

23 October 2018

LEGAL & GENERAL EXPANDS AFFORDABLE HOUSING LEADERSHIP TEAM

Legal & General is pleased to announce the appointment of Michael Dempsey as Director of Development and Investment and Shaun Holdcroft as Director of Operations for Legal & General Affordable Homes. Launched in April 2018, Legal & General Affordable Homes has undertaken a significant recruitment programme, bringing in skills from across some of the UK's biggest property developers and housing associations, focused on supporting the UK's demographic and affordable housing needs.

With thirty years' experience in the house building industry, Michael Dempsey has joined Legal & General from Wellbury Projects Limited, a development consultancy he established, sourcing development opportunities and offering residential development project management. Prior to this, Dempsey was Regional Managing Director of Keepmoat Homes Southern, responsible for launching the South of England arm of this national House Builder and securing a pipeline of 1,700 homes in its first three years of operation. Dempsey was also a board member of B3 Living, a Registered Social Landlord working specifically on reducing affordable housing build costs.

Another key appointment for Legal & General Affordable Homes, Shaun Holdcroft has joined the company from settle. As Executive Director, Holdcroft was in charge of leadership of the business and strategic planning, looking after 200 staff and c.£50m of revenue. Prior to this, Holdcroft was Director of Resident Services London and Commercial Portfolios at Hyde Housing Group and Interim Head of Housing at Southwark Council.

The appointment of both Dempsey and Holdcroft supports Legal & General's commitment to accelerate and grow the provision of affordable housing. Legal & General Affordable Homes aims to deliver 3,000 homes per annum within the next four years, as part of its wider commitment to tackle the UK's chronic shortage of housing through its unique multi-tenure approach. Legal & General Affordable Homes will adopt a collaborative approach to housing delivery, working closely with housing associations and local councils to target all areas of the market, including new build Section 106 and grant-funded affordable rent, social rent and shared ownership units.

Ben Denton, Managing Director of Legal & General Affordable Homes, says: "With only 30,000 affordable homes delivered in the UK each year, and a waiting list of 1.3m, there is an urgent need to close this gap. Legal & General is focused on delivering a sustainable model, bringing long-term institutional capital into this sector and working alongside best-in-class Housing Associations to make a genuine contribution to increasing investment and tackling the shortage of affordable homes. As we gear up towards the acquisition of our first sites, our major focus has been to put together a stellar team to support our ambitions. Mike and Shaun bring a wealth of

experience from across the housing building and affordable housing sectors and are key hires as we begin to establish our development platform.”

- Ends -

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Notes to editors -

Legal & General in Housing

A natural evolution and fit for its multi-tenure housing investment strategy, Legal & General has been involved in supply side housing activities for nearly 20 years. These include:

- Bringing housing back to the centre of the UK's cities through large scale regeneration, such as Salford, Plymouth, Liverpool, Bracknell, Newcastle and Canning Town
- Ownership of house builder CALA Homes, which is on track to deliver an annual capacity of 2,500 units and revenue of around £1bn in 2020, and believes it has the capability to build in excess of 3,000 units per annum thereafter. CALA has seen revenues grow from £241m in 2013 to £748m in 2017
- Legal & General's total investment capability for the Build to Rent (BTR) sector currently stands at circa £1.5bn. It has secured around 2,000 homes under construction or in planning, with sites in Bristol, Edinburgh, Salford, Bath, Brighton, Leeds and Walthamstow, with the aim to have 6,000 in planning, development or operation by the end of 2019
- Delivering its first three new housing communities, Legal & General's housebuilding arm, Legal & General Homes, is bringing forward a housing pipeline of over 3,000 new homes. These include a 78-acre site in Shrivenham, Oxfordshire with outline planning for 515 new homes, building 1,000 new homes on its 250

acre site in Crowthorne, Berkshire, called Buckler's Park, and 1,500 new homes at its 272 acre site in Finchampstead, also in Berkshire

- Revolutionising the construction industry through its modular housing factory in Leeds, it will deliver highly-sustainable precision-engineered homes. The homes are built using modern manufacturing techniques, in a precision engineering manufacturing environment, on a moving assembly line, which will be constructed and fitted out in the factory before delivery to site
- Providing later living accommodation through Inspired Villages Group, a best in class operator and developer of later living accommodation, established by Legal and General in 2017. Inspired Villages Group's development portfolio currently has around 1,000 homes

It is also a significant investor in student accommodation, having invested £1.5bn to date in this sector. This holistic approach provides Legal & General with the mechanisms to deliver high quality returns throughout market cycles by pivoting investment to where the need is greatest. A further example would be Legal & General's £40million investment in Thames Valley Housing Association which focused on providing high quality key worker accommodation for Imperial College NHS Trust and St George's Healthcare NHS Trust.

Legal & General Capital

Legal & General Capital (LGC) is the principal investment arm of Legal & General Group. Investing from Legal & General's £7.3bn shareholder balance sheet, LGC's purpose is to generate long-term shareholder value by injecting new capital into key sectors where there has been a shortage of investment and innovation. Focused on Housing, Urban Regeneration, Clean Energy and SME Finance, these sectors reflect our aim to invest for the long term in economically and socially useful assets, to secure competitive returns and to create new asset classes for Legal & General's varied investment requirements, for our partners and for the wider marketplace.

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with a number of growing businesses in the US. Over fifteen million people worldwide rely on us to help them save for the future and to protect their families and their homes.

We operate in three principal areas:

- Investing & Annuities, where we manage £58bn of retirement annuities for policyholders and invest for their long term return within Legal & General Retirement (LGR and LGRI), as well as investing our own balance sheet within Legal & General Capital (LGC);

- Investment Management, where we have £983bn in total assets under management from clients in the UK, US, Asia and EMEA and a leading UK workplace savings and retail investments business within LGIM; and
- Insurance, where we provide protection against life events for more than 4 million customers, with £2.9bn of gross written premiums principally in life insurance in the UK and US within Legal & General insurance and household insurance in the UK within our General insurance division.