

## **Legal & General Group Plc**

### **How we like to donate and partner with Charities, Social Enterprise and Not for Profit organisations**

#### **Why is this sector important to us?**

The Third Sector (charities, social enterprises and community interest companies) is an important sector to society. It is the sector, which typically uncovers and addresses societies emerging needs and fills those gaps with very enthusiastic people who drive change and improvement through their activity.

We believe that our role as a business is to provide support to the sector in terms of financial input, our employee's expertise and financial management through our products. We also believe that this sector is a rich source of learning for our core businesses of Investment Management, Savings and Risk.

We look for partnerships, which help us in different ways across our company. We do not have a charity of the year and look for charities that our employees and businesses resonate with and can learn from. As such our approach is to work with many rather than a few organisations and we have five distinct types of relationships with charities.

- **Employee driven schemes.** Designed to be part of the employee benefits of working for our company and supporting employees at a personal level in areas in which they are passionate. (Matched Funding, Give as you Earn). It's important that we provide freedom of choice here so that we support our employees on causes and charities important to them.
- **Partnership Support Scheme** - We also open this scheme up to our business partners (i.e. Independent Financial Advisors, Bank and Building Society based Financial advisors) and support them with a matched funding scheme for charities of their choice. £120k a year is distributed in this way. We feel it is important that partnerships with Legal & General also provide benefits of support for our partners in their charitable fund raising.
- **Community Donations** – Each of our office locations are given budgets to spend on the real issues and projects, which need to be addressed and supported within their local communities. Typically we fund projects within 10 miles of our major office locations of Ipswich, Central London, Hove, Kingswood (Surrey), Edinburgh, Birmingham, Cardiff and Swindon.
- **Groupwide Social Investment Budget** - Group driven bespoke projects, designed to better inform our decision making in the businesses and markets that we operate in namely Savings, Risk and Investment Management. These tend to be more opportunistic partnerships with charities where we both learn something from the partnership. Have a look at the sort of partnerships we have developed [here](#)
- **Employee Volunteering** – We believe that providing our employees expertise benefits external organisations as well as their own development. We typically develop structured volunteering programmes through organisations close to our major locations such as BITC Cares and Community Service Volunteering. We also offer our employees the ability to become School Governors.

#### **How our budgets work**

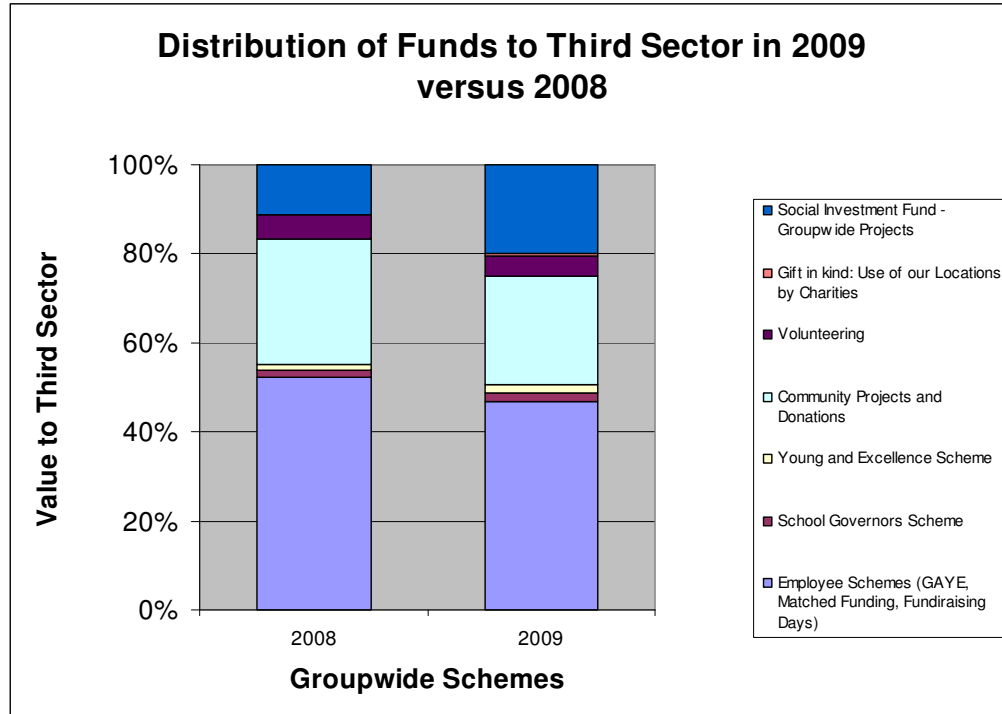
Our budgets run from 1 January to 31 December each year and the Legal & General Board approves funding. Funding is not related to profit levels, but it is linked to being a consistent contributor to the Third Sector. Public targets of generating at least £2.5m into the Third Sector each year have been agreed for the past two years and will carry forward into 2010.

