



## PENSION INSURANCE CORPORATION GROUP RECORDS STRONG FIRST HALF TO 2024

London, 12 September 2024 – Pension Insurance Corporation Group Limited<sup>1</sup>, ultimate parent company of Pension Insurance Corporation plc ('PIC'), the specialist insurer of UK defined benefit pension schemes, today presents its results for the six months to 30 June 2024.

Tracy Blackwell, Chief Executive Officer of PIC, said: “PIC had a strong first half as we focussed on developing our offering for trustees seeking to de-risk their members’ pensions, including launching our streamlined service for small schemes, Mosaic. We worked to improve our already excellent levels of customer service for our policyholders and were pleased to win multiple awards based on our customer service offering.

“During the half we completed £3 billion of new business, including a transaction with the TotalEnergies UK Pension Plan, covering £1.2 billion of liabilities. This transaction was won in part due to the strong relationship we forged with the Trustees in the decade since we first insured the Plan’s liabilities. We also continued to invest in UK infrastructure and housing based on our partnership approach, and intend to invest significantly more in these areas over the coming years.”

### **Highlights as at 30 June 2024**

#### **Policyholder payments and customer satisfaction**

- Record number of pensions insured, at 348,600 (*FY2023*: 339,900)
- Record policyholder pension payments of £1.1 billion during the six-month period.
  - o PIC has now made £14.9 billion in policyholder pension payments
- Customer service satisfaction levels of 99.3%
- Re-awarded ServiceMark with Distinction by The Institute of Customer Service for “consistently high customer service levels”
- Launch of “PIC on demand” our online policyholder service with downloadable content
- Six industry awards including the Pensions Age “Risk Management Provider of the Year”, UK Pensions Awards “Risk Reduction Provider of the Year”, and the Institute of Customer Service “Trusted Quality Provider”

### **New business, operating profit**

- £3 billion of new business completed in the half across nine schemes (*HY2023: £6.5 billion*), with clients including Next, De Beers, and TotalEnergies
  - o Further £1.6 billion of new business either in exclusivity, or signed, by the end of August
  - o New business pipeline of up to £45 billion
- Launch of Mosaic, a streamlined service for small pension schemes looking to complete a buyout
- Became founding signatories to the Accounting for Sustainability “Sustainability Principles Charter” for new pension insurance transactions
- New business CSM of £103 million (*HY2023: £297 million*), largely a result of lower new business volumes compared to the same period in 2023, in which PIC completed the record £6.2 billion RSA transaction
- Adjusted operating profit before tax (“AOPBT”) of £272 million (*HY2023: £506 million*), also a result of lower new business volumes compared to the same period in 2023

### **Robust balance sheet and low-risk portfolio**

- Solvency capital ratio of 234% (*FY2023: 211%*), considerably above long-term average, with surplus of £4.8 billion (*FY2023: £4.3 billion*)
- £47.7 billion in financial investments (*FY2023: £46.8 billion*), with insurance liabilities of £42.1 billion (*FY2023: £41.2 billion*)
  - o No defaults in the portfolio
  - o No exposure to residential ground rents
- £1.1 billion invested in privately-sourced debt investments during the period
  - o 45% of these were with existing counterparties
- PIC’s first build-to-rent development, New Vic in Manchester, has now been fully let, within a year of completion and ahead of schedule
  - o Large number of lets secured through recommendations
- First two buildings completed in our £130 million Wirral development – the cornerstone investment in the UK’s largest urban redevelopment project – with tenants expected to move in soon
- Given our very strong solvency levels, the Board approved a special dividend of £107 million, as well as an interim dividend of £147 million as part of the annual dividend cycle. This equates to a total dividend of 19.0 pence per ordinary share to be paid to PICG shareholders in September 2024
- PIC’s pro forma solvency ratio at 30 June 2024 was 227% allowing for the payment of the interim and special dividends.

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**Notes to Editors:**

- 1) The Pension Insurance Corporation Group (the “Group”) includes PICG, the group holding company; PIC, the group regulated insurer; and Pension Services Corporation Ltd, the group service company

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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 half year 2024, PIC had insured 348,600 pension scheme members and had £47.7 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. At 30 June 2024, PIC had made total pension payments of £14.9 billion to its policyholders and had invested more than £13 billion in the UK economy, creating considerable social value. 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](http://www.pensioncorporation.com)