and report experiencing emotional strain, work disruption, and direct financial loss
- 22% have used their own money to cover a relative's expenses
- 17% have taken time off work
- 22% have reduced their hours to keep up with the demands of caring
- One in ten carers have accessed their pension savings early to cover shortfalls created by their caring roles, with 8% taking lump sums for the same reason
- 7% expect to delay their own retirement by five years or more.

Our research also highlights a confidence gap. Only a quarter of financial carers feel they truly understand how pensions work, and some say that lack of knowledge has caused problems when trying to help a loved one.

Yet there is a constructive side. For nearly a quarter, the experience becomes a catalyst to take charge of their own long-term finances. Alongside L&G's personalised guidance tools, we also offer our Care Concierge service for your employees.

Savers under pressure: What the data tells us

Financial caring
A competing
challenge¹



8.4
Million

The average
financial carer
is

36

supporting a
relative aged 70

The lottery effect
Retirement
regret²



One in 10 have accessed
pensions savings early to cover
care-related costs, while 7%
expect to delay retirement by five
years or more



Only 25% understand
how pensions work



Cashing out
challenges³



1. Survey conducted on behalf of L&G, by opinion between 25 July – 2 August 2025, among 4,000 UK adults. Visit the newsroom to read our research press release.

2&3. research conducted on behalf of L&G by Opinium between 3-9 December 2024, among 3,000 UK over 50s. Visit the [newsroom](#) to read our research press release

¹Survey conducted, on behalf of L&G, by Opinium between 25 July – 2 August 2025, among 4,000 UK adults. Of 4,000 UK adults surveyed, 621 describe themselves as financial carers managing money on behalf of an older relative(s). Our modelling suggests that across the UK adult population of 54,196,443, this equates to a national figure of 8,413,998 who are financial carers.

Caring for carers



Care Concierge: support when it matters most

As we head towards the festive period, many of us will spend more time with loved ones and for some, that means juggling caring responsibilities alongside festive plans.

Our Care Concierge service is here to help. It offers confidential, expert guidance on everything from arranging care and understanding costs to finding practical resources, all free of charge for employees and their families.

Your employees have free access to L&G Care Concierge via your scheme website. This confidential, telephone-based resource provides expert guidance on:

- Home care and care homes
- Care funding and benefits
- Legal matters like Powers of Attorney
- Hospital discharge
- Support for unpaid carers

Take a look at the range of tools, services and support we can offer members:



[Care and support | L&G](#)



