



Legal & General completes c.£930 million buy-in with the Tate & Lyle Pension Scheme

All members' benefits are now insured

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has completed a £930m full buy-in for the members of the Tate & Lyle Pension Scheme.

This buy-in follows on from the first transaction undertaken by the Trustee and Legal & General in 2012 for £350m, meaning that all scheme members are now covered by Legal & General, with a total value of approx. £1.2bn.

This transaction covers around 4,800 members which, in addition to the 2012 transaction, means around 6,700 members are now covered by Legal & General in total.

Tate & Lyle has been in business for over 150 years and is now a global provider of solutions and ingredients for food, beverage and industrial markets.

Legal advice was provided to Legal & General by Macfarlanes. The Trustees were advised on the transaction by LCP and Linklaters.

Laura Mason, CEO Legal & General Retirement Institutional, said:

“We are delighted to have partnered with the Tate & Lyle Pension Scheme Trustees over the years to help them secure their members’ pensions and reduce the scheme risk.

This transaction will support Tate & Lyle as it focuses on running its business, while ensuring that the long-term benefits promised to its pension scheme members are fulfilled.

“It also allows us to reinvest these assets into important areas of the UK economy such as affordable housing, renewable energy and transport, benefitting our cities, future generations, the wider economy and society as a whole”.

Michael Chatterton, Managing Director, Law Debenture Pension Trust Corporation PLC and Chair of Trustees, Tate & Lyle Pension Scheme said:

“This is great news for Scheme members. We never imagined only a couple of years ago that there would be such an opportunity on the horizon. It is a fantastic conclusion to the derisking plan that LCP helped us agree 6 years ago with the Company and provides a blueprint for other schemes working towards full insurance.”

Imran Nawaz, CFO, Tate & Lyle said:

“This transaction is a good outcome for our UK scheme members, the Company and our shareholders. We have supported the Scheme over many decades and made significant cash contributions to remedy a deficit that has existed between the Scheme’s assets and liabilities. That funding, combined with excellent stewardship by the Scheme’s trustees, has resulted in a positive situation whereby the Scheme can now be de-risked for the benefit of members and the Company.”

Clive Wellsted, Partner, LCP said:

“We helped the Trustees put in place a long-term de-risking plan shortly after their initial buy-in in 2012. After identifying that the scheme could be within touching distance of full insurance in early 2019, well ahead of schedule, we worked closely with the Trustees and Company to navigate a hugely busy market and lock in the position with Legal & General. It is transactions like this that are providing unstoppable momentum in the buy-in and buy-out market with over £30bn of deals since this time last year. We expect a flurry of transactions to follow in Tate & Lyle’s footsteps over the next few months.”

Notes to editors

Legal & General Group Plc

“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 £1.1 trillion in total assets under management at 30 June 2019, we are the UK’s largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £22 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.”

Legal & General Retirement works with trustees and sponsoring companies of Defined Benefit (DB) Pension Schemes to settle their pension obligations and secure scheme members’ benefits, through a full range of de-risking solutions to pension schemes of all sizes.

Legal & General Assurance Society Limited.

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Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

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