



20 September 2023

## **M&G re-enters the bulk purchase annuity market with two buy-in transactions totalling £617m**

M&G plc (“M&G”) today announces that it has concluded a £331m buy-in transaction for the M&G Group Pension Scheme (“M&GGPS”), one of the Group’s own pension schemes, as well as a £286m bulk annuity transaction for an external scheme<sup>1</sup>. The insuring entity is The Prudential Assurance Company Limited (“PAC”), M&G’s wholly-owned subsidiary offering life and pensions solutions.

The whole scheme buy-in for the M&GGPS secures the benefits of 1,414 pensioner and deferred members. Active members were given the choice of either continuing with defined benefit accrual in a different M&G group pension scheme or becoming part of the bulk purchase transaction and joining a defined contribution arrangement for the future, with the timing of the buy-in closely aligned with that of the transfer to ensure the best outcome for all members.

M&G also worked with the Trustee and its advisers to enable a transfer of the pension scheme’s illiquid assets to PAC as part of the transaction.

The Trustee was advised on the transaction by Aon as risk settlement adviser and Scheme Actuary, Hymans Robertson as investment adviser and Mayer Brown International LLP as legal adviser. Eversheds-Sutherland provided legal advice to M&G.

Andrea Rossi, Group Chief Executive, M&G plc said: “I am delighted that we have been able to create bespoke solutions to meet the needs of these two schemes. Combining our deep expertise in asset management and insurance capabilities was key for these transactions.”

Mark Thompson, Chair of Trustee, M&GGPS: “We are pleased to have achieved this significant step that will provide greater security for members’ benefits. The collaborative approach between the Trustee, M&G and our advisers has meant that we have been able to insure our members’ benefits sooner than we expected and so this is a very positive outcome.”

Hannah Brinton, Lead Adviser, Aon: “This transaction involved a high degree of complexity and required careful collaboration across many stakeholders. We are extremely pleased to have supported the Trustee throughout, enabling them to proceed with the transaction with confidence regarding the future security of members’ benefits.”

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<sup>1</sup> A full press release for the second transaction will be released next week.



## Media enquiries:

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Louise Bryans	<a href="mailto:louise.bryans@mandg.com">louise.bryans@mandg.com</a>	+447733315139
Irene Chambers	<a href="mailto:Irene.Chambers@mandg.com">Irene.Chambers@mandg.com</a>	+447825696815

## About M&G plc

M&G plc is an international savings and investments business, managing money for around 5 million retail clients and more than 800 institutional clients in 26 markets. As at 30 June 2023, we had £332.8 billion of assets under management and administration. Our purpose is to help people manage and grow their savings and investments, responsibly.

With a heritage dating back more than 170 years, M&G plc has a long history of innovation in savings and investments, combining asset management and insurance expertise to offer a wide range of solutions. We serve our savings and insurance customers under the Prudential brand in the UK and Europe, and under the M&G Investments brand for asset management clients globally.

## About The Prudential Assurance Company Limited

The Prudential Assurance Company Limited is a subsidiary of M&G plc, offering life and pension solutions. PAC was founded as a loans and life assurance company in 1848 and is one of the UK's largest insurers.

PAC offers the trustees and sponsors of Defined Benefit pension schemes a range of de-risking solutions, including bulk annuities, to help secure their scheme's benefits and to provide additional security to members.