



## Legal & General Capital invests a further £15 million in decarbonising homes, bringing total investment in this sector to over £40 million

Legal & General Capital (LGC), a clean energy transition investor and the alternative investment arm of Legal & General Group, has invested £12.5 million, across three companies—**Cambridge Electric Cement (CEC)**, **Hometree**, and **SunRoof**—and increased its existing investment in **Sero Technologies**, as part of its commitment to decarbonise the residential sector. These partnerships demonstrate the breadth of LGC's investments into decarbonising residential real estate, from reducing construction emissions through to offering the technology and support needed to retrofit existing housing stock.

- **CEC**, founded by three Cambridge academics, uses a pioneering approach to decarbonise cement production. Cambridge Electric Cement is made in a recycling loop that eliminates the emissions of cement production, saves raw materials, and reduces the emissions associated with steelmaking. With production of traditional cement responsible for 7% of global greenhouse gas emissions, this critical technology has the potential to significantly reduce carbon emissions in the construction sector.
- **Hometree**, a residential services challenger brand, supports the full lifecycle of sustainable home improvements. It's on a mission to help homeowners install green energy hardware into their homes; providing them with repair and maintenance services for *all* their home energy hardware; and, through its recent acquisition of BeWarm<sup>1</sup>, Hometree will help people to better afford making their homes more sustainable by offering green loans, leases, and mortgages.
- **Sunroof** is a Sweden-based provider of building integrated PV roofs, supporting climate change mitigation by accelerating renewable adoption and reducing the use of energy-intensive traditional roof tiles. It provides cutting edge, high efficiency integrated PV roofs to residential customers in several European countries,
- Following an initial investment in January 2022, LGC has increased its investment in **Sero Technologies**, an energy technology and services company supporting the transition to net zero across the residential housing sector. Residential retrofitting represents a significant market opportunity to achieve the UK's legally mandated target of net zero by 2050: almost every home will need to be improved or retrofitted with some combination of enhanced energy efficiency and low carbon heating.

LGC invests in the energy transition, supporting the scale up of innovative businesses that deliver solutions to reduce carbon emissions throughout the economy. Over the past six years, its investments have focused on decarbonising power, transportation, and the built environment.

Over half (59%) of UK households view more investment in energy efficient homes as an attractive option to address the cost-of-living crisis<sup>2</sup>. LGC's long-term investment support aims to ensure both the successful scale-up of innovative new companies and technologies, and lasting benefits to households as the UK and Europe navigate a new energy landscape and the transition to net-zero.

<sup>1</sup> Acquisition of BeWarm is subject to regulatory approval

<sup>2</sup> Legal & General Rebuilding Britain Index (RBI), March 2023

**“Housing is a major contributor to carbon emissions and requires some of the most radical and immediate overhauls of any industry. The UK has some of the poorest-built housing stock in Europe when it comes to energy efficiency, but the scale of this challenge also provides a huge opportunity for investors and innovators to develop and scale up leading tech to decarbonise UK homes. This will generate not just environmental but also economic benefits by stimulating jobs and growth in the green economy across the UK, not just in the industrial heartlands.**

**In the face of that challenge, I’m delighted to welcome three new Clean Energy partners to Legal & General Capital and increase our investment in Sero—all of which will accelerate the development and deployment of solutions that will help reduce carbon emissions at speed and at scale. We have partnered with these businesses in recognition of their unique and innovative positions within their respective markets and their potential for growth. We look forward to working with our new partners as they accelerate their growth in order to address the climate crisis.”**

**John Bromley, Managing Director – Clean Energy, Legal & General Capital**

LGC’s investments into **Cambridge Electric Cement (CEC)**, **Hometree**, and **SunRoof** are the latest in its commitment to investing in businesses, technologies, and innovators that support the transition to net zero—and a natural evolution for its Clean Energy portfolio, whose partners include:

- **The Kensa Group**, manufacturers and installers of ground-source heat pumps, a renewable technology which provides low cost and low carbon space heating and hot water to all types of properties
- **Oxford PV**, developers of perovskite (PV)-based solar technology with the goal of making solar energy more affordable and mainstream
- **Rovco & Vaarst**: Vaarst is a leading provider of subsea 3D computer vision technologies, and Rovco delivers Vaarst’s technology into the energy transition space, with a focus on its use for subsea surveys in offshore wind and oil field decommissioning.

LGC also joined other leading cleantech accelerators and investors in the UK to form a coalition to help inform and shape a new initiative, called *Cleantech for UK*. This initiative aims to pave the way for a new generation of global cleantech champions in the UK by establishing a dialogue between the UK’s policy-making community and those living the reality of creating, incubating, investing in and scaling cleantech companies. Cleantech for UK is powered by Cleantech Group and supported by Breakthrough Energy.

## 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

### 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 capabilities in a range of alternative sectors, including in residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital, which are all supported by long-term structural growth drivers, meet a financing gap and respond to a scarcity of supply that is underpinned by enduring societal needs.

Its purpose is to invest society’s capital for society’s benefit. Investing in the real economy and supporting the Group’s focus on climate and inclusive capitalism, LGC’s investments create jobs, change lives and contribute towards a net zero carbon future.

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Legal & General has invested over £29bn in levelling-up regional economies, including through major UK-wide regeneration schemes and has recently made a commitment to enable all its new homes to operate at net zero carbon emissions from 2030.

*\*at 31 Jun 2021*

### **About LGC's Clean Energy portfolio**

As an energy transition investor, Legal & General Capital (LGC) supports the growth of a 'new generation' of energy providers and other early-stage, innovative companies whose work supports the transition to net zero. It does so by working with organisations ranging from start-up and scale-up companies to established clean energy investors and asset managers. Investees—called 'partners'—are supported both with financial investments and with business expertise and non-executive support to help them scale up jobs, clean technology, renewable energy, and low-carbon infrastructure.

### **Further information**

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