

Groupwide donations for charity, social investments and not-for-profit organisations

Our purpose

A positive future for all

We believe that building positive long term relationships with people that buy and sell our products and services is crucial to the on-going success of our business. That's why we work hard to make sure that everyone benefits from choosing us.

We want to be economically and socially useful by helping customers achieve financial security and improving people's lives in wider society that may not have the financial resources to own our products.

We will achieve this by:

- seeking to provide customers with good value, fair and transparent products that help them protect their loved ones or enable them to save for their future happiness
- campaigning to help improve people's lives in the areas of housing and dignity in later life as well as health and wellbeing
- ensuring that the companies in which our customers' money is invested behave responsibly and ethically
- paying our tax responsibly
- being environmentally sustainable and acting ethically towards our employees and business partners.

Strategic relationships and partnerships

We look for relationships and partnerships through the not-for-profit sector, due to the important role that they play in the societies in which we trade in the UK and overseas. From experience, we have learnt that this sector is a rich source of learning for our core businesses.

This sector typically uncovers and addresses societies emerging needs and fills those gaps with very enthusiastic people. They drive change and improvement through their activities to help us in different ways across our company. We use their knowledge and skills in particular to assist our understanding of people's health and their ability to save money.

We have the responsibility for over 600,000 pensioners who are currently retired and expect an income for life over the next few decades. We also have customers who want to make a yearly choice on how to protect their homes from burglary, flooding and damage. Our business cycles demand that we need to be inquisitive about our future and better understand some of the uncertainties ahead of us and for our customers.

Material issues that we have identified include:

- demographic changes in the UK population
- changes to the ways in which customers make financial decisions
- transfer of risk from the state to individuals
- the growth of emerging markets
- the alienation of the young from traditional financial services.

Work on our 3 group wide campaigns continue to help us to reflect these changes and will help us to improve our understanding of the needs of existing and future customers.

Dealing with ill health – the need to understand health trends and innovation

Income in later Life – the need to support the retired who are living longer and typically on fixed incomes.

Access to housing – the need to create housing opportunities for all

Each year we disclose in our Corporate Social Responsibility Report how we work with these organisations and how we are investing our monies.

Our approach to charity and community projects

We don't have a charity of the year as we support our employee's charities and look for charities that our businesses resonate with and can learn from. As such our approach is to work with many rather than a few organisations.

We also look for opportunities to work with other organisations on common issues. How we invest out money into the third sector can be found in the community performance within the CSR report.

We deliver our commitments with some specific fundraising approaches

Groupwide Social Investment Projects - Group driven bespoke projects, designed to better inform our decision making in the businesses and markets that we operate. These tend to be more opportunistic partnerships with charities where we both learn something from the partnership.

Sponsorship Matching with the Charities Aid Foundation (CAF) – We strongly believe in supporting our employees and their chosen charities. This is a great way to make a difference to charities they are passionate about. We operate a match-funding scheme for monies raised from employees' individual fundraising to location fundraising days.

Time Matching – We appreciate the role our employees play in volunteering in their communities. We operate a scheme for employees to turn their volunteering hours into cash for their charities.

Give as you earn scheme with the Charities Aid Foundation (CAF). This enables employees to make tax-free donations direct from their pay to any registered charity in the UK as well as HM Revenue and Customs' recognised charitable organisations.

Employee Volunteering – We believe that providing our employees expertise benefits external organisations as well as their own development. **Our employee volunteering policy** encourages our employees to volunteer during their working day.

Social Investment

Working in partnership with Charities Aid Foundation (CAF), we've been pioneering a scheme, **SE-ASSIST**, that goes beyond the usual expectations of corporate social responsibility (CSR). Rather than simply making donations, we're supporting local social enterprises through their 'teenage years' with a unique package comprising of an interest-free loan, mentoring and business support.

Successful social enterprises received an interest free loan, mentoring from one of Legal & General's employees and access to a bank of experts.

Restrictions on our charitable support

There are the areas where we have restricted causes that we support. This is in response to our interpretation of the UK Bribery Act:

- **organisations that are not recognised as charitable** in nature by regulating organisations such as the UK Charity Commission, Charities Aid Foundation or the IRS in the US;
- **religious organisations**, except where it can be proven that the project to be undertaken will benefit the community as a whole
- **personal appeals** on behalf of individual people, including overseas trips
- any organisation, which is in conflict with our Bribery and Corruption policy i.e. **Political organisations - direct or indirect donations are not permitted**
- **donations** through Financial Intermediaries such as Independent Financial Advisors, Business Partners or Journalists
- **benevolent Charity Funds**
- **events that involve gambling**
- **support sponsorship requests** from individuals including our own employees.

Governance

The Charity Committee and Head of Corporate Responsibility and Ethics are accountable for the delivery of the Corporate Responsibility and Ethics community public targets. This includes managing internal and external relationships in the community and charity sector with careful control of the budget. **Decisions on Strategic Partnerships rest with the Charity Committee.**

Measures

Key Performance Indicators (KPIs) are set by the Group Corporate Responsible (CR) Committee to measure the performance against our public targets. These are reviewed at each CSR Committee meeting and recommendations will be made to the Charity Committee based on these measures. The Head of Corporate Responsibility and Ethics is accountable for setting the KPI's across the group with the agreement of the CR Committee

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