

Legal & General Capital makes first U.S. investment, with seed capital for \$4 billion platform to fund major life science and technology assets across multiple regional U.S. markets

Legal & General Capital and U.S.-based real estate developer Ancora establish landmark 50:50 partnership as LGC internationalizes its platform to drive shareholder value

Legal & General Capital (LGC) today announced that it has formed a 50:50 partnership with U.S.-based real estate developer Ancora to create a real estate platform dedicated to driving life science, research and technology growth across the U.S. The deal will see Legal & General Capital investing an initial \$500 million of seed capital to form a new company, **Ancora L&G, LLC**. Operating under the name Ancora, the business' geographic focus will sit predominantly within emerging regional markets in the U.S. where early mover advantages are available.

The new venture builds on the successful track record of Ancora's team and the investing record of LGC in the UK, including over \$5 billion currently committed to science and technology development projects at Oxford and Manchester universities. Ancora will be capitalized by LGC to deliver \$4 billion (£3.2bn) of existing pipeline and planned acquisition and development activity over the next five years. To support future growth, LGC is seeking third party co-investment partners to accelerate scaling the portfolio. As with other LGC investments, LGC aims to finance longer term cashflows and use them to back Legal & General's annuity business, providing better value for policyholders and greater options for investors. LGC has a strong track record of establishing and scaling up innovative businesses and has led the way in driving science and technology growth through its Bruntwood SciTech partnership, the UK's leading developer of innovation districts. Bruntwood SciTech has quickly expanded over 11 UK locations, a model LGC will look to replicate across the U.S.

Observed Laura Mason, CEO of Legal & General Capital, "Through our partnership with Ancora, we will be able to leverage Legal & General's significant experience in the science and technology sector in a new international market with strong growth potential. Remaining committed to investing in the real economy to create a better society over the long term, for the first time we take this ethos to an international level beyond the UK's town and city centres."

Legal & General Group currently manages over \$1.8 trillion of assets globally and is increasing its presence in the U.S. for both equity and debt vehicles. Marking LGC's first venture into the U.S., this partnership with Ancora forms an important part of its major growth strategy to deliver internationalization and attract third party capital.

Notes Sir Nigel Wilson, Chief Executive of Legal & General Group, "While the U.S. is the world's largest commercial real estate market, the lab real estate market in particular is one of the smallest sectors among other commercial U.S. asset classes. This lack of scale creates high barriers to entry for investors and has made it particularly challenging for tenants to grow due to scarcity of supply. LGC's ability to access this opportunity via Ancora will set it apart from other sources of institutional capital seeking to participate in the market."

Ancora is a privately owned real estate firm based in Durham, North Carolina with team members in Baltimore, Boston, Chicago, Indianapolis, New York, and Washington, DC. The firm acquires and develops real estate to serve high-growth science, technology, and innovation tenants in partnership with and proximate to leading U.S. anchor institutions. Core to Ancora's program-first approach is undertaking development activity in direct partnership with anchor institutions such as universities, academic medical centres, government, and research institutes with whom they have strong and long-lasting relationships. This unique approach in the U.S. market resonates with the way

LGC has looked to deploy capital through leveraging strategic partnerships to invest in socially and economically useful developments around the globe.

Ancora L&G, LLC will be led by Josh Parker as Chief Executive Officer, alongside John Philipchuck as Chief Investment Officer, Jeff Kingsbury as Chief Connectivity Officer and Nicole Morrill as Chief Real Estate Officer. LGIMA's Kristina St. Charles will move across from LGIMA as General Counsel and Legal & General's Sujee Rajah, FCA ICAEW, will move across to Ancora L&G, LLC as its new Chief Finance Officer. Having qualified with Deloitte's Assurance department, he has held various senior roles within the Legal and General Group, most recently as Group Investor Relations director. As part of its growth ambitions, Ancora will work closely with Legal & General Investment Management (LGIM) and its global client base as LGIM continues to expand its Real Assets expertise into the US market.

