

June 2008

SUSTAINABILITY POLICY



Investment
Management

Legal & General Property recognises that its business activities result in both direct and indirect environmental impacts and that our responsibilities extend beyond shareholders, customers and employees to the wider community and include responsible environmental management. We are committed as a company to managing our business with the aim of reducing our direct and indirect environmental impacts and believe that this is an important step towards increasing the sustainability of our business in the long term. We aim to contribute to this in the following ways by:-

Development

- To strive to achieve BREEAM 'Excellent' rating on new buildings where this aligns with the objectives of the Funds.
- To exceed Part L Building Regulations requirements where the market is receptive.
- To maximise the recycling of site materials. On major projects targeting 15% of recycled material use in the new building and 80% of demolition material to be recycled.

Transactions

- To give consideration when purchasing and disposing of assets to the potential to perform well on sustainability (according to our management targets) within their use, age and sector in a controlled strategy to ensure the value of portfolios are not negatively impacted.
- To provide sustainability packs with vendors surveys to meet the portfolio's sales programmes, to ensure maximum values are achieved by evidencing sustainability high performance.
- To provide EPC's for any sale or letting transaction either as part of the sustainability packs for sale or by a planned programme to exceed the timetable requirements of The Energy Performance of Buildings (Certificates & Inspections) Regulations 2007, committing to prepare all EPC's within 15 months of 1 April 2008.

Management

- To ensure compliance with all relevant environmental legislation and regulations, and other appropriate environmental requirements.
- To deliver continual improvement in the environmental performance of the buildings we manage through the adoption of best practices and the prevention of pollution, particularly in the following areas: Energy management and carbon dioxide emissions -/ Waste disposal / Water consumption and wastewater disposal / Use of oils and chemicals / Use of ozone depleting substances / Management of contractors.
- To establish Environmental Management Systems to control the environmental aspects of our building management activities and reduce environmental risks
- To set objectives and targets for improvement relevant to the significant environmental aspects of our operations
- To communicate publicly, via the Group Environment Committee, LGP's environmental performance, which feeds into Legal & General's Annual Report

Information Management Commitment

- To establish a database for results to record and report on the EPC's for each property.
- To measure properties and funds sustainability status using preferred benchmarking system.
- To establish accessible record keeping for detailed environmental management and statutory records.

Training

- To create and organise a bespoke sustainability training course for Sustainability in Real Estate Investment with the College of Estate Management, for all staff making investment decisions.
- To maintain knowledge levels through Continued Professional Development.