Guided retirement planner now available to all members

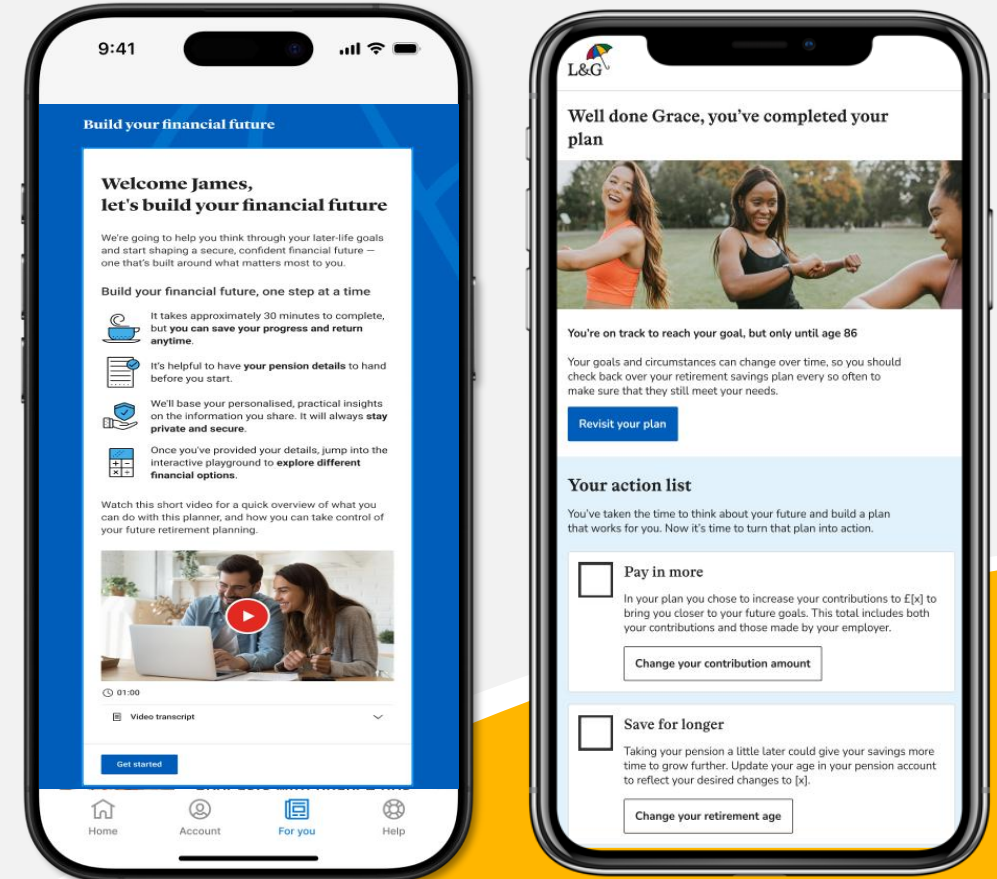
This November marked one year since we launched our guided retirement planner for members aged over 55, and in October 2025 we expanded the proposition by launching a version for members under age 55.

The aim is simple: help people take small, confident steps earlier, so they reach retirement with a plan that reflects their priorities. The planner uses member insight, data and behavioural science to deliver guidance that feels personal and practical. It adapts in real time, breaks decisions into clear stages and provides prompts that members can act on at their own pace.

The first year has delivered strong results among over-55s:

- More than 70,000 members have started their planner journey
- Half of those who identified a shortfall reduced it after adjusting their plan
- One in three created a complete plan and strategy
- One in five took a significant action such as consolidating pots, choosing drawdown or buying an annuity

These outcomes have helped us develop a service that can also support our younger members. Members can now log in via the L&G App or their online account to explore income targets, contributions and options, then return at any time to refine their plan as life changes. The planner recognises key moments and surfaces targeted prompts, helping members move from awareness to action.



Behavioural science – the key to engaging DC savers

At L&G, we know that real engagement with pensions is about more than just information or digital clicks. It's about helping people feel confident and empowered to act throughout their savings journey. Despite years of educational campaigns, many still find pensions confusing and overwhelming. The challenge is not just awareness but enabling people to feel capable and ready to act.

Behavioural science is at the heart of our approach. It helps us understand why people behave the way they do and how to support them in making better decisions. For example, people often react to complex pension choices by freezing, avoiding decisions, or giving the answers they think are expected. These are natural responses when faced with high-stakes, unfamiliar situations. Behavioural science shows that the way questions are asked, and when they are asked, can make all the difference.

Therefore, our segmentation goes beyond age and demographics, using data from thousands of interviews to understand confidence levels, biases, and motivations. Our digital tools and personalised journeys use these insights to deliver the right nudge at the right time, whether through our award-winning app*, targeted communications, or guided retirement planning. This approach has led to measurable improvements through building confidence, driving action, and helping more people achieve better retirement outcomes.

*Winner, BehindLogin's 2025 Experience Award for Engagement

Source: L&G, data and research, 2025.



Only **1 in 3** UK adults checked their workplace pension in the last year, and almost half did nothing with their pension during that time.



1 in 5 members who accessed a DC pension later regretted some of their decisions, often due to rushed choices and lack of understanding.



L&G's workplace pension app is used by **1 in 5** active members, and 1 in 4 go beyond checking balances to use planning and open finance tools.