Josh Parker, Chairman and CEO of Ancora L&G, noted, "Ancora's ability to deliver Real Estate for What's Next that serves the needs of our anchor institution partners will be accelerated by this new venture with Legal & General. We can meet any anchor institution requirement with an experienced team and strong capital base aligned with the timelines and aspirations of universities, academic medical centers, government, and research centers." He added, "Our team is excited to leverage the deep capital base of Legal & General and third-party clients to offer new investment options for our university partners, and we are eager to deliver activated districts of research and innovation that will enhance local economies across the United States. "

At its Capital Markets Event at the end of last year, LGC set out plans to generate up to £600 million in profit from alternative assets by 2025, growing its alternative asset portfolio to £5 billion and generating returns of around 10 to 12 percent per annum, across its key focus areas of housing, small and medium-enterprise finance, specialist commercial real estate and clean energy. It is now looking at each of these sectors as part of its U.S. expansion. **Laura Mason observed, "We see a strong alignment between our business strategy and Ancora's strategy, with a commitment to investing long term in high-growth sectors and leveraging strategic partnerships to attract third party co-investment. As we look to grow our business at scale, we have major growth plans both in the UK and internationally, and this is just the start."**

Notes to editors

About Legal & General Capital

Legal & General Capital (LGC) is Legal & General Group's alternative asset platform, creating assets for Legal & General Retirement and third-party clients in order to achieve improved risk-adjusted returns for our shareholders.

LGC has built its market leading capabilities in a range of alternative assets, delivering depth of resource, track record and intellectual property. Investing in the real economy and creating alternative assets that deliver a tangible societal impact, its purpose is to invest society's capital for society's benefit. LGC's investments have been vertically integrated and include: residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital.

As LGC's capability to create alternative assets continues to grow, it will not only continue to grow its balance sheet of alternative assets but also create alternative assets for third party investors. Many of these investors have the same aims, namely to create assets to back pensions with an improved yield or to create assets with strong growth prospects but with low correlation to equities.

L&G has invested around £30 billion (\$37 billion) in levelling-up regional UK economies and has strong track record in investing in technology and life sciences with its Bruntwood SciTech venture, the UK's leading developer of innovation districts, creating the specialist environments and innovation ecosystems for science and technology businesses to form, scale and grow.

Bruntwood SciTech provides high quality office and laboratory space and tailored business support, offering unrivalled access to finance, talent and markets, an extensive clinical, academic and public partner network and a sector-specialist community of over 500 companies. It has unique experience in creating and developing strategic partnerships with UK regional cities, universities and NHS Trusts to drive economic growth through investment in science and technology infrastructure.

Valued at over £600m (\$750.4m), Bruntwood SciTech has now expanded over 11 UK locations with a portfolio of over 2.4m sqft including:

- Alderley Park in Cheshire, the UK's latest single-site science park and home to Cancer Research UK, Catapult and Evotec
- Melbourn Science Park in Cambridge
- Platform in Leeds
- Innovation Birmingham
- Manchester Science Park
- Citylabs 1.0 & 2.0 part of the Manchester University NHS Foundation Trust (MFT) campus
- Circle Square Manchester

It has a further development pipeline of 5m sqft, which includes \$260m Birmingham Health Innovation Campus, \$1.8bn ID Manchester and \$37m Glasgow's Met Tower.

Legal & General Group

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 U.S., Europe, Middle East and Asia. With over £1.4 trillion (about \$1.8 trillion) in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

Ancora

Founded in 2019 by Josh Parker with co-founders John Philipchuck and Jeff Kingsbury, Ancora is a privately owned real estate firm based in Durham, North Carolina with team members in Baltimore, Boston, Chicago, Indianapolis, New York, and Washington, DC. The firm acquires and develops real estate to serve high-growth science, technology, and innovation tenants in partnership with and proximate to leading U.S. anchor institutions. Core to Ancora's program-first approach is to undertake development activity in direct partnership with anchor institutions such as universities, academic medical centers, government, and research institutes with whom they have strong and long-lasting relationships.

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