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L&G's total commitment to nature conservation and sustainable development in emerging markets hits over \$1bn with launch of Nature and Social Outcomes strategy

L&G announces today that it has committed a further \$235m (£183m) to nature conservation and sustainable development in emerging markets ('EMs') through the launch of its Nature and Social Outcomes strategy ('the strategy'). This initial investment has been made through L&G's Future World Multi-Asset Fund and Retirement Income Multi-Asset Fund – both held within L&G's main default Target Date and Lifetime Advantage Fund ranges, available to its 5.5 million UK Defined Contribution ('DC') members – and will aim to grow in line with normal capital inflows from these funds.

The \$235m investment for the strategy brings L&G's total commitment to nature conservation and sustainable development in EMs to over \$1.1bn (£890m) – capitalising on the investment opportunity presented by the \$4 trillion annual funding gap to meet the UN Sustainable Development Goals¹, and the potential for strong returns and diversification that exposure to EMs can provide.

The newly launched Nature and Social Outcomes strategy further diversifies L&G's Private Markets platform, expanding its commitments to addressing the critical funding gap faced by developing countries. By leveraging innovative financing methods that benefit from credit enhancement through multilateral guarantees and insurance², such as use of proceeds bonds, debt conversion bonds, and outcome bonds, the strategy will deploy capital through projects that aim to deliver strong commercial returns alongside positive nature and social outcomes. Indicative projects will target habitat and biodiversity conservation, as well as socially beneficial infrastructure to support education, healthcare, and access to clean water.

L&G has now committed over \$1.1bn in private debt financing for nature conservation and sustainable development in EMs, targeting projects worldwide:

- **Over \$465m** invested in debt conversions for nature in Belize, Ecuador, and Gabon, offering much-needed support for marine, forestry, and freshwater conservation. This includes L&G's \$250m cornerstone investment in Ecuador's record-setting transaction which seeks to generate \$323m for marine conservation in the Galapagos islands over 18 and a half years³.

¹ [United Nations Conference on Trade and Development \(UNCTAD\)](#), September 2023.

² Multilateral guarantees and insurance insure the credit risk of the EM country and elevates the credit rating broadly in line with the guarantor – providing the opportunity to invest in emerging markets with investment-grade credit risk.

³ [Inter-American Development Bank](#), May 2023.



- Almost \$350m invested in use of proceeds bonds across Africa and Eastern Europe to support the financing of critical social infrastructure such as drinking water supply, social housing, and a public university in the Ivory Coast, as well as solar power projects in Senegal.
- Up to \$100m committed to women-led EM infrastructure debt investor ImpactA Global, which aims to address the critical infrastructure deficit in EMs through debt financing.
- \$235m initial investment into the Nature and Social Outcomes strategy, made on behalf of its DC members from L&G's Future World Multi-Asset Fund and Retirement Income Multi-Asset Fund.

L&G completed its first direct investment for the Nature and Social Outcomes strategy in December 2024 with an investment in Ecuador's second debt conversion for nature. This initiative, led by the Republic of Ecuador and The Nature Conservancy, is the first of its kind to support forestry and freshwater conservation. The partnership should provide significant gross savings over the life of the transaction, unlocking around \$460m to facilitate the Biocorridor Amazónico program, which aims to protect 4.6 million hectares of forest and 18,000km of freshwater, as well as benefitting indigenous populations and communities⁴.

Jake Harper, Senior Investment Manager, Asset Management, L&G: "Exposure to EMs has the potential to offer attractive returns for investors whilst aiming to support communities and ecosystems which play an indispensable role in upholding economies across the globe. Innovative debt financing allows investors to allocate to nature conservation and sustainable development in EMs whilst benefitting from an improved credit rating and higher returns. By leveraging our proven track record and long-standing industry relationships, we believe L&G has distinct access to diverse investment opportunities and is advantageously positioned to shape future transactions in the sector."

L&G utilises a proprietary sustainable investment framework to assess and monitor the impact and outcomes of its investments for the strategy. Individual investments are measured against key performance indicators aligned with the strategy's targeted core themes: inclusive economy; health, wellbeing, and quality of life; and protecting and enhancing nature. This is underpinned by active engagement with key project stakeholders, including development finance institutions and charities, and the wider industry, on the sustainability commitments and outcomes, governance, and monitoring and reporting requirements.

Jesal Mistry, Head of DC Investments, Asset Management, L&G: "We're delighted to be launching our Nature and Social Outcomes strategy as an opportunity for DC members to gain exposure to a fast-growing and impactful part of the global debt market. Today's announcement is a great example of the increasingly diverse range of assets that DC schemes can invest in, combining the need to unlock financing where it is often most needed with the aim of delivering positive returns for members in retirement."

All data is from L&G as at 26 March 2025 unless stated otherwise.

-ENDS-

⁴ [The Nature Conservancy](#), December 2024.



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. The details contained here are for information purposes only and do not constitute investment advice or a recommendation or offer to buy or sell any security. The information above is provided on a general basis and does not take into account any individual investor's circumstances. Any views expressed are those of L&G as at the date of publication. Not for distribution to any person resident in any jurisdiction where such distribution would be contrary to local law or regulation. Please refer to the fund offering documents which can be found at <https://fundcentres.landg.com/>

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Notes to editors

About L&G

Established in 1836, L&G is one of the UK's leading financial services groups and a major global investor, with £1.1 trillion in total assets under management (as at FY24) of which c. 44% (c. £0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading player in Institutional Retirement, in Retail Savings and Protection, and in Asset Management through both public and private markets. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

About L&G's Asset Management business

L&G's Asset Management business is a major global investor across public and private markets, with £1.118 trillion in AUM.⁵ Our clients include individual savers, pension scheme members and global institutions, who invest alongside L&G's own balance sheet.

We provide investment solutions from index-tracking and active funds to liquidity and liability-based risk management strategies.

Our investment philosophy and processes are focused on creating value over the long term. We believe that incorporating financially material sustainability criteria, when relevant to our clients, can create value and drive positive change. This reflects L&G's purpose: 'Investing for the long term. Our futures depend on it.'

Further information

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⁵Source: L&G internal data as at 31 December 2024. The AUM disclosed aggregates the assets managed by L&G in the UK, US, and Hong Kong (2018-2019 only) and Singapore from July 2023. Excludes assets managed by associates (Pemberton, NTR, BTR).