

28th March 2023

Rothesay provides full scheme security for Shoe Zone with £34m buy-in

- Buy-in insures the remaining £34m of pension liabilities for the Shoe Zone Group Pension Scheme
- Transaction secures the benefits of 500+ members – 367 pensioners and dependants as well as 166 deferred members
- The pension scheme is now fully insured by Rothesay following two previous transactions
- Buoyant bulk annuity market is creating significant opportunities with Rothesay currently exclusive on £5.7bn of new business

Rothesay, the UK's largest specialist pensions insurer, today announces that it has completed a £34m buy-in with the Shoe Zone Group Pension Scheme (the "Scheme"). The Scheme is sponsored by Shoe Zone Retail Limited (the "Company"), a leading UK footwear retailer.

The transaction secures the benefits for all remaining uninsured members of the Scheme - defined benefit liabilities for 367 pensioners and dependants, and a further 166 deferred members.

This buy-in, which required no contribution from the Company, follows two previous de-risking transactions – with Alico in 2008 and MetLife in 2011.

Throughout this final stage of de-risking, the Scheme and its advisers worked exclusively with Rothesay. Rothesay now secures all of the Scheme's liabilities, having acquired MetLife's UK bulk annuity business in 2014.

The lead broker on the transaction was Barnett Waddingham, acting for the Scheme on behalf of the Trustee. The Scheme's assets were managed by Fiduciary Manager SEI and legal advice was provided to the Scheme by Freeths and to Rothesay by Travers Smith.

In its latest set of results, Rothesay reported that the buoyant bulk annuity market is creating significant opportunities with the insurer currently exclusive on £5.7bn of new business.

Jon Sharp, Director at Western Pension Solutions, Chair of Trustees, said: *"We are delighted to have partnered with Rothesay to complete this key step on our de-risking journey. Our advisers have been working exclusively with Rothesay to provide long-term security and financial certainty for all members."*

Katie Overton, Business Development at Rothesay, said: *"We are very pleased to now provide security for all members of the Scheme, supporting a long-term client to conclude this part of their de-risking journey."*

"The bulk annuity market remains buoyant, with very positive momentum in the first couple of months of the year. Rothesay's strong capital position along with its agile and focused approach means we are well-placed to help schemes provide pension security for their members in this very busy market."

Simon Bramwell, Partner at Barnett Waddingham, said: *"We are proud to have helped the Trustee and the Scheme achieve its long-term goal of being fully de-risked. It has been a great team"*

Rothesay

effort from all involved and Rothesay have demonstrated real flexibility and willingness in helping us achieve this outcome in a busy and demanding marketplace.”

Nigel Jones, Director at Freeths, said: *“We are very pleased to have supported the Trustee and Scheme in its de-risking journey. The project was achieved in an ambitious timeframe and also ‘rolled up’ ancillary matters arising from earlier de-risking transactions to standardise terms and provide a clearer path to buyout.”*

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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 £47 billion of assets under management, we secure the pensions of more than 825,000 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