



Legal & General agrees c.£420m full scheme buy-in with Commonwealth Bank of Australia pension scheme

Legal & General Assurance Society Ltd (“LGAS”) today announces that it has agreed a c.£420m full scheme buy-in with the Commonwealth Bank of Australia (UK) Staff Benefits Scheme (“the Scheme”).

This transaction covers all of the Scheme’s defined benefit members (approximately 440 non-retired members and 740 retirees). It represents a significant step on its planned de-risking journey. The Scheme has been a client of Legal & General Investment Management (LGIM) for the last 12 years, enabling them to efficiently lock pricing to their LGIM assets ahead of transacting.

The Scheme’s sole Trustee is Capital Cranfield Pension Trustees Limited. They were advised in the transaction by LCP, acting as specialist de-risking adviser to the Trustee, with CMS providing legal advice to the Trustee, and Mercer acting as administrator and Scheme Actuary. Slaughter and May provided legal advice to Legal & General.

Dominic Moret, Head of Origination and Execution, Legal & General Retirement Institutional

“It was a great pleasure to work with the Trustee, the Sponsor and their advisers on this transaction, after a longstanding investment management relationship. We are delighted to welcome the Commonwealth Bank of Australia’s scheme members to Legal & General as we support the Scheme in providing further certainty to them.”

Peter Thompson, Capital Cranfield Pension Trustees Limited

“We are very pleased to have insured the pension benefits for all members of the defined benefit section of the Scheme, achieving our goal of providing members with long-term certainty. It is a testament to the expertise of our specialist advisers that we were able to achieve this excellent outcome.”

Tim Gilbert, Partner, LCP

“We are delighted to have helped the Trustee achieve its objective of insuring the risks for all members in the Scheme. In our role as investment and specialist de-risking adviser, we helped the Trustee design an investment strategy that protected the Scheme against market movements alongside an effective plan for approaching the market which secured full benefits within the assets of the Scheme.”

Notes to editors

Full buy-in policy

A full buy-in policy is an insurance contract that covers all of a pension scheme's liabilities and is held as an asset by the pension scheme. It protects the pension scheme against investment, inflation and demographic risk.

More information is available here:

<https://www.legalandgeneral.com/institutional/pension-risk-transfer/what-we-offer/buy-in/>

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.2 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

About Legal & General Retirement Institutional

Legal & General Retirement Institutional (LGRI) works with trustees and sponsoring companies of defined benefit (DB) pension schemes of all sizes to settle their pension obligations and secure scheme members' benefits, through a full range of de-risking solutions. We work closely across divisions in the Legal & General Group, which has to date invested £29 billion in real assets including urban regeneration, clean and low-cost energy, housing and infrastructure.

Further information

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