

Europ Assistance Holdings Limited Pension and Life Assurance Plan

Summary funding statement at 31 December 2020

Plan position

Assets
£27,951,000

Money needed to pay benefits
£29,286,000

Shortfall
£1,335,000

Funding level
95%

This update states the position of the Plan as at 31 December 2020.

Since the last update (as at 31 December 2019), a shortfall has emerged. This is mainly due to changes in assumptions used due to changes in market conditions. This has been partially offