



# Legal & General Group Code of Ethics

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The heart of Legal & General's strategy is to provide our customers with good value products, quality service and a wide choice of ways to buy.

It is also important that our customers feel confident that we will treat them fairly. Our customers trust us to look after their savings and to provide financial protection for themselves and their families. Ethical conduct is vital in earning and retaining this trust. We must therefore take our responsibilities towards our customers seriously, and demonstrate the highest standards of honesty and integrity in all our dealings with them.

Ethical behaviour is not only important to our customers. It is important to Legal & General to do the right thing, both from our own perspective and from that of our other stakeholders. These include our suppliers, the communities of which we are a part and, of course, our colleagues.

Our reputation as a responsible and trustworthy company depends on the actions of every Legal & General employee and we expect all employees to operate to the highest ethical standards and to behave at all times with honesty and integrity.



Tim Breedon  
Group Chief Executive,  
Legal & General Group Plc

# Guiding principles

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Ethical behaviour is an integral part of the way we do business.

It's crucial that all our stakeholders are able to trust us to treat them fairly. We strive to earn and retain an excellent reputation and, therefore, take our responsibilities towards the people we come into contact with very seriously by showing the highest standards of integrity in all dealings with them.

We will:

- Always be open, honest and fair in our dealings with colleagues, staff, customers, business partners, suppliers and the community at large and treat them with respect.
- Never tolerate any act of discrimination, harassment or victimisation.
- Ensure the ethical handling of conflicts of interest at all times.
- Operate within all applicable laws, rules and regulations in all areas where we have a presence.
- Safeguard personal data and any information of a non-public nature.
- Avoid acting in any way that could bring Legal & General into disrepute or undermine the values it represents.

The Legal & General Code of Ethics underpins these principles. It aims to guide our action and those of the people we work with closely, encouraging a way of working which is honest, responsible and respectful.

These key principles apply to all our employees and others who act on behalf of the Legal & General Group.

Everyone should read and understand the principles and guidelines set out in the Code and refer to them when the need arises.



# Purpose of the Code of Ethics

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When you're doing business for Legal & General, the people you deal with will judge you and us by the way you behave.

The purpose of this Code is to set out the ethical values and standards of behaviour that we expect all employees and representatives of the company to comply with. It provides



guidance for business conduct in several areas and refers to more detailed corporate policies for more direction. It doesn't deal with every possible situation, but it will tell you how to get more help when you need it.

Our continued success depends on earning and preserving our reputation in the eyes of those we deal with and this includes our customers, employees, business partners and the broader community.

Responsibility for ethical decisions rests with you. Please read this Code and refer to it in future if the need arises. Decisions will depend on your good judgement and in difficult situations it could be useful to discuss the matter with your manager or another appropriate person.

# Our customers and our reputation

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Our reputation and success are dependent on your behaviour. We expect you to adhere to the highest standards in all aspects of your work and business relationships.

Collectively, we act to deliver a valuable product or service to our customers. If one individual behaves unethically then that can translate in the public's mind to Legal & General behaving badly.

We must all act in ways to protect the good reputation that we have.

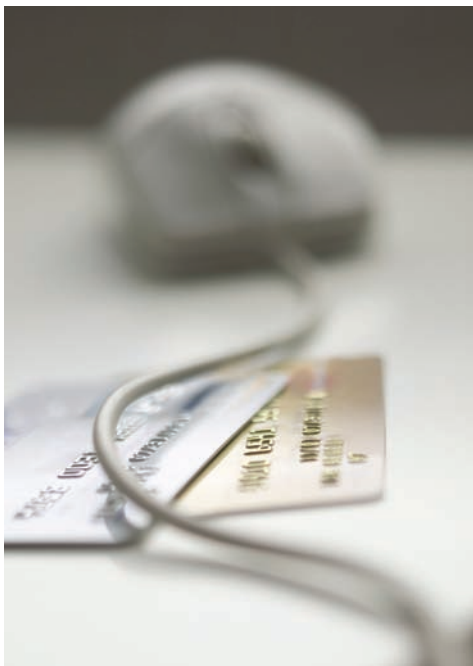
We must together deliver a positive experience to our customers by treating them fairly and promptly putting things right if they go wrong. Your skills and commitment will help us to provide a professional, friendly and responsive service, serving the needs of our customers.



# Our products and services

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We try to make the customer's experience a positive one throughout. This means acting responsibly with their financial affairs, by providing fit for purpose products which meet or exceed customers' reasonable expectations and by communicating in a clear, appropriate and accessible way.



Our corporate strategy recognises the importance of the existing customer base by providing:

- The right level of advice at the right time.
- A broad range of value for money products and services which are straight forward, easy to understand and meet our customers key financial needs.
- Access to our products and services in a variety of ways, enabling customers to choose the one best suited to them.

Our responsibilities for products and services extend beyond ensuring our behaviour is ethical and appropriate. We also offer a range of ethical investment choices.

