

Legal & General joins Business for Inclusive Growth, a unique partnership of G7 global leaders and global business

Legal & General has announced today that it is one of 34 global businesses working with the Organisation for Economic Co-operation and Development (OECD) and the G7 Group of world leaders to join a new Business for Inclusive Growth (B4IG) initiative launched today by President Emmanuel Macron.

Inclusive growth is expected to be a signature policy from the French Chairmanship of the G7 taking place this weekend in Biarritz. Uniquely, the OECD has convened global businesses to create a coalition of companies that have signed up to B4IG and joined forces to fight inequality, advance human rights and build more inclusive workplaces and supply chains.

The participating businesses – which have a joint turnover of over \$1 trillion and employ more than 3 million people around the world – have pledged their support at today's launch of B4IG in Paris. The commitment to inclusive growth is built around three key pillars: a pledge to tackle inequality, which includes advancing human rights, as well as building more inclusive workplaces and supply chains; a new business incubator to promote innovative projects that support inclusive growth; and the creation of an inclusive growth financing forum.

Nigel Wilson, CEO, Legal & General said: “The joint G7 – OECD - Business collaboration to deliver Inclusive Growth is closely aligned with our own strategy of ‘Inclusive Capitalism’. Delivering shareholder value and furthering social progress are not mutually exclusive. It is the opposite – companies which aspire to prosper in the long term have to be both socially and economically useful. With more money to invest globally than ever before – and \$14 trillion currently earning a negative nominal return – we can both generate returns for customers and shareholders and move from measuring the gaps in our society towards closing them. Given our great track-record we're delighted to be working with likeminded global firms to support this.”

This ground-breaking public and private sector collaboration across the G7 nations, provides a special opportunity to work together to address common challenges and drive forward the opportunities of inclusive growth. The G7's B4IG will be coordinated by the OECD, with progress monitored at an annual board meeting attended by CEOs and other key figures from public and civil society sectors.

As the largest institutional investor in the UK with more than £1.1 trillion AUM, Legal & General will be joining forces with like-minded global businesses to back B4IG. From shareholder activism to direct investment strategies, Legal & General has been recognised as growing shareholder value through driving social progress.

There will be a clear focus on experimenting, replicating or scaling-up inclusive business solutions from B4IG companies to deliver social impact. Legal & General has been driving forward a strategic focus on developing these opportunities and will be sharing its experience of successful delivery of inclusive growth.

Examples include:

- In April 2019, Legal & General announced a new and innovative partnership with Croydon Council, investing £44.6 million into providing 167 homes for homeless families with rents set at Local Housing Allowance levels. With waiting lists for UK affordable homes reaching over 1.1 million, Legal & General is delighted to be creating a blueprint for institutions and the public sector to work together to tackle the UK's housing crisis and the inequality it creates through our Affordable Homes, Later Living and Build to Rent programmes.
- In 2017, Legal & General invested in Salary Finance as part of its commitment to building a better society and improving the financial resilience of all employees – and Salary Finance now reaches over one million employees across a range of sectors. The business aim is to accelerate an employee's journey from debt to savings, and in doing so, improving their financial and mental wellbeing, and their engagement at work. Salary Finance offers financial education resources and tools; low interest employee loans to help employees replace / avoid high interest debt, enabled by repayments being collected from payroll; and a suite of salary linked savings products, designed using behavioural science, to make saving easy by deducting directly from salary.
- In Manchester and Salford, L&G's Future Cities programme has seen £1 billion committed to a range of projects, including the huge Media City development, which has become a key broadcasting and media hub in the UK. Our strategy also involves new "Build to Rent" projects, which will help tackle the shortage of good, affordable accommodation in Greater Manchester, where the population is expected to grow by 14 per cent over the next 20 years. L&G has also helped support the development of new science and technology centres in Greater Manchester, including the cutting edge new Bruntwood SciTech Bright Building in the heart of Manchester's science park.
- Over the last four years, L&G has committed around £400 million in transforming the heart of Cardiff in a joint venture partnership with the City Council and local developer Rightacres. The ambitious project will provide 1.4 million square feet of mixed used office and residential accommodation, including BBC Wales' new headquarters. The initiative has is set to create 10,000 local jobs and has helped create significant economic growth in the Welsh capital.
- In Leeds, L&G has committed nearly £650 million to help build new infrastructure across the city, including an innovative modular housing factory, which has the capacity to produce up to 3,000 homes per year. There has also been investment in new science and technology centres, as well as commercial and retail buildings. L&G has also helped fund a £55 million Build to Rent development, which is creating new homes to meet growing demand in the rental sector

