



LEGAL & GENERAL ACCELERATES ESG AGENDA WITH COMMITMENT TO NEW MODERN SLAVERY PROTOCOL

Legal & General announces that it has signed up to the Gangmasters and Labour Abuse Authority (GLAA) Construction Protocol on behalf of its real estate portfolio businesses, further demonstrating its commitment to stamp out Modern Slavery and advance the human rights agenda across the sector.

Signatories of the GLAA protocol are committing to the prevention of exploitation or abuse of workers, taking the necessary steps to ensure appropriate safeguards are in place to ensure that exploitative practice does not occur.

The new GLAA commitment promotes best practice across the industry. This further governance step demonstrates Legal & General's broader motivations to continue to transform the building and construction sector, and align its output to key ESG criteria. As has been demonstrated by the Covid crisis, safeguarding our health and wellbeing is paramount. With the signing of this new protocol, Legal & General is outlining its commitment to the safety of its employees and businesses, accelerating its drive to deliver better, fairer, and future-proofed societal impacts.

Sara Heald, Head of Corporate Social Responsibility, said:

"Through the GLAA Modern Slavery protocol, we are promoting a necessary sector wide shift, exemplary of our Group-wide inclusive capitalism philosophy. As one of the largest managers of real assets in the UK, Legal & General has a responsibility to invest in a more resilient and responsible future. To be able to invest in and create socially and environmentally impactful assets, the business must ensure that it commits to a robust ESG and human rights agenda, in order to support the UK in building back better. It is essential that all businesses take the appropriate steps to investigate and report matters such as worker abuse and exploitation, where we have the opportunity to create true tangible difference. I am proud of how the various L&G property businesses have worked together to commit to this important protocol and demonstrate significant accountability, as we look to transform the sector."

Legal & General continues to sit at the forefront of ESG within the property sector. This latest Group initiative represents one of many commitments it has recently made to accelerate the ESG agenda. In June, Legal & General announced that it is to make all of its new housing stock operational net zero carbon enabled by 2030, implemented in a phased approach across all homes invested in or built by Legal & General Group including: Build to Rent, Build to Sell, later living and affordable housing. Within the commercial property sector, Legal & General is aligning its platform with science-based carbon performance targets, covering the period to 2030, as it

looks to move towards a net zero future. With an existing clean energy investment portfolio, which includes low carbon **heat**, **transport** and **power** generation, Legal & General continues to scale up its investments in addressing decarbonisation. Earlier this year, Legal & General Capital announced a 36% stake in The Kensa Group, one of the UK's largest players in the ground source heat pump technology sector, which followed an increased stake in Pod Point, one of the UK's largest electric vehicle charging companies.

Frank Hanson, Head of Prevention and Partnerships at the GLAA, said:

'We are delighted that Legal & General are our latest signatory to the GLAA construction protocol. This joint agreement now has some of the biggest names in UK construction which is aimed at eradicating slavery and labour exploitation in the building industry. We look forward to Legal & General being a key partner of the GLAA, to raise awareness within their supply chains, check compliance, and report workers issues to the GLAA and other enforcement bodies'.

- Ends -

Further information

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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 international businesses in the US, Europe, Middle East and Asia. With over £1.24 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.

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.24tn in assets (as at 30 June 2020), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets has AUM of over £35.9bn (as at 30 June 2020) and is one of the largest private markets investment managers in the UK.

Investing in both debt and equity and across the risk/return spectrum, LGIM Real Assets actively invests in and manages assets across commercial, operational and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt. Taking a long term view in order to future proof its investments, the business continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

Legal & General Capital

Legal & General Capital (LGC) is the early-stage investment business and alternative assets originator of Legal & General Group. With a direct investment portfolio of £3bn (as at 30 June 2020), LGC invests shareholder capital

to deliver attractive financial returns through the development of real assets and operating businesses. LGC self-manufactures attractive, matching adjustment-eligible direct investments to back Legal & General Retirement's growing annuity liabilities and creates a portfolio of alternative assets for Legal & General Investment Management, such as build to rent (BTR) housing, specialist commercial real estate, climate and energy infrastructure and principal investing (including funding for SMEs and early stage enterprises). Legal & General Capital has invested around £25bn in levelling-up regional economies, including through major regeneration schemes in Cardiff, Newcastle and Salford. Legal & General recently made a commitment to enable all new homes across its portfolio to operate at net zero carbon emissions by 2030, including Legal & General Modular Homes, CALA Group, Legal & General Affordable Homes, Build to Rent and Later Living.

Corporate Responsibility Report, *Build Back Better*

Legal & General Group Plc Sustainability and inclusive capitalism 2019

https://www.legalandgeneralgroup.com/media/17877/lg_sustainability_report_2019_v2-2.pdf

Gangmasters and Labour Abuse Authority Construction Policy

The document commits signatories to:

- All parties will, where possible, share information that will help stop or prevent the exploitation or abuse of workers.
- All information will be treated sensitively and appropriately and in accordance with legislation.
- Suppliers and contractors will encourage their respective suppliers to make available to the GLAA any information which may indicate that labour exploitation has occurred.
- The GLAA will provide appropriate advice to suppliers and contractors when contacted.
- The GLAA recognises and respects the contractual relationships between contractors, suppliers and labour providers and looks to the contracting parties to ensure that their arrangements promote compliance with UK employment law, such that GLAA enforcement and contractual enforcement are in step.
- All parties will work together to raise awareness within the supply chain to help to prevent and protect workers from exploitation or abuse.
- All parties agree to take the necessary steps to ensure that exploitation and abuse of workers identified by a GLAA operation is recognised and addressed with the appropriate safeguards put in place to ensure that exploitative practice is not repeated.
- All parties will work together to promote the benefits and achievements of the Protocol through external engagement at the appropriate times.
- All parties will communicate on a regular basis in the interests of an effective Protocol agreement.