This is how we have delivered against this promise to the sector over the past three years.

	2007	2008	2009
<b>Total Contribution to Third Sector</b>	£ 2,400,000.00	£ 3,223,352.00	£ 2,873,022.42
<b>Year on year Shift</b>		134%	89%

### What is our spending pattern?

This is how we distributed our funds in 2008 and 2009. Around 20% is driven from a Social Investment business perspective and 80% is Locational and employee driven.



### Sensitivities around our Support

There are a few areas where we have to be sensitive to the causes that we support.

For community donations and Social Investment Fund work with Third Sector organisations we do have some restrictions on organisations we can work with. These include.

- Religious organisations, except where it can be proven that the project to be undertaken will benefit the community as a whole;
- Any organisation, which is in conflict with our Bribery and Corruption policy i.e. Political organisations - direct or indirect donations are not permitted
- Sponsoring adverts, tables and sporting events where it is unclear how the charitable organisation benefits from the event.
- Events that involve gambling;
- Charities/organisations which conflict with our day to day business decisions

## Shared measure of Partnerships

For projects of £10k or more we believe that shared objectives around impact can be developed with the Third Sector partner. A typical starting point would be.

- Beneficiaries/Impact (Who? How Much? How?)
- Better informed decision-making: Whose knowledge within L&G and the charity can we build on the issue?
- Can we help to unlock an issue that the charity is campaigning for?
- AVE (Advertising Value Equivalent) versus cost of project ratio i.e. £5k of AVE versus £5k Investment = 1:1 Ratio is typically required for a project.
- Stakeholders: Who else has noticed we are up to this?
- Communications plan – How do we connect our employees to the work?
- Did our involvement lead to further leveraged funding? (How much?) i.e. we put in funding did this lead to others funding the project?

## Contacts

The following people run community projects for employees.

- Sarah Caines – Birmingham / General Insurance - [sarah.caines@landg.com](mailto:sarah.caines@landg.com)
- Lynne Sheehy – Protection and Annuities Business - Cardiff / Swindon / Edinburgh locations – [lynne.sheehy@landg.com](mailto:lynne.sheehy@landg.com)
- Frances Borrer – Savings Business - Hove and Kingswood (Surrey) locations – [frances.borrer@landg.com](mailto:frances.borrer@landg.com)
- London - Barbara Collins – [Barbara.Collins@landg.com](mailto:Barbara.Collins@landg.com)
- Susanna Mansukani – Ipswich location – [susanna.mansukani@landg.com](mailto:susanna.mansukani@landg.com)
- Louise Judge – Suffolk Life Foundation - [louise.judge@suffolklife.co.uk](mailto:louise.judge@suffolklife.co.uk)
- Mike Smith – Banks and Building Societies Partnerships – [Michael.smith@landg.com](mailto:Michael.smith@landg.com)
- Tom Mabbort – Independent Financial Advisor donations – [tom.mabbort@landg.com](mailto:tom.mabbort@landg.com)

The Group wide Social Investment Budget is run by [graham.precey@landg.com](mailto:graham.precey@landg.com) to identify projects, which resonate with our core businesses.

This policy is governed and reviewed by the Group Charity Committee chaired by the Group Chief Executive Tim Breedon.