



Legal & General agrees a c£650m buy-in with Mitchells & Butlers Executive Pension Plan

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has agreed a c£650 million full scheme buy-in with the Mitchells & Butlers Executive Pension Plan (“the Plan”), securing the benefits for all Plan members.

The sponsor, Mitchells & Butlers Plc, has a history dating back to 1898 and operates a number of the UK’s restaurants, pubs and bars, including Harvester and All Bar One.

Today’s announcement marks the Plan’s first pension risk transfer transaction after two years of preparation and price monitoring.

The Plan is an existing client of the Legal & General Group, with its investment management business (“LGIM”) providing management of the Plan’s Defined Contribution (DC) pension scheme assets.

The Trustees were advised on the transaction by XPS and legal advice to the Trustees was provided by Gowling WLG. Macfarlanes provided legal advice to Legal & General.

Jonathan Duck, Chairman of Trustees, Mitchells & Butlers Executive Pension Plan

“The Trustees are delighted to have concluded this bulk annuity buy-in with Legal & General. The transaction further secures all members’ benefits as well as giving M&B plc, the Plan sponsor, certainty on its future financial commitments. It is a great deal for all parties. I would like to thank the Trustees’ advisors and M&B plc for their steadfast support over the years, which has ultimately made this buy-in possible.”

Celia Monteiro, Director, Legal & General Retirement Institutional

“We are delighted to have been able to help the Mitchells & Butlers Executive Pension Plan secure their members’ benefits with us. We worked flexibly with the Trustees over a period of two years to monitor pricing and then helped them to move quickly once a transaction became affordable. This approach demonstrates the value that can be realised by engaging with insurers at an early stage and working with them to achieve a clearly defined pricing target.”

Harry Harper, Head of Risk Transfer, XPS

“It has been a pleasure to work with the Trustees to make this transaction a success. Throughout the process, regular pricing received from insurers has been fed into the Plan’s existing daily funding updates, to give clarity of affordability. At the same time, data verification work and investment restructuring have provided all parties with the confidence they needed to commit to a transaction. It is a fantastic result for all stakeholders, securing members’ benefits and avoiding cost on the sponsor.”

Notes to editors

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 almost £1.3 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, alternative asset origination, life insurance, workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

** at 30 June 2021*

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 buy-ins, buyouts and other de-risking solutions.

Our UK Retirement annuity book stands at over £85 billion as at 30 June 2021, of which over £25 billion is invested in direct investments that deliver positive social and environmental impacts, such as clean energy and affordable housing.

Our Client Services' 12-month rolling Net Promoter Score (NPS) is above +70, which is widely regarded as being at a "world class" level.

Further information

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