

PIC COMPLETES c.£400 MILLION BUY-IN FOR AMEY OS PENSION SCHEME

London, 16 January 2023 – Pension Insurance Corporation plc (‘PIC’), a specialist insurer of defined benefit pension funds, has concluded a partial buy-in transaction with the Trustee of the Amey OS Pension Scheme (the ‘Scheme’). PIC worked directly with Amey and the Trustee, insuring approximately £400 million of liabilities, covering the pensions of 3,473 members, including 1,938 deferred members.

Amey is a leading UK-based infrastructure services and engineering company, with roots dating back to 1921. Its unique engineering and operations experience make it the trusted partners of national and local government, managing assets and complex projects that are vital to the sustainable growth of the country.

XPS Pensions Group acted as lead transaction adviser to a Joint Working Group with representatives from Amey and the Trustee. Squire Patton Boggs provided legal advice to the Trustee and Broadstone is the Scheme Actuary. PIC was advised by Addleshaw Goddard LLP. CMS Cameron McKenna Nabarro Olswang LLP provided legal advice to Amey.

Mitul Magudia, Head of Business Development at PIC, said: “This transaction was undertaken on an accelerated timescale and its successful completion reflects the strong capabilities of all those involved. Aligning corporate activity with bulk annuity transactions introduces additional challenges and stakeholders to the decision-making process. We are pleased to have successfully navigated that process in partnership with the Scheme and are delighted with the outcome for all concerned. As has been widely reported, schemes are particularly well funded at the current time, and we hope many schemes are able to make similar announcements over the course of 2023.”

Kim Nash, Managing Director, Zedra Governance Limited, Trustee for the Amey OS Pension Scheme, said: “I would like to thank Amey, PIC, and our advisers for their collaborative approach in getting this transaction done in volatile market conditions. Increasing the security of members’ benefits and reducing risk were top of the Trustee’s agenda and we are delighted to have partnered with PIC to achieve this excellent outcome.”

Andrew Devlin, Group Pensions Director at Amey, said: “Amey is grateful to the Trustee and its advisers, PIC, XPS, and CMS for their considerable efforts in concluding this transaction alongside, but separate from, preparation for Amey’s recent change of ownership. We are delighted to have played our part in enhancing members’ security, whilst reducing balance sheet risk in line with Amey’s wider pension strategy. We thank our Shareholders for their support throughout the process.”

Stephen Purves, Head of Risk Settlement at XPS Pensions Group said: “Despite volatile market conditions, there have been some very attractive pricing opportunities in the bulk annuity market during 2022. We are delighted to have helped Amey and the Trustee through this volatility and to have helped them improve the security of the members’ benefits through this buy-in transaction.”

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About PIC

The purpose of PIC is to pay the pensions of its current and future policyholders. PIC provides secure retirement incomes through comprehensive risk management and excellence in asset and liability management, as well as exceptional customer service. At 30 June 2022, PIC had insured 293,400 pension scheme members and had £44.1 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. To date, PIC has made total pension payments of almost £9 billion to its policyholders. 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