Personalised engagement has led to a **125%** increase in online registrations and an 85% increase in nominated beneficiaries and app downloads.



The guided retirement planner has resulted in a **50%** reduction in members with a retirement shortfall, with 1 in 3 taking a guided action and 1 in 5 taking a significant action after using the planner.

The value of our ICS partnership



Our longstanding partnership with the Institute of Customer Service (ICS) is central to how we deliver exceptional experiences for our members. By using ICS's respected training and accreditation, we ensure our frontline teams have the skills and mindset needed to meet and exceed customer expectations. This commitment is reflected in our achievement of the ICS ServiceMark accreditation, making us the first and only workplace pension provider to reach this standard, which is a testament to our dedication to service excellence.

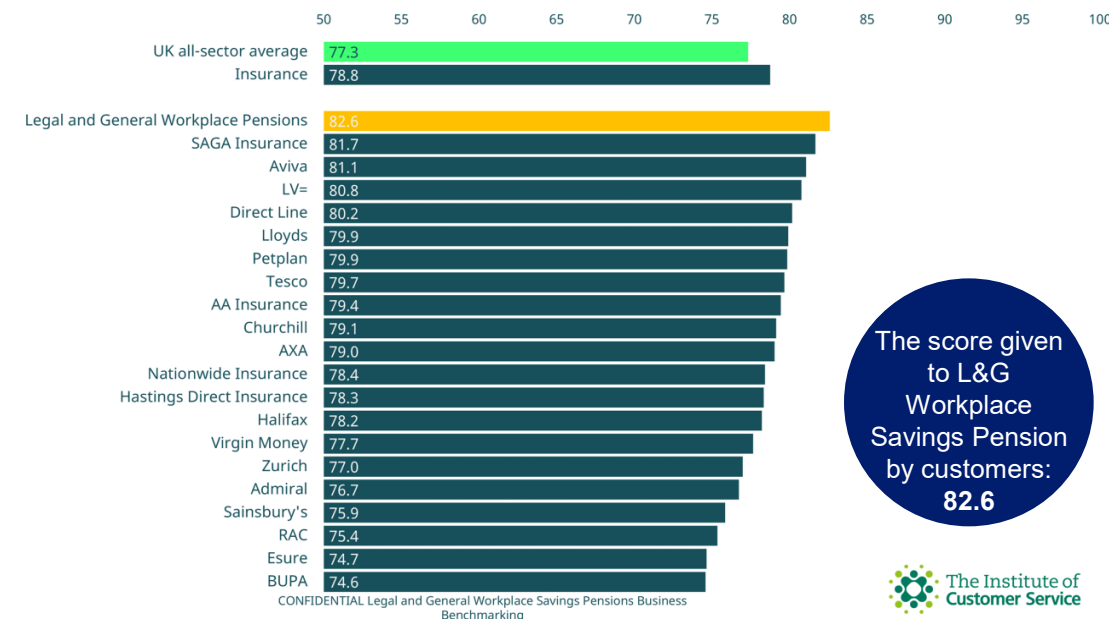
But our relationship with ICS goes far beyond initial training. We also use their benchmarking and research to continually evolve. Understanding the evolving themes and trends in the customer experience landscape, enables us to develop our service offering to meet the needs and expectations of our members.

As part of the ServiceMark Accreditation we have continued to push our service offering, by developing a roadmap of enhancements, the benefits of this for our members can be seen in our latest business benchmark score of 82.6. (out of 100) for customer satisfaction.

This compares to a UK all-sector average score of 77.3 in the July 2025 UK Customer Satisfaction Index. This measure is a fantastic achievement, improving on last years score by 9.9 points.

Our customer obsession culture is brought to life through a dashboard that tracks meaningful outcomes, such as Net Promoter Score and first-time resolution, rather than just traditional metrics. This empowers every colleague to see their impact and encourages valued conversations with members, reducing repeat contacts and improving satisfaction.

