

Supporting National Grid UK Pension Scheme's £900m Buy-In



Organisation

The National Grid UK Pension Scheme (the 'Scheme') is one of the UK's largest corporate pension funds with c. £4bn in assets. Following two previous buy-ins, the Trustee was ready to take another significant step by insuring more than £900m of pension liabilities.

Russell Investments, as the scheme's Master Manager and strategic partner, is responsible for oversight and implementation of their portfolio.

Challenge

To achieve the Scheme's desired buy-in it was necessary to:

- Manage investment exposures, including interest rate and inflation risk throughout.
- Manage operational risks to ensure assets were transferred on time and in line with the contractual requirements of the insurer.
- Coordinate with multiple advisers and other counterparties including the insurer, custodian and investment managers.
- Ensure the post-transaction portfolio remained aligned with the Scheme's long-term objective and risk limits.

"Russell Investments played an important role in ensuring this transaction was delivered efficiently and effectively."

Chair of Trustees,
National Grid UK
Pension Scheme

Solution

As Master Manager and strategic partner, Russell Investments played a central role in ensuring the success of the buy-in. This included:

- **Designing, coordinating and executing the asset transition plan:** Mapping how assets would be transferred to the insurer while preserving hedging and market exposure.
- **Risk management:** Monitoring and efficiently managing exposures throughout the process to avoid negative impacts on the funding level or performance leakage.

- **Operational oversight:** Coordinating the timing of cash movements, matching flows and aligning all parties around the payment of the premium to ensure the contractual obligations were met.
- **Advisory support:** Providing strategic advice on the shape and risk profile of the portfolio post-transaction, ensuring it remained fit for purpose and aligned with the long-term objective.
- **Stakeholder coordination:** Acting as a hub between trustees, advisers, and the insurer, keeping information transparent and execution smooth.

“Their oversight and coordination gave us confidence that risks were managed, stakeholders aligned, and the process executed smoothly.”

Investment Lead,
Trustee Executive at
LCP

Results

The buy-in was completed smoothly in July 2025 with Russell Investments’ central role ensuring that risks were managed and payment of the premium was efficient.

Where to next?



Call Russell Investments at **+44 (0) 20 7024 6000**
or visit [russellinvestments.com](https://www.russellinvestments.com)

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