

31 January 2023

## Rothesay secures £762m buy-in for Morrisons

- £762m buy-in insures the remainder of the scheme's liabilities for the 1967 Section of the Morrisons Retirement Saver Plan
- Transaction protects the pension benefits of more than 8000 members – c.2650 pensioners and dependants and c.5500 deferred members
- Buy-in achieved through an accelerated process and features a bespoke solution to help with illiquid asset run off

Rothesay, the UK's largest specialist pensions insurer, today announces that it has completed a £762m buy-in with the 1967 Section of the Morrisons Retirement Saver Plan (the "Plan"). The Plan is sponsored by Wm Morrison Supermarkets Limited (the "Company"), one of the UK's largest grocery retailers.

The transaction secures the benefits for all uninsured members of the Plan - defined benefit liabilities for 2650 pensioners and dependants and a further 5483 deferred members - following a previous transaction.

This buy-in, which required no contribution from Morrisons, was achieved through an accelerated process supported by the Plan's readiness as it came to market, helping the Trustee and Company lock in security for members quickly when the opportunity arose. The policy was also structured to accommodate the Plan's illiquid asset run off.

The lead broker on the transaction was Aon, acting for the Plan on behalf of both the Trustee and Company. Legal advice was provided to the Plan by Clifford Chance and to Rothesay by DLA.

**Steve Southern, Chair of Trustees, said:** *"We are delighted to have now achieved pension security for all members of the Plan. We worked hard with the Company and our advisers to enter the market in a position to act quickly and I am very pleased that Rothesay was able to match our ambition, executing quickly and providing certainty over pricing and asset run off."*

**Róisín O'Shea, Business Development at Rothesay, said:** *"It is a testament to the high-quality preparation by the Plan and its advisers that we were able to execute this transaction with an accelerated process."*

*The demand for de-risking is the strongest we have ever seen and our significant capital surplus, combined with our ability to operate at speed while delivering bespoke solutions, means we are very well-placed to help schemes provide pension security for their members in this very busy market."*

**John Baines, Partner at Aon, said:** *"We were able to help the Trustee and Company act quickly to capture the market opportunity that arose towards the final quarter of last year when scheme funding significantly improved due to considerable movement in bond yields. They were ready to take it due to five years of buy-in preparation, a robust strategy and a nimble decision-making framework. As a result, the benefits for all members are now secured by insurance policies."*

**ENDS**

# Rothesay

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## Notes to Editors

### About Rothesay

Rothesay is the UK's largest pensions insurance specialist, purpose-built to protect pension schemes and their members' pensions. With over £50 billion of assets under management, we secure the pensions of more than 810,000 people and pay out, on average, approximately £200 million in pension payments each month.

Rothesay is dedicated to providing excellence in customer service alongside prudent underwriting, a conservative investment strategy and the careful management of risk. We are trusted by the pension schemes of some of the UK's best known companies to provide pension solutions, including Asda, British Airways, Cadbury's, the Civil Aviation Authority, National Grid, the Post Office and telent.

Rothesay has two substantial institutional shareholders, GIC and Massachusetts Mutual Life Insurance Company ("MassMutual"), who provide the company with long-term support for its growth and development. In September 2020, our shareholders increased their investment in Rothesay through a transaction which valued the business at £5.75bn at that time.

Rothesay refers to Rothesay Limited and its subsidiaries and is the trading name for Rothesay Life Plc, an insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number: 466067. Rothesay Life Plc is registered in England and Wales with company registration number: 06127279 and registered address: Rothesay Life Plc, The Post Building, 100 Museum Street, London WC1A 1PB. Further information is available at [www.rothesay.com](http://www.rothesay.com)