UK Customer Satisfaction Index (UKCSI)



The score given
to L&G
Workplace
Savings Pension
by customers:
82.6



New ISA developments: enhancing member choice and engagement

We are excited to announce several significant updates to our ISA offerings, designed to provide greater flexibility and engagement for our members. These enhancements focus on improving both the range of options and the user experience.

New features

Multi-fund options

Members can build their own portfolios by mixing and matching across all the funds available within our Workplace ISA – including the simple funds. This increased choice allows for more personalised investment strategies, catering to individual preferences and financial goals.

Extended fund list

Having recently added a Shariah-compliant fund and a lower-risk cash fund, we're intending to further expand the number of funds available on the self-select list. This extension is part of our ongoing review process, and we welcome feedback from members on additional funds they would like to see included.

ISA in the app

Members can now view the Workplace ISA in the L&G App. If they're also an L&G pension scheme member, they're able to see both their long-term savings (pension) and medium-term savings (ISA) side by side. This integration aims to drive better pension engagement and promote good savings habits by providing a comprehensive view of their financial landscape.

Client case study scenarios

We have gathered several client case studies showcasing how different organisations are using our ISA solutions to support their employees and reward strategy:

1

Scenario 1: Matching contributions

One client has implemented a matching contribution scheme within their Workplace ISA. This initiative replaces a previous saving scheme and encourages employees to save more by matching their contributions.

2

Scenario 2: Upfront contributions

This client offers a one-off upfront contribution to help employees kickstart their savings journey. This approach provides immediate financial support and incentivises long-term saving habits.

3

Scenario 3: Senior leader benefits

The client uses the Workplace ISA to benefit senior leaders who have exceeded their annual allowance. By diverting excess contributions into the ISA, they ensure continued support for their top executives.

These case studies highlight the diverse ways our clients are utilising the enhanced ISA features to support their employees' financial well-being.

Case studies shown for illustrative purposes only.

The value of an investment and any income taken from it is not guaranteed and can go down as well as up, and the investor may get back less than the original amount invested.

DC Digest

A roundup of our latest insight from across L&G.

Find out more about the issues impacting your scheme and your members through our blogs, articles and podcasts.

Retirement's next era: Exploring the art of the possible

There's a moment in every industry when the conversation shifts, when the familiar frameworks no longer suffice and the future demands something bolder.

[Read more](#)



Supporting the person behind the pension

Behind every pension pot is a person juggling real-life pressures, information overload and emotionally charged decisions. In this article we explore how retirement planning isn't just a financial task – it's a balancing act.

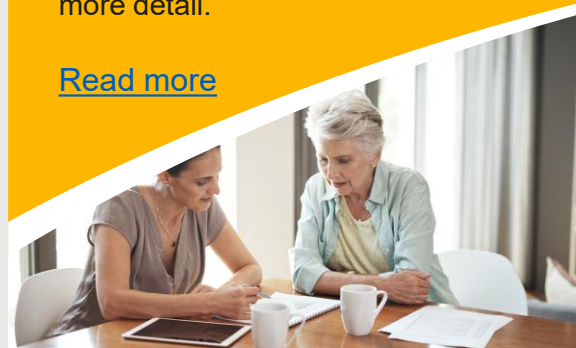
[Read more](#)



The hidden cost of financial caring

Our latest research unveils that one in six UK adults are quietly shouldering the burden of financial caregiving – but at what cost? With financial carers sacrificing careers, cash and even their own retirement prospects, we examine this issue in more detail.

[Read more](#)



The easy explainer on combining your pension savings

In this episode, our host Iona Bain is joined by Mike Crossley, Head of Workplace Pension Consolidation at L&G, to demystify the process of consolidation.

[Listen here](#)



Key Risks



The value of an investment and any income taken from it is not guaranteed and can go down as well as up, and the investor may get back less than the original amount invested. Past performance is not a guide to future performance.

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