# Our people

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You're expected to maintain the highest standards of behaviour when conducting any aspects of business. Our employment practices and policies support the high standards we have in ensuring you conduct yourself honestly and with integrity.

Our partnership with Unite, our Trade Union, and our commitment to maximising opportunities for you as an employee helps build a culture where customer-focused, responsible and ethical behaviour is deeply embedded in our approach to business.

Examples of the standards of conduct we expect from you are:

- treating customers fairly, openly and honestly;
- prioritising co-operation over self-interest; and
- treating colleagues with respect.

As a recruiter and employer, we give equal respect, consideration and opportunities to all and we ensure the working environment is one which is clean, safe and healthy.

We strive to offer you a good work / life balance and we recognise you will have personal commitments, responsibilities and interests which you have to balance with the demands of work.

Being a good employer is not only a worthwhile end in itself, but also crucial to the longer-term success of our business. We'll continue to work with Unite to ensure that all your, and our needs are met.



# Our shareholders

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We recognise the importance of safeguarding the assets of the Group.

We are committed to improving profitability so we can provide a fair return to our shareholders and continue to finance the development of our business.

Our corporate strategy explicitly recognises the importance of the existing customer base. Our reputation and success is dependent upon the satisfaction our customers gain during their dealings with us. This is in the best interests of our shareholders as customers buy more products and hold our products for longer.



# Our partners

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Intermediaries are expected to follow our ethical standards.

If the intermediary is directly authorised by the Financial Services Authority, we have a limited impact on the sales process they follow. We will, however, work with the intermediary to ensure our ethical standards are applied to the customer.

Where we have responsibility for the conduct of an intermediary, we are responsible for them throughout the advice-giving process. We look to ensure

that they act ethically and are aware of all the relevant Legal & General Group policies and procedures that would apply to them within their delivery of the sales process.

Our Appointed Representative firms are required to treat their customers fairly and to maintain the highest standards of business ethics. We make sure they meet these standards by overseeing their adherence to Group policy and procedures covering, for example:

- customer communications;
- advice standards;
- customer complaints;
- data protection;
- the security of customer information; and
- financial crime.

# Our suppliers

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We recognise the important contribution suppliers make to our business and expect you to treat them fairly and in an ethical manner. We also expect suppliers to act in a fair and equitable manner when conducting their business.

When dealing with our suppliers, our policy is to:

- ensure that major supply contracts are reviewed in line with our purchase strategy and that appropriate suppliers have an equal opportunity to win our business at these times;
- pay suppliers in accordance with the agreed terms and deal with exceptions in a timely manner;
- engage with significant first tier suppliers to encourage responsible business practice;
- select suppliers without consideration of the gender of their employees or their ethnic origin; and
- select suppliers without consideration of the number of their employees or their location, unless this would create unacceptable risk to us.



In addition, we require suppliers to comply with our standards, which cover the following areas:

- environmental impact;
- fundamental human rights;
- impact on their community;
- health & safety;
- equal opportunities; and
- ethical business practices.

# Our community and environment

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We recognise our responsibility in terms of the contribution we can make to the well being of the communities in which we operate. We seek to support those communities through your volunteering activities and by investing in charitable causes and social enterprises, particularly in the communities in which we operate.

We recognise our responsibility to manage our activities in such a way as to respect the environment:

- we work to enhance your environmental awareness and motivate you to act in an environmentally responsible manner;
- we understand and manage the direct environmental impacts associated with the management of our operational and investment properties including those arising from emissions of greenhouse gases, waste management, use of ozone depleting substances, resource use efficiency, water consumption and land management;
- we aim to continually improve our environmental performance through the adoption of appropriate best practices and the prevention of pollution as a result of our operations;
- we ensure compliance with all relevant environmental legislation and the other Codes of Practice and Agreements to which we subscribe; and
- we work with you, our key shareholders, customers, intermediaries, business partners and local communities to exert influence to reduce the indirect environmental impacts which result from our investment decisions, our operations and procurement of goods and services.

# Security and Confidentiality

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We attach great importance to the maintenance and security of employee, customer, partner and company information.

As a financial services company we are responsible for all the information we store, process and handle in any way, no matter on what media or system, and remain responsible for information processed on our behalf by third parties.



We have to ensure information is held securely, and that the movement of information is monitored and controlled in a secure manner. Information should not be disclosed to any third parties, other than to those that process information on our behalf, without consent, unless there are regulatory or legal obligations to do so.

You should not use or disclose any information belonging to Legal & General, its existing and prospective customers, suppliers, employees or other third parties, except as required or authorised by us or our regulators, or if it is for legal reasons.

Please remember that you are responsible for the security of the information you come into contact with. You must ensure your handling of information complies with our Group policies such as those on information security, confidentiality, and e-mail and Internet use.

# Bribery and corruption

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We're firmly committed to maintaining the highest standards of business ethics, honesty, openness and accountability.

As part of this culture, the offer or acceptance of bribes is unacceptable behaviour for Legal & General and its employees.

## **What is Corruption?**

This can be defined as a lack of honesty and integrity; the misuse or abuse of a position for personal gain. This can also include any benefit enjoyed by someone other than the person involved in the corruption, for example a family member or colleague.

## **What is Bribery?**

It is the offering, giving or receiving of something of value in exchange for an act that is dishonest, illegal, improper or a breach of trust e.g. giving or gaining undue influence in a decision making process. Both the giver and the receiver are committing bribery. For example, a member of staff may receive money or a gift from a customer to ensure that their insurance application is accepted, or money/gift is offered to a staff member from a supplier to ensure they win a contract even though there are other cheaper suppliers. It can also apply to a staff member bribing an external party, for example, to help Legal & General to obtain new lucrative business / business partnership.

## **Legal & General's Approach**

The following principles apply to the whole of the Group worldwide:

- We will not sanction corrupt behaviour under any circumstances;
- We will not engage in bribery in any of its activities;
- We will not tolerate the acceptance of bribes in any of its business activities; and
- We restrict the giving and receiving of gifts.

If you have any suspicion of corrupt behaviour or bribery, you can report this by confidentially talking to one of the contacts detailed on the Raising Concerns section of this Code.

If bribery or corruption is discovered, Legal & General will take all appropriate measures to eradicate it and will report illegal activity to law enforcement authorities.

# Human Rights

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Legal & General is committed to being a responsible member of the communities in which we operate and we acknowledge our obligation to support human rights across all the countries in which we operate.

Our Human Rights Statement sets out our approach and attitude toward human rights. It sets the standards to be adopted across the Group and is intended to act as point of reference for our relationships with all those we deal with:

“Legal & General strongly supports the principles set out in the Universal Declaration of Human Rights and we are committed to promoting these principles, both within our organisation and our sphere of influence.

At Legal & General:

- We believe that people who work for us should not be deprived of their basic human rights and we will not be complicit in condoning any breach of human rights; and
- Through our employment policies and practices, our relationships with our suppliers, the distribution and use of our products and services, and our investments, our objective is to promote and respect internationally accepted human rights standards and principles”.

Our Human Rights Statement supports Legal & General’s Governance standards, Corporate Social Responsibility and its core values.

If you have any suspicion of a breach of human rights, you can report this by confidentially talking to one of the contacts detailed on the Raising Concerns section of this Code.

If you would like to find out any more information on the Universal Declaration of Human Rights please follow this link - <http://www.un.org/rights/>

# Conflicts of interest

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Conflicts of interest can sometimes arise between ourselves and our stakeholders: our customers, our employees, our associated companies or our representatives. A conflict of interest is where our duties to any of these may conflict with what is best for us. We will identify and tell our stakeholders about any such conflicts.



Examples of this would be:

- the acceptance of gifts or hospitality, which could be perceived as having been offered to gain a business or personal advantage; or
- an employee/representative/associated company having a financial interest in a competitor or supplier, which could cause divided loyalty.

To ensure we treat customers consistently and fairly, we have a Conflicts of Interest Policy on how to identify and manage these conflicts.

# Ethical decision making

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How should we make ethical decisions? In deciding whether or not any act may be unethical, ask yourself:

- Does it feel right?
- Is it legal?
- Who else could be affected by my decision?
- Would I want to be treated this way?
- How would I like it if someone did this to me?
- Would I be embarrassed if others knew what I had decided?
- Would my action be consistent with Legal & General's policies and values?
- If I do it, how will I feel afterwards? Will I feel bad?
- Do I have all the necessary information to make my decision?
- Will I have acted in good conscience and be prepared and able to explain my actions?
- Should I discuss the matter with my manager or other appropriate person before committing to a course of action?



# Raising concerns

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We encourage an open and honest culture in all dealings between employees, managers and people with whom we come into contact.



If you ever need guidance, advice or you are in doubt about the course of action involving an ethical choice, then you can raise your concerns by confidentially talking to any of the below:

- Your Manager
- Human Resources
- Unite
- Employee Assistance Programme (24 hr helpline).
- Crimestoppers' Integrity Line
- Or by consulting our policies on:
  - Whistleblowing
  - Grievance

Effective and honest communication is essential if malpractice is to be effectively dealt with. We operate appropriate procedures which provide guidelines to all employees and individuals who work with Legal & General including temporary employees, trainees, home-based employees, vocational workers, business partners and contractors who feel they need to raise matters of concern relating to Legal & General in confidence.

# Our Responsibility

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We are committed to acting responsibly and with integrity.

We will respect the rules and best practice principles that are laid down by our regulatory authorities.

We will ensure that our Code of Ethics is communicated to all of our employees and that it is reviewed on a regular basis.



We have an Ethics Committee that is chaired by the Group Compliance Director. The purpose of the group is to develop a business ethics framework and to encourage its consistent application across the Legal & General Group of companies. It ensures that our people are aware of our ethical standards and the conduct expected.

If you have any feedback or queries in respect of Ethics at Legal & General, then please e-mail the Business Ethics Working Group: [feedback.ethics@landg.com](mailto:feedback.ethics@landg.com)