



Legal & General completes £230 million full scheme buy-in with the Howden Group Pension Plan

US-based Colfax Corporation secures another of its UK schemes with Legal & General

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has completed a £230 million buy-in for all the pensioner and deferred members of the Howden Group Pension Plan, covering nearly 2,000 members in total - with around 2/3 being current pensioners.

This transaction for the Howden Plan follows on from a previous £250m transaction completed by Legal & General at the end of 2017 for another UK based pension scheme in the Colfax Corporation group.

Legal & General has insured benefits for all the Plan’s members and will now work with the Trustees and their advisers to transfer responsibility for paying members’ benefits which will enable the Plan to complete its buyout.

Mercer acted as adviser to the Trustees. Legal advice was provided to Legal & General by Clifford Chance and to the Trustees by Brodies.

Chris DeMarco, Managing Director, UK Pensions Risk Transfer, Legal & General Retirement Institutional, said:

“The Howden Plan is a long-standing client of Legal & General Investment Management and we are delighted to have been able to help the Trustees take the next step in their de-risking journey by completing this transaction.

Through a close collaborative relationship with the Trustees and their advisers, we were able to deliver a solution which mirrored some of the Plan’s more complex details, whilst providing the reassurance of the strength, experience and client service capabilities of Legal & General. We look forward to continuing our work with the Trustees in the future.”

Crawford McLean, Chairman of the Trustees, Howden Group Pension Plan, said:

“The Trustees are delighted to have been able to provide our members with the long-term assurance this transaction affords. We have worked closely with the company over the past few years to improve the Plan’s funding position to be fully funded. This has enabled us to steadily reduce the Plan’s exposure to uncertain asset returns. Insuring benefits for all members was the next logical step in this process and also removes the Plan’s exposure to longevity risk.

The Trustees also liaised closely with Legal & General to develop the best solution for our members and to improve the security of their benefits. We look forward to continuing to work together as Legal & General assumes responsibility for paying our members’ benefits.”

Neil Rogers, bulk annuity specialist at Mercer and lead adviser to the Trustees, added:

“Given the Plan’s complicated benefit structure, considerable preparation was key to delivering this major milestone in the Trustees’ long-term risk reduction strategy. We are pleased that many months of close collaboration by all involved have now paid off.”

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 trillion in total assets under management, we are the UK’s largest investment manager for corporate pension schemes and a market leader in pensions de-risking, life insurance and workplace pensions. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

Legal & General Retirement, active in the UK bulk annuity market for over 30 years, works with the trustees of Defined Benefit (DB) Pension Schemes and sponsoring companies to settle their pension obligations and secure scheme members’ benefits. We offer a full range of de-risking solutions to pension schemes of all sizes.

About Howden Group

Established in 1854 in Scotland, Howden is a market-leading, global engineering business that provides quality solutions for air and gas handling. It partners customers in the power, mining, petrochemical, oil & gas and industrial markets around the world, providing technical experience, expertise, innovation and application engineering skills.

About Mercer

Mercer delivers advice and technology-driven solutions that help organisations meet the health, wealth and career needs of a changing workforce. Mercer’s more than 23,000 employees are based in 44 countries and the firm operates in over 130 countries. Mercer is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), the leading global professional services firm in the areas of risk, strategy and people. With nearly 65,000 colleagues and annual revenue over \$14 billion, through its market-leading companies including Marsh, Guy Carpenter and Oliver Wyman, Marsh & McLennan helps clients navigate an increasingly dynamic and complex environment. For more information, visit www.mercer.com. Follow Mercer on Twitter @Mercer. In the UK, Mercer Limited is authorised and regulated by the Financial Conduct Authority.

Legal & General Assurance Society Limited.

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