

## Legal & General agrees c.£47m buy-in with Universal Office Supplies Pension Scheme

Legal & General Assurance Society Limited (“Legal & General”) today announces it has agreed a c.£47 million buy-in with the Universal Office Supplies Pension Scheme (“the Scheme”), covering the benefits of over 175 deferred members and 85 retirees.

The Scheme’s sponsor is Staples UK Limited (“the Sponsor”), formerly a nationwide provider of stationery and office supplies.

This transaction was agreed as part of a collaborative sole insurer process that followed from wider de-risking discussions with the Trustee in relation to this Scheme. This allowed the Trustees the flexibility to split the transaction into two parts to accommodate specific asset disinvestment timescales. The first c.£42 million buy-in took place in October 2021 and was followed by a further c.£5 million buy-in in January 2022.

The transaction forms part of the sale of the wider Group’s European business and the Trustee will now work with Legal & General towards its target of reaching buyout within set timeframes.

Mercer and Shoosmiths advised the Trustee on this transaction. Linklaters and Eversheds also provided Legal advice to the Sponsor and Legal & General, respectively.

### **Frankie Borrell, Head of Client Solutions, Legal & General Retirement Institutional**

“We remain committed to being a whole of market de-risking provider that delivers attractive solutions for pension schemes of all sizes. By working with us on a focused, sole insurer basis, the Scheme was able to benefit from the increased flexibility of a two-stage transaction.

We are delighted with the outcome that the Scheme’s members will now have greater security for their retirement.”

### **Nadeem Ladha, Trustee Director at 20-20 Trustees**

“We are delighted to have secured member’s benefits in full as part of a transaction where speed was of execution was an important priority. Together with Legal & General and our advisors, we worked closely with the Company to provide the Scheme with a bespoke solution to manage the illiquid assets as part of a process that moved at significant pace. We are grateful for the efforts of all stakeholders involved in this transaction.”

### **Maurice Speer, Principal and lead Trustee advisor, Mercer**

“Following Company restructuring, Mercer considered various options to achieve the Trustee and Company’s objectives of a full Scheme buyout within a set timeframe. A two-part buy-in enabled the disinvestment of around £5m of illiquid assets, allowing the Trustee to transact with an excellent price in a busy market, securing all members’ benefits in full. This was not just a broking process, Mercer devised a solution that worked for all parties.

Once agreed, the transaction was agreed and delivered in very tight timescales that could not have been achieved without the close collaboration of all parties.

The bulk annuity market finished strong in 2021, and we expect this to continue in 2022.”

## **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 over £1.4 trillion in total assets under management\* of which a third is international. We also provide powerful asset origination capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

\* As at 31 December 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 £89 billion as at 31 December 2021, of which over £28 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.

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