



Legal & General addresses health outcomes for hidden workers as it commits to tackle health inequality in the UK

- Legal & General is driving change in the real estate industry as it commits to introducing sick pay policies, death in service benefit and access to virtual healthcare services for hidden workers¹ across its extensive owned and operated real estate portfolio
- Legal & General calls on the real estate industry to do the same, seeking to standardise the sector's commitments to hidden workers
- Legal & General is engaging with its supply chain partners to close the health and wellbeing gap and improve the daily lives of hidden workers across the UK

Legal & General has introduced a series of commitments to reduce health inequalities and improve the quality of life for the 'hidden workforce' across its real estate portfolio, demonstrating the crucial role business can play in building a fairer, healthier society. The 'hidden workforce' is identified as workers who keep buildings running, with roles including cleaning, security and maintenance. These workers are often not directly employed by the organisations on whose sites they work.

These commitments were made following research commissioned by Legal & General, in partnership with the charity Tavistock Relationships, to uncover health inequality in businesses across the UK. Tavistock Relationships research, titled '*Working Well: Delivering Better Outcomes for Hidden Workers*', calls on business to help tackle health inequality, proactively addressing the health and wellbeing gap across the UK. This research builds on L&G's long-term partnership with Sir Michael Marmot, Director of the University College of London (UCL) Institute of Health Equity (IHE) and professor of epidemiology to examine how improvements to the design and construction of towns and cities can help to address health inequalities and support "levelling up" across the UK's regions.

Through consultation with its supply chain partners and a review of its existing arrangements, Legal & General has committed to the following changes:

1. **Introduce sick pay policies**, without waiting days (currently 3 days until Statutory Sick Pay starts) and at same level as standard pay
2. All workers will have **access to virtual healthcare services** (including GP appointments), using appropriate IT equipment to conduct the appointment in a quiet, private space
3. **Death in service benefit as standard**

Legal & General has committed that by the end of 2023, more than 90 percent (by value) of its supply chain, that's over 500 directly managed real estate assets will be compliant with the new policies, and by 2024 it will have achieved 100% compliance.

Legal & General calls on the real estate industry to proactively drive change, engage with supply chains and implement similar standards across its workforce.

"The COVID-19 pandemic has shone a spotlight on the health inequalities that exist for a vital part of the workforce who so often go unseen. Now – with a backdrop of rising costs of food and fuel, increases in rents and mortgage rates, and spiralling inflation – the physical and mental wellbeing gap identified in

our research will only be further exacerbated. The industry can't ignore this – we need to do our part to take action, both at scale and at pace.

“At L&G, we are proud to be leading the real estate industry in taking real action for hidden workers by supporting better health and wellbeing and improving the quality of their lives. As this report attests to, businesses can be part of the solution and improve the social conditions that affect health and health equity: in conditions of work and employment; in goods and services; and in the impact they can have on wider society and the environment. Through our hidden workers commitment we are proactively addressing health inequality across our real estate portfolio, and we call on others in the sector to do the same.”

Mark Tyson, Head of Property Operations at LGIM Real Assets

“The health challenge is as urgent as the environmental crisis, it affects people and families across the UK. The correlation between health and wealth has become ever clearer, and the gap in life expectancies between rich and poor is widening. Businesses have a crucial role to play in tackling health inequality; as employers, providers of goods and services, as well as investors and innovators.

“Business can be a force for good in society. Following our partnership with Sir Michael Marmot last year, today's announcement further demonstrates Legal & General's commitment to drive better economic and social outcomes; investing in people and place we are delivering solutions in a historically overlooked area.”

Pete Gladwell, Group Social Impact and Investment Director at Legal & General

Leveraging research to inform better health outcomes

Working Well: Delivering Better Outcomes for Hidden Workers is based on quantitative and qualitative analysis of 'hidden workers', with 88 workers contributing to the research findings. The interviewees and focus group participants worked in a range of different sectors but predominantly in cleaning and housekeeping, catering and security.

Overall, the report found that a variety of factors affected workers' physical and mental health, with key findings including:

- More than half of respondents worked nine hours a day, and a third of this group worked 11 hours or more a day. This had a direct impact on mental and physical health and on their relationships with partners, children, and their wider families and communities.
- Many workers do not receive pay if they attend a hospital, GP or other health appointment. Fear of losing pay or appearing weak or unreliable prevents them from asking for time off to look after their health.
- Very few respondents had accessed counselling or advice services, and were unaware of how they could access these services if they wanted to do so.

“As a charity helping individuals and couples to have better relationships, to improve their own wellbeing and that of their children, we welcome Legal & General's commitment to improving the lives of their hidden workers through the commissioning of this report.

“The majority of the people interviewed for the report spoke about the impact of the very long hours they work on their physical and mental health, and on the relationships they have with their partners, children and wider family.

“We hope that this report will lead to employers having a better understanding of the enormous challenges faced by their unseen workers, their hopes and needs, and to follow Legal & General's commitments to take meaningful steps to improve their lives.”

Andrew Balfour, CEO of Tavistock Relationships

Legal & General is committed to providing vital research into the role of businesses and employers in tackling health inequality, by addressing the environmental and social factors which can lead to improved long-term outcomes.

Legal & General supply chain engagement

Legal & General's investment management business (LGIM), which consists of 450 directly managed properties in the UK, has procured £5 million per annum of security and cleaning contracts in 2022 in line with these commitments. Moreover, L&G's Facilities Management provider, Mitie, has committed to implementing these changes. By the end of 2023, L&G anticipates that 90 percent of its supply chain partners will have adopted these new policies across Group.

Legal & General has already engaged with its supply chain partners and the following companies have signed up to deliver the commitments devised by L&G in 2023: Andron; Aston Services Group; Bellrock; Churchill; G4S; Portico; Regular Cleaning Services and Wilson James.

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 £1.4 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 December 2021

About Tavistock

Improving Lives for Generations: Established in 1948, Tavistock Relationships is a registered charity internationally renowned for delivering and developing advanced practice, training and research in therapeutic and psycho-educational approaches to supporting couples, individuals and families.

www.tavistockrelationships.org @TaviRelations

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ⁱ The 'hidden workforce' are identified as workers that keep buildings running, with roles including cleaning, security and maintenance. These workers are often not directly employed by the organisations on whose sites they work.