



DRAFT - Strictly embargoed until 00:01 GMT 15 February

Legal & General Group PLC
Press release

15th February 2021

Legal & General to launch *Rebuilding Britain Index* as early findings point to “K-shaped” recovery

- **New research based on 5,000 UK households will combine 50 measures with survey data to monitor the progress of “levelling up” and “build back better”**
- **Pandemic effects are widening household and regional disparities in quality of life, heightening the urgency of government initiatives to catalyse investment**
 - The prospect of a K-shaped COVID recovery, where some bounce back but others don't, is highlighted with one-in-five (20%) UK adults feeling their quality of life is getting worse while one-in-three (34%) feel that the quality of life in their local area is improving
 - Only one-in-five UK adults feel that economic opportunity (21%) and public sector investment (22%) is spread equally across the UK
 - The findings reveal wide regional variations in economic opportunities with London powering ahead – North East and North West England are most likely to see falls in people's quality of living

The findings are taken from the imminent launch of the Legal & General *Rebuilding Britain Index* - a new index that tracks social and economic progress across the whole of the UK, using a combination of statistical data and community opinion spanning 50 individual measures that cover health & social care, education, housing, jobs & economic prosperity, environment, energy, transport and digital. Legal & General will survey 20,000 people over the course of 2021 to identify whether the UK is building back better and the extent to which this is driving a levelling up across the regions and local areas of the UK.

The UK government faces a major challenge in convincing local communities who feel left behind. The legacy of under-investment and over-centralisation over many decades means that many believe economic opportunity is unevenly spread across the regions and nations of the UK.

L&G's initial findings reveal that those in London (43%) and the West Midlands (40%) are the most likely to perceive improvements in their local area, while the North West and North East of England are the most likely to feel there is a decline (24% and 26% respectively).

Nigel Wilson, CEO at Legal & General:

“From ten years of practicing Inclusive Capitalism, we know that levelling up and building back better have never been more important. The unintended consequence of the pandemic has been more inequality, coupled with an increased probability of a K-shaped recovery. This has added new urgency and made the need for Inclusive Capitalism even more pressing. As



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both business and Government look to encourage a UK-wide bounce back, it is now imperative we set out a clear vision and policies which support those in areas feeling further left behind.”

“Our experience from investing £26bn across the UK tells us that rapid progress will require a new approach which mobilises communities through local government, universities, schools, health trusts, employers, and property developers. This new Index will help inform us what works, and where. City and regional deals play an important role in fostering localism: levelling up cannot be organised top-down from Whitehall alone. Local communities need to be given the right powers and necessary funding to ensure that investment is being put to use where it is most required.”

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Notes to editors

The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

Since the March 2020 lockdown, Legal & General has invested around £1.5bn in levelling up the UK’s towns and cities, in turn creating over 30,000 jobs over the long-term and supporting a regional economic bounce back, continuing to build back better, ahead of COP26 and beyond. These investments include:

- The group is a leading investor in the UK’s burgeoning science and tech sectors, helping to build out a network of science and innovation districts which support breakthroughs in medicine and technologies. Recent investments include the forward funding of a £200m research and teaching facility at Oxford University and;
- through its Bruntwood SciTech business, a £210m research innovation campus at the University of Birmingham, creating around 10,000 jobs and contributing £400m GVA to the local economy by 2030.
- As part of its commitment to help regenerate UK cities, Legal & General announced that it would forward fund a £140m mixed-use scheme in Cardiff which will provide 120,000 sq. ft. office space for almost 2,000 of the company’s own staff, along with 318 build to rent homes and a 14-bay bus station. The new building will sit within Legal & General’s £450m Cardiff Central Square regeneration scheme which, upon completion, will deliver over £1.1bn GVA for the regional economy and help create up to 13,000 jobs.
- £150m forward funding of a 200,000 sq. ft. office building, 350 build to rent homes and a multi-storey car park in Sheffield, helping to create and protect jobs for up to 1,800 workers.
- £81.5m forward funding of 346 build to rent homes and 12,800 sq. ft. of commercial space in Glasgow.
- £100m forward funding of build to rent homes in Birmingham.
- Planning permission for around 900 later living homes at locations including Kent, Bedfordshire and Surrey, creating around 500 jobs per annum during the construction period and up to 250 operational jobs once the projects are completed. Through providing dedicated living facilities for elderly people, Legal & General Retirement Living has saved the NHS, on average, £4.6m each year as well as freeing up thousands of hospital beds.
- Planning permission for around 350 modular homes in Selby and Bristol
- £75m deferred long-term financing to help deliver affordable housing in north east England.
- £100m deferred long-term financing to help deliver affordable housing across central and south west England.
- €54m deferred long-term financing to help deliver affordable housing across Ireland.
- £60m forward funding of 620,000 sq. ft. of industrial space in Sunderland, creating up to 1,600 jobs.
- £50m funding to develop a hotel, spa, sky bar and city centre ‘hub’ in Edinburgh.



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- Financing and development of a state-of-the-art TV and film studio in Elstree, creating around 2,000 jobs and generating £3bn of production investment. The construction phase of the build will contribute £230 million to UK GDP in the period 2020–2021.
- A 36% stake in Kensa Group, a leading provider of ground source heat pumps which reduce CO2 emissions by 73% compared to gas boilers.
- Increased stake in EV charging business PodPoint, making six million zero carbon miles possible

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 North America, Europe, Middle East and Asia.

With almost £1.2 trillion in total assets under management at 30 June 2020, we are the UK's largest investment manager for corporate pension schemes and a leading global provider of pensions de-risking solutions, life insurance, workplace pensions and retirement income. As part of our commitment to inclusive capitalism and building a better society for all, we have invested over £25 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

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