



CONSTRUCTION STARTS ON £105 MILLION NET-ZERO HUB IN MANCHESTER, LET TO UK GOVERNMENT

Ground-breaking event attended by Jeremy Quin MP, Paymaster General and Minister for the Cabinet Office

Manchester, 23 February 2023 – Pension Insurance Corporation plc ('PIC') and Ask Real Estate are pleased to announce the start of construction for the new £105 million, net-zero in operation Hub in First Street, Manchester. The milestone was marked by a ground-breaking event at the site attended by Jeremy Quin MP Paymaster General and Minister for the Cabinet Office. The 130,000-square-foot office will be let to the Government Property Agency ('GPA') for 25 years providing PIC with secure, long dated and index linked cashflows which are perfectly aligned to serving PIC's purpose, which is to pay the pensions of its current and future policyholders over coming decades.

The GPA First Street Hub will provide a new home for more than 2,500 civil servants, including 700 roles relocated from London as part of the Government's Places for Growth initiative. The Government's latest relocation studies suggest a local economic benefit of £30 million per 1,000 roles relocated, which suggests the moves to Greater Manchester could generate more than £60 million in economic benefits to the area.

The Hub at First Street is being developed by Ask Real Estate and its JV partner, The Richardson Family. The office is set to meet the highest environmental standards. The building is expected to have a BREEAM minimum rating of Excellent. It is also the first office in Manchester capable of achieving a minimum NABERS Design for Performance rating of 5.5

stars or above.

Hayley Rees, Managing Director of PIC Capital, said: “The development of First Street is a model for how institutional investors like PIC can play a key role in the levelling up agenda and create considerable social value. The site will generate significant investment into the area and offers secure long-term cashflows to back the pensions of our 300,000 policyholders, 15,000 of whom live in the region. We hope that the funding model used to finance First Street can be replicated across a range of sectors and projects for other local authorities, as well as housing associations, universities, NHS trusts and other organisations looking to unlock funding for regeneration schemes around the country.”

John Hughes, Managing Director at Ask and on behalf of the Ask:Richardson joint venture said: “During a period of unprecedented volatility in both the financial and construction markets driven by rising bond and interest rates, high inflation and construction material and labour shortages, it is a great achievement working collaboratively with both GPA and PIC to overcome these hurdles to ensure this significant project is now taking shape forming another part of the wider First Street estate masterplan.”

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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 30 June 2022, PIC had insured 293,400 pension scheme members and had £44.1 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. To date, PIC has made total pension payments of almost £9 billion to its policyholders. 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