



PENSION INSURANCE
CORPORATION

PIC INSURES THE 3i GROUP PENSION PLAN

London, 26 May 2017 – Pension Insurance Corporation plc (“PIC”), a specialist insurer of defined benefit pension funds, has concluded a pension insurance buy-in with the Trustees of the 3i Group Pension Plan (“the Plan”), for a premium of approximately £200 million. The buy-in covers around 40% of the Plan’s liabilities for pensions in payment. The Trustees were advised by LCP and Linklaters.

3i is a leading international investment manager focused on mid-market Private Equity and Infrastructure. Their core investment markets are northern Europe and North America.

Carol Woodley, Chairman of Trustees, said: “The Plan has been de-risking for a number of years, primarily by moving our asset mix to favour index-linked gilts. We are very pleased to have been able to complete this logical next step in our long-term de-risking programme. PIC demonstrated significant expertise while helping us to manage a complex project and ultimately deliver the transaction we required.”

Uzma Nazir, Head of Origination Structuring at PIC, said: “The Plan’s Trustees and the company have a well-developed de-risking strategy in place. As part of this strategy, the Trustees have been increasing the proportion of the Plan’s assets invested in bonds over time. This strategy has proved to be the right one and the Trustees have now been able to de-risk a significant proportion of the liabilities. We are delighted to have been able to help them achieve this goal.”

Michelle Wright, Partner at LCP and lead adviser on the transaction, said “The buy-in is an important step in the Plan’s de-risking journey, reducing the Plan’s exposure to longevity risk and providing perfect hedging of the Plan’s complex pension increases for around 40% of the Plan’s liabilities for pensions in payment. The transaction has enabled the Trustees to reduce

risk on very competitive terms and is an excellent example of the attractive pricing that persists in the market for well-prepared pension plans”.

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Notes to Editors:

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About Pension Insurance Corporation

The purpose of Pension Insurance Corporation plc ("PIC") is to pay the pensions of its policyholders. At year end 2016, PIC had insured 134,900 pension fund members and had £22.6 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com