

## Legal & General publishes 2022 Climate Report, Social Impact Report, and Gender Pay Gap Report

**Our 2022 Social Impact and Climate Reports, published today, describe our progress towards our climate-related goals and the impact we're having on the communities in which we work and invest. Our operational carbon footprint has reduced by 3% and our median gender pay gap has narrowed for the seventh year running.**

Sustainability is fundamental to everything we do because our Inclusive Capitalism purpose and business model is based on the principle that profit and purpose are intrinsically linked. We invest in projects which do social and environmental good, while providing a strong return and great service for our shareholders, customers, and clients.

Our approach to running our business in a sustainable and responsible way includes four focus areas: long-term financial wellbeing, better communities in which to live and work, engaging customers and employees with our impact, and investing in game-changing environmental solutions. These are supported by our commitment to run our business in a responsible way. We cover the first three focus areas in our Social Impact Report, with the final one being covered by our Climate Report.

### Climate Report

Addressing climate change is one of our six strategic growth drivers and a key element of our vision of inclusive capitalism.

The annual Climate Report sets out our climate commitments, the interim milestones, and our progress against these. This year's report also sets out our externally validated science-based targets, including the metrics we use to track the work we are doing towards them.

In 2022, we have:

- Reduced our operational carbon footprint by 3% and our investment portfolio economic carbon intensity (covering £79.4 billion of proprietary assets) by 5%.
- Achieved a Carbon Disclosure Project (CDP) score of A-.
- Engaged with 636 companies on climate change, via our LGIM Stewardship team.
- Undergone the Science Based Targets initiative's validation process.
- Invested in Rovco and its sister company Vaarst, a technology-led subsea surveying business focusing on servicing marine infrastructure.
- Invested in Brill Power, an Oxford University spin-out developing innovative battery management systems.
- Led a funding round, raising \$60 million for electric vehicle subscription service, Onto.
- Invested a further £8 million in Kensa, supporting its scale up as a UK manufacturer of ground source heat pumps.
- Launched new investment products aligned with net zero, and additional products in our Future World range.
- Continued to engage with industry bodies and world leaders, including through involvement in events at COP 27 and COP 15 respectively.

“Addressing climate change depends on both individual and collective action, and this runs through the business at every level.”

- **Nilufer von Bismarck, Non-Executive Director with a focus on climate**

## **Social Impact Report and Gender Pay Gap Report**

Our 2022 highlights:

- Our Group-wide median gender pay gap has narrowed from 24.1% to 22.4%. We're pleased to see the continuation of our efforts reflected in the data and see many opportunities to continue this progress in 2023 and beyond.
- We set a goal that 40% of our senior roles would be held by women by 2025, and we are currently at 38%.
- We launched a three-year partnership with financial education charity RedSTART, whose mission is to improve primary school children's financial literacy.
- We quickly developed and rolled out cost-of-living training to our customer-facing teams to best support our vulnerable customers.
- We devised a place-based social impact toolkit that can be applied at any stage of the real estate investment lifecycle.
- Our partnership with UCL's Institute of Health Equity published one of its key outputs – The Business of Health Equity: The Marmot Review for Industry, which sets out three ways that business can improve people's lives by reducing health inequality.

“As well as capital, our business is rich in people: in experience, knowledge and expertise which is brought to bear every day on the big issues that face society.”

- **Sir Nigel Wilson, CEO**

## **Notes to editors**

### **About Legal & General**

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.2 trillion in total assets under management\* of which a third is international. We also provide powerful asset origination capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

*\*at 31 Dec 2022*

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