

M&G invests £30 million in UK sustainable housebuilder Greencore Homes as it aims to build 10,000 low carbon homes

London, 18 March 2024 – Greencore Homes, a housebuilder constructing low carbon and energy efficient homes, has secured a further £30 million from M&G Investments. The equity investment will be used to drive significant expansion, initially by targeting land acquisitions across the South East of England to complement existing sites underway.

Since M&G's initial £15 million investment into the company around two years ago, the foundations have been laid for Greencore to become a national housebuilder as it aims to build 10,000 homes in the next decade. The homes that Greencore build achieve a net zero carbon balance in operation and target better than net zero in terms of embodied carbon in the structure. Due to their many sustainability features, occupiers are likely to benefit from reduced costs associated with living in an energy efficient home.

Greencore's flexible and scalable model evolves around building its innovative timber-frame panels in its factory, which are insulated with natural materials including hemp, lime and wood-fibre. The panels are then assembled onsite in a matter of days. The homes are highly energy efficient and are designed and built to meet Passivhaus thermal performance standards.

Greencore's onsite assembly method differs from other approaches to modular housebuilding where full structures or modules are built offsite. Greencore's first factory was opened in Bicester in 2022. The firm can replicate this model with additional factories, where it can recruit and train workforces locally, to deliver housebuilding projects across the country.

Building on an existing portfolio of completed and pipeline projects, Greencore is looking for new partnerships to deliver affordable and private housing for rent and for sale in addition to the existing partnership with M&G Real Estate.

The company currently has around 40 employees and is led by industry veteran Jon Di-Stefano who joined the company as Chief Executive in October 2022. The executive and senior management team has extensive combined experience working for listed, national and regional housebuilders.

The £45 million investment in total from M&G is from Catalyst, a £5 billion purpose-led private assets strategy, investing in innovative companies tackling some of the world's biggest environmental and social challenges. The

Catalyst team manages a £5 billion purpose-led flexible private markets mandate on behalf of the £126 billion Prudential With-Profits Fund, which includes PruFund¹.

Zach Webb, Head of European Investments in Catalyst, said: “Greencore’s approach is unique and a disruptive solution with huge potential to scale. Our extra investment will create opportunities to deliver urgently needed high quality, ultra-low carbon homes, using methods and materials that showcase what the future of the UK housebuilding industry could look like.”

Jon Di-Stefano, CEO of Greencore Homes, said: “Our vision is to lead the housebuilding industry in the delivery of climate positive homes and M&G’s further investment reflects their confidence in our potential to take on this role and operate at scale. This investment will enable us to secure the land needed to deliver on our targets whilst supporting local communities, jobs and the environment. We look forward to continuing our strong relationship with M&G while we seek out new partnerships to help bolster our pipeline and support our target of building 10,000 climate-positive homes.”

Further information

Greencore’s innovative timber frame panels are insulated with natural materials including hemp, lime and wood-fibre and assembled off site. Greencore Homes describes its homes as climate positive because they:

- use closed timber frame panels, and minimise the use of materials like cement, steel, and bricks so each superstructure locks up more carbon than it emits over the building’s lifetime;
- target the whole of each home being better than Net Zero in terms of embodied carbon;
- are fully electric and utilise renewable energy sources targeted to supply 100% of the energy required in use;
- are designed built to meet Passivhaus thermal performance standards;
- have numerous other positive (direct, or indirect) impacts on the environment.

Notes to Editors

1. M&G as of June 2023

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About Greencore Homes

Greencore Homes builds climate positive, low carbon homes and places. With significant investment from shareholders, strong relationships with partners and an experienced senior leadership team, Greencore aims to build 10,000 new Climate Positive homes by 2035.

Greencore’s climate positive homes are built using its innovative “Biond” timber panels, which are insulated with natural materials and assembled at its Bicester factory. Unlike traditional brick homes, these lock up more carbon than they emit. Greencore’s timber panels enable fast and efficient building on site, ensuring that the homes are built to Passivhaus thermal performance standards while minimising build time, noise, disruption and carbon emissions during construction. The high standard of insulation in Greencore homes are coupled with well-ventilated spaces for internal comfort, which improve air quality and reduce energy usage.

In 2022, M&G Investments acquired a majority stake in Greencore through its Catalyst strategy, supporting its initial growth in capacity and with a target to expand across the UK. M&G's real estate business plans to invest up to £500 million in partnership with Greencore for the delivery of Climate Positive private rental and affordable housing.

About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £332 billion of assets under management (as at 30 June 2023). M&G plc has customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

For more information, please visit: <https://global.mandg.com/>

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