Notes to editors

The G7 Business for Inclusive Growth is built around three pillars:

1/ Pledge ensuring benefits of economic growth are shared more widely

The Business Pledge Against Inequalities commits signatories to advance human rights throughout their production chains, fight child and forced labour and respect freedom of association. Signatories agree to build equitable and inclusive working environments, including by providing decent wages, promoting gender equality and helping prepare employees for the future of work through training and upskilling programs. The companies also pledge to tackling inequalities of opportunity such as those caused by regional disadvantages by supporting community development programs, strengthening inclusive sourcing and expanding access and affordability of basic services.

B4IG companies will commit specifically to a three-year programme aimed at advancing the ambitions laid out in the Business Pledge. Underpinning the Pledge is the view that such engagement is not just good corporate citizenship but rather the future of successful business. Business benefits from more inclusive growth models through a more educated and engaged workforce; a larger middle class of consumers with greater purchasing power; more stable operating environments; and a high level of trust from employees, customers and stakeholders

2/ Business for Inclusive Growth (B4IG) Incubator: a platform where companies can incubate, share, scale-up and replicate new inclusive business approaches.

The B4IG incubator will act as a laboratory to test, scale and replicate social innovation projects. It aims to ensure micro-economic action can inform macro-economic policies at the G7 level and beyond.

B4IG members have already earmarked over 50 projects to the platform, mobilizing more than one billion USD in private finance and benefiting 100 million people to date. Through B4IG, they will look to leverage these projects to strengthen their collective social impact worldwide.

Certain projects will be accelerated, scaled or replicated through the B4IG incubator, leveraging collaboration with other coalition members, philanthropic organisations and the public sector. In addition, companies will share learnings from projects that are already underway and that can serve as inclusive business models to be emulated or replicated. Among the projects earmarked are schemes to tackle homelessness, help the unemployed back into work and improve access to basic services such as finance, insurance and transport in deprived and remote regions in G7 countries.

3/ An Inclusive Growth Financing Forum to bring synergies between financing streams

B4IG members will also establish an Inclusive Growth Financing Forum to catalyse innovative, hybrid financing for social impact, and to assess how to build greater synergies between private, public and philanthropic funding streams. The Forum will look at how to leverage promising financing mechanisms such as results-based financing, including through the B4IG incubator.

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management, we're the UK's largest investment manager for corporate pension schemes and a market leader in pensions de-risking, life insurance and workplace pensions. We have also invested over

£19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

About B4IG

Business for Inclusive Growth (B4IG) is a global coalition, powered by the OECD, which aims to pool and strengthen efforts by private companies to reduce inequalities linked to opportunity, gender and territories, and to build greater synergies with government-led efforts. Current members include: Accenture, Agropur, AXA, BASF, BNP Paribas, Groupe BPCE, CareCentrix, Cogeco, Crédit Agricole, Danone, Engie, GINgroup, Goldman Sachs, Henkel, INGKA Group (IKEA's franchisee), JPMorgan, JAB / Keurig Dr Pepper, Johnson & Johnson, Kering, Legal & General, L'Oréal, MARS, Groupe Renault, Ricoh, Schneider Electric, Sodexo, Suez, TIAA, Unilever, Veolia, Virgin and Ylva.

About OECD

The OECD is an international organisation that works to build better policies for better lives. Together with governments and civil society, it establishes standards and seeks evidence-based solutions to a range of social, economic and environmental challenges. The OECD website provides further information on the [B4IG](#) initiative and on its work on [inequality](#) and [inclusive growth](#).

Further information



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The OECD press release on the launch of B4IG can be accessed at: <https://www.oecd.org/newsroom/>