

OCTOPUS REAL ESTATE AND PENSION INSURANCE CORPORATION TO DEVELOP UP TO FOUR INTEGRATED RETIREMENT COMMUNITIES WITH AUDLEY GROUP

London, 25 July 2023 – Senior Living Investment Partners (‘SLIP’), a £200 million partnership between Pension Insurance Corporation plc (‘PIC’), a specialist insurer of defined benefit pension schemes, and specialist real estate lender and investor Octopus Real Estate (‘Octopus’), today announces a multi-site joint venture with Audley Group, the UK’s leading provider of Integrated Retirement Communities (‘IRCs’) to develop up to four new retirement communities.

In total, SLIP aims to house up to 2,000 people in the coming years across 10 IRCs and deliver c.£1bn in Gross Development Value into the sector. The IRCs SLIP is developing with Audley Group will create 600 new retirement units across four new villages, the first of which will transform the historic Headley Court in Surrey.

The Audley Village at Headley Court will consist of 112 apartments, providing much needed specialist accommodation for the local area. It will safeguard the future of the Grade II Listed historic mansion house and restore the extensive landscaped grounds, which will be made available for the local community to enjoy for the first time in its history. The IRC will include the Audley Club, a high-quality health and wellbeing experience for those in the local area aged 55 and above, as well as a restaurant focussed on excellent food and impeccable service.

Other villages to be developed by the multi-site JV will include both Audley and Mayfield sites. Mayfield villages, also part of the Audley Group, are designed to bring high quality retirement living to a much wider audience and give more people more choice over how and where they live as they get older.

PIC has a purposeful investment strategy, through which the company backs the pensions of its policyholders over decades with secure, long-term assets. The company has invested significant sums in sectors which seek to address the lack of accommodation in the UK across the demographic spectrum. This includes temporary accommodation to aid those at risk of homelessness, social housing, build to rent, and retirement living.

Against a backdrop of undersupply and increasing demand, driven by a growing ageing population, SLIPS's primary objective is the development of a portfolio of new, high-quality, retirement communities nationwide.

Max Cawthorn, Head of PIC Capital Strategy, said: “Our joint venture with Octopus Real Estate continues to make excellent progress in helping to meet the twin challenge of an ageing population and an undersupply of appropriate housing. The calibre of Audley Group and its long experience in the UK retirement market make it a perfect partner for Senior Living Investment Partners. Through our relationship we will help address these societal issues while also providing long-term, secure investments which underpin the pensions we pay to our policyholders.”

Nick Sanderson, founder and Chief Executive, Audley Group, said: “The demand for retirement villages is only growing. Octopus Real Estate and PIC have recognised the opportunity in the retirement space and it's wonderful to see a new JV with dedicated capital to grow the sector.

“We have been working with JV partners for some time; it allows us to execute the model in a less capital-intensive manner, which in turn means we can accelerate the delivery of these much-needed villages. Headley Court is a truly unique site, rich in both history and beauty. We look forward to working with Senior Living Investment Partners to deliver another first-class retirement village.”

Kevin Beirne, Head of Retirement, Octopus Real Estate, said: “We are delighted to build on our relationship with Audley Group in creating this new JV vehicle to develop a very exciting pipeline of IRCs. This JV will deliver 600 new retirement units across four sites, delivering a mixture of Audley and Mayfield village offerings to provide much-needed growth of the UK retirement living market for older people, as well as facilitating the increased availability of family homes.

“The IRC proposition goes far beyond just high-quality real estate. IRCs provide an investment opportunity to deliver strong and sustainable returns while delivering unique impact through improved lifestyle and well-being for our ageing population.”

Audley Villages enable owners to live an independent and healthy lifestyle in their own homes, with flexible care when needed. Accessible to both property owners and the neighbouring communities, Audley Villages are also home to the Audley Club, offering luxurious facilities including a library, restaurant and bar, swimming pool and luxury health club. Owners buy their apartment from Audley on long leases. Care at each village will be delivered by Audley Care, Audley's award-winning CQC-registered care provider.

Audley Group has been active in this market for over 20 years, and the 21 villages in its portfolio, when completed, will provide over 2,000 units nationwide.

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1 - The joint venture with Audley Group sits alongside a previous agreement by SLIP with another developer. PIC and Octopus Real Estate to build £115 million retirement community in St Albans - PIC (pensioncorporation.com)

For further information please contact:

Edelman for PIC

Ged Brumby

+44 (0)7540 412301

Henry Conner +44 (0) 7709 577073

pic@edelmansmithfield.com

Teamspirit

Ellie Pocock

audley@teamspirit.uk.com

Pension Insurance Corporation

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 year end 2022, PIC had insured 302,200 pension scheme members and had £41 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 £10.6 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

Octopus Real Estate

Octopus Real Estate, part of Octopus Investments, is a leading specialist real estate investor, with over £3.7 billion in real estate assets and secured lending, and a highly experienced team of over 90 professionals.

The property lending team provides bespoke, customer focused financing solutions across the UK residential, commercial and development sectors. The team has lent more than £6.2

billion across over 4,400 loans, providing competitively priced financing throughout the UK and spanning the property investment lifecycle, with loans typically ranging from £100,000 to £100 million+.

The investment team manages over £1.8 billion of investments, with a focus on care homes, retirement communities and affordable housing.

Audley Group

Audley Group is a specialist retirement housing provider which acquires sites, develops and then operates retirement villages. The Group has two brands: Audley Villages, founded in 1991 and aimed at the luxury end of the market, and Mayfield Villages, a proposition with broader appeal. Audley Group now owns a portfolio of 21 villages across the country.

Owners buy their own house or apartment on a 250-year lease with access to facilities and flexible care if needed, enabling them to live an independent and healthy life. Audley Group is an accredited provider of homecare and a founder member of The Associated Retirement Community Operators (ARCO), the main body supporting Integrated Retirement Communities across the UK, setting standards for the sector, and representing the interests of consumers and providers at a national level.

<https://www.audleygroup.com/>