



PENSION INSURANCE
CORPORATION

PENSION INSURANCE CORPORATION GROUP REPORTS STRONG UNDERLYING PROFIT GROWTH AND RESILIENT BALANCE SHEET FOR FIRST HALF

London, 13 September 2021 – Pension Insurance Corporation Group Limited¹ (“PICG”), the ultimate parent company of Pension Insurance Corporation (“PIC”), a specialist insurer of defined benefit pension funds, announces today an Adjusted Operating Profit, the Group’s preferred assessment of the long-term nature of the business, of £221 million (HY2020: £187 million), and a Solvency Ratio of 157% (FY2020 157%), demonstrating the durability of the balance sheet in what continues to be volatile market conditions.

Tracy Blackwell, Chief Executive Officer of PIC, said: “The business has performed robustly in the first half and I want to thank our employees who have worked hard to support the business and maintain very high levels of customer care for our policyholders. Our underlying profit has grown in the period and we go into the second half with a strong, resilient balance sheet and a large, long-term store of value.

“After a slow start to the year, the Pension Risk Transfer market is once again very busy, and we have full pipelines for our privately-sourced debt investments and our Build-to-Rent projects. As we guarantee the pensions of our policyholders, we are driving investment into urban regeneration, renewable energy and social housing across the UK, creating jobs, helping fund the Race to Net Zero and supporting the Government’s levelling up agenda.”

Policyholder satisfaction

- Overall score of 99.7% (FY2020: 98.7%) for policyholder satisfaction

New Business

- New business premiums of £385 million (HY2020 - £3.5 billion)
- PIC in exclusivity on almost £3 billion of transactions, with more deals expected to close by year end and into 2022

Resilient portfolio and purposeful investments

- Portfolio at 30 June 2021 was £47.6 billion (FY2020 £49.6 billion), with the decrease attributable to higher interest rates
- £888 million invested in privately-sourced debt, such as social housing and renewable energy. This included £416 million with existing borrowers, demonstrating the value of our partnership model
- Second Build-to-Rent development announced, a £90 million investment, in which 35% of the units will be affordable housing, with significant pipeline of similar investments
- Appointment of Macquarie Asset Management to manage a new mandate in the \$60 billion US private placement market

Social responsibility

- The Group committed to be Net Zero across all sources of emissions by 2050, and within our own emissions (Scope 1 and 2) by 2025
- PIC became a member of the United Nations-convened Asset Owner Alliance

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Notes to Editors:

- 1) The Pension Insurance Corporation 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 Pension Insurance Corporation

The purpose of Pension Insurance Corporation (“PIC”) plc is to pay the pensions of its current and future policyholders. PIC provides secure and stable retirement incomes through leading customer service, comprehensive risk management and excellence in asset and liability management. At half-year 2021, PIC had insured 270,800 pension scheme members and had £47.6 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. 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