



John Coomber of Swiss Re joins Pension Corporation's management team as Executive Vice Chairman

30 June 2008

Pension Corporation, a leading provider of pension solutions, is delighted to announce that John Coomber is to join the management team as Executive Vice Chairman.

Mr Coomber was CEO of Swiss Re. During his tenure, he built Swiss Re into the largest life reinsurance company in the world. He is a Non-executive Director of Swiss Re, which is a Pension Corporation shareholder. Mr Coomber qualified as an actuary in 1974.

In his role, Mr Coomber will be responsible specifically for managing the day-to-day operations and finances of Pension Insurance Corporation alongside Edmund Truell, Chief Executive Officer of Pension Corporation.

Pension Corporation provides insurance buy-out, pension fund sponsorship, longevity insurance and other risk transfer and asset liability management solutions. Pension Insurance Corporation is a fully authorised insurance company regulated by the FSA.

Edmund Truell, Chief Executive Officer of Pension Corporation, commented:

"I am delighted to welcome John Coomber to the management team of Pension Corporation. John brings unparalleled experience from running a worldwide life reinsurance company which will be vital to Pension Corporation as we develop our business to achieve our goal of being the leading underwriter of pension risks."

Sir Mark Weinberg, Chairman of Pension Corporation, said:

“As an internationally recognised leader of the insurance industry, John’s unrivalled experience will contribute strongly to Pension Corporation’s strategy. As this market increases in size and importance, John will be pivotal in ensuring Pension Corporation remains at the forefront of industry innovation.”

John Coomber commented on his new role:

“Pension Corporation brings an extremely innovative approach to the traditional pension buy-out arena. The group’s evolution requires the management and growth of our dedicated and specialist team as we provide ways to transfer risk away from pension funds and I am looking forward to this new challenge.”

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Notes to Editors:

The Pension Corporation group provides the following solutions to defined benefit pension funds:

- Insurance Buy-out
- Longevity Insurance
- Pension Fund Sponsorship
- Asset Liability Management

These solutions enable pension funds to protect their members’ benefits by strengthening and stabilising their financial position, and enable their employers/sponsors to protect themselves against the volatility of their earnings and balance sheet values.

Insurance Buy-out: An insurance policy is issued by Pension Insurance Corporation (“PIC”), which gives the members of the pension fund the security of having their benefits underwritten by a fully FSA-authorized and regulated insurance company and removing the responsibility for the pension fund payments from the balance sheet of the employer/sponsor. PIC can undertake the insurance in respect of all or some classes of the members, according to what the fund can afford, and is able to act quickly and in a flexible way (for example by offering different ways of financing the transaction).

Longevity Insurance: PIC offers a longevity insurance policy, the first of its kind in the world, to protect pension funds and their employer/sponsor against the cost of pensioners living longer than expected. The policy is tailored to the member-by-member profile of the fund so as to provide comprehensive “whole of life” protection against what is perhaps the most significant risk faced by pension funds and their employers/sponsors. Inflation risk can be included or covered separately by an inflation swap.

Pension Fund Sponsorship: Typically used where a fund cannot afford a pension insurance buy-out immediately, Pension Fund Sponsorship involves the Pension Corporation group becoming the owner of the employer/sponsor of the pension fund. In this way, the fund gains the additional backing of the Pension Corporation Group, while continuing to have the backing of the original sponsor and of the assets of the fund itself. Under this model financial returns to Pension Corporation can only be drawn once the pension fund members’ benefits have been secured, in much the same manner as funds within an insurance company. For each of the three pension schemes where Pension Corporation has acquired the employer/sponsor, it has advocated a reduction in the risk level of the pension fund assets, which shows the conservatism of Pension Corporation’s views on investment management and its emphasis on pensioner security.

Asset Liability Management: Pension Corporation has a highly experienced investment management team, which is able to advise on state-of-the-art asset and liability management. It offers this service on a fee basis or, in the case of funds under the sponsorship of companies owned by it, without charge.

Security

Pension Corporation is backed by large blue chip financial services companies, including The Royal Bank of Scotland, HBOS and Swiss Re. Its Board and management include a number of expert and highly experienced insurance industry executives, including Sir Mark Weinberg, co-founder of St James's Place Wealth Management Group, John Coomber, former Chief Executive of Swiss Re, Sir Martin Jacomb, former Chairman of the Prudential Assurance Group, and Bob Scott, former Group Chief Executive of Aviva. Pension Corporation has a total of £4.75 billion of pension assets under its stewardship.

www.pensioncorporation.com