



## Legal & General completes £1.1 billion buy-in with the SCA UK Pension Plan

Legal & General Assurance Society Limited (“Legal & General”) has completed a £1.1 billion buy-in with the SCA UK Pension Plan (“the Plan”), securing the benefits of 5,900 retirees and 3,600 deferred members.

The sponsoring company, Essity Holding UK Limited (“the Sponsor”), is part of the Essity group which is a leading global hygiene and health company headquartered in Stockholm, Sweden. Essity employs approximately 1,600 employees in the UK across six manufacturing sites and three commercial offices. Its portfolio of brands include TENA, Cushelle, Tork, Plenty, Velvet and Bodyform.

Following a review of the insurers in the market, the Plan and Sponsor chose to work in partnership with Legal & General to achieve their transaction objectives, with Legal & General providing certainty and transparency about its pricing and terms.

Legal & General has a long-standing relationship with the Plan, which has been a client of L&G’s Asset Management division for 31 years. This transaction demonstrates progress on the Group’s new growth strategy, announced in June, drawing on the synergies between its business divisions to support its ambition to write c.£50bn of UK PRT (Pension Risk Transfer) over the next five years. In 2023, Legal & General wrote £13.7bn of PRT, globally.

The transaction represents an innovative step forward in the PRT sector, enabling the Plan to optimise its investment strategy to closely align with Legal & General’s pricing. The Plan was able to agree a price lock and premium payment portfolio with Legal & General which aligned with the Plan’s assets. This included its asset management pooled fund holdings, which were novated to Legal & General, creating cost certainty during the transition process.

### **Andrew Kail, CEO, Legal & General, Institutional Retirement:**

**“We are very pleased to have agreed this buy-in today with the SCA UK Pension Plan, allowing us to deepen our existing relationship with the client and create greater security for its members. We are continuing to see an acceleration in demand across the sector with c£1.4 trillion of DB pension scheme assets sitting on UK company balance sheets. Our long-standing relationships with clients, including through our Asset Management division, allows us to support pension schemes through their de-risking journey, working in collaboration with clients such as the SCA UK Pension Plan to maximise outcomes for Plan members and Trustees.”**

### **Carol Woodley, Chair and Independent Trustee Director, SCA UK Pension Plan**

**“I’m delighted that the Trustees, Essity, Legal & General and our advisers have been able to work together to complete this transaction. It is good news for our members and increases the level of security that their pension benefits will be paid in full. The outcome was only possible in the time frame as a result of the great team effort between everyone involved.”**

### **Clive Wellsted, Partner and Lead Transaction Adviser, Lane Clark & Peacock LLP**

**“One of the most important decisions in today’s market is how to approach and engage with insurers to best deliver the transaction objectives. The bespoke process followed here did exactly that and delivered highly competitive pricing and full tailoring to the Trustee’s and Sponsor’s timeline and desired terms.**

Lane Clark & Peacock (LCP) acted as lead transaction adviser and advised the Plan’s Trustees in all aspects, while Slaughter and May provided legal advice and Muse Advisory acted as pensions manager. Willis Towers

Watson and Clifford Chance advised the Sponsor. CMS Cameron McKenna Nabarro Olswang LLP supplied Legal & General with legal advice.

**-ENDS-**

## Notes to editors

### About Legal & General plc

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with £1.2 trillion in total assets under management (as at FY23) of which c40% (circa £0.5 trillion) is international.

We have a highly synergistic business model, which continues to drive strong returns. We are a leading international player in Institutional Retirement, in Retail Savings and Protection, and in both public and private markets through our Asset Management division. Across the Group, we are committed to responsible investing and dedicated to serving the long-term savings and investment needs of customers and society.

### About Institutional Retirement

Institutional Retirement 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 Client Services' 12-month rolling Net Promoter Score (NPS) is above +70, which is widely regarded as being at a "world class" level. Legal & General is the UK's longest-standing active bulk annuity provider.

Our UK Retirement annuity book stands at an estimated £86.1 billion at 31 December 2023. Across the group over £30 billion is invested in direct investments that deliver positive social and environmental impacts, such as clean energy and affordable housing. Legal & General provides income and pension security to more than a million retirement customers around the world.

### About Essity

Essity is a global, leading hygiene and health company with products, services and solutions used by a billion people around the world every day. Its purpose is to break barriers to well-being for the benefit of consumers, patients, caregivers, customers and society. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands such as Actimove, Cutimed, JOBST, Knix, Leukoplast, Libero, Libresse, Lotus, Modibodi, Nosotras, Saba, Tempo, TOM Organic and Zewa. In 2023, Essity had sales of approximately SEK 147bn (EUR 13bn) and employed 36,000 people. The company's headquarters is located in Stockholm, Sweden and Essity is listed on Nasdaq Stockholm. More information at [essity.com](https://www.essity.com).

## Further information

**Name: Sinead Andrews**

**Role: Communications Manager**

**Division: Legal & General Retirement Institutional**

**Tel: 07384452353**

**Email: [Sinead.andrews@landg.com](mailto:Sinead.andrews@landg.com)**