

M&G completes £235 million Bulk Purchase Annuity for Avon Cosmetics

11 February 2026: M&G plc ("M&G") today announces a £235 million bulk purchase annuity, securing pension benefits of over 3,000 members of the Avon Cosmetics Pension Plan (the "Plan"). A global company with 140 years of influencing beauty, Avon is an iconic brand built on community. Millions of independent Representatives share Avon products with their customers, while the brand's omnichannel ecosystem ensures consumers experience Avon whenever and however they choose.

The transaction, by the Prudential Assurance Company Limited ("PAC"), M&G's wholly-owned subsidiary providing life and pensions solutions, is the latest to be announced by M&G, having delivered total new business volumes of £1.5 billion during 2025.

M&G's strong proposition was well received by the Trustees, which recognised M&G's ability to insure and administer the Plan's complex benefit structure. They also valued the enhanced level of support M&G could provide to the Trustees in the ongoing management of the Plan, ultimately allowing members to continue to benefit from an excellent member experience.

The Trustees were advised on the transaction by WTW as risk transfer adviser and scheme actuary, CMS as legal advisers, and SEI as investment adviser.

Rosie Fantom, Head of Bulk Annuity Origination & Execution at M&G, said: "This transaction marks an important step in securing the future benefits of over 3,000 Plan members. It highlights our ability to deliver tailored solutions for complex schemes and reinforces our focus on providing certainty and confidence for trustees and members alike."

Michelle Parczuk, Chair of Trustees and Chief People Officer, Avon, said: "The Trustees are delighted to have partnered with M&G to complete this transaction. This buy-in helps to provide greater certainty to members about the security of their benefits and represents a pivotal moment in the Plan's de-risking journey. My thanks to everyone involved for a great team effort in making this happen."

Gemma Millington, Senior Director, WTW, said: "It was a pleasure to work with the Trustees, Avon, M&G and the wider advisory teams to deliver the transaction objectives. In particular, the Trustees were focused on ensuring the buy-in achieved an optimal outcome for members, including the preservation of all member options and coverage of complex Plan benefits. We're seeing strong market competition delivering attractive pricing and pushing insurers to continually improve member experience."

M&G is a founding member of the BPA market and has a strong track record in pension risk transfer, backed by a robust balance sheet and commitment to customers. M&G continues to strengthen its position through product innovation, further differentiating its product suite, and supporting long-term growth in the BPA market.

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Notes to Editors:

About M&G Plc

M&G plc is a leading international savings and investments business, managing money for around 4.5¹ million retail clients and more than 900¹ institutional clients in 39¹ offices worldwide. As at 30 September 2025, we had £364.9 billion of assets under management and administration. With a heritage dating back more than 170 years, M&G plc has a long history of innovation in savings and investments, combining asset management and insurance expertise to offer a wide range of solutions. We serve our retail and savings clients under the M&G and Prudential brands in the UK and Europe, and under the M&G Investments brand for asset management clients globally.

About the Prudential Assurance Company Limited

Prudential is a subsidiary of M&G plc, offering life and pension solutions and is now the M&G Life business. Prudential was founded as a loans and life assurance company in 1848 and is one of the UK's largest insurers, offering trustees and sponsors of Defined Benefit pension schemes a range of de-risking solutions, including bulk annuities, to help secure their scheme's benefits and to provide additional security to members.

As a founding member of the BPA industry, with an existing annuity book of c.£15bn with over 400 transactions completed between 1997 and 2016, Prudential is expecting to write significant volumes of BPAs over the coming years.

Over 2025, M&G delivered £1.5 billion in new business volumes and completed 11 transactions.

This information is intended for journalists and media professionals only. It should not be relied upon by retail customers or advisers

i - As at 31 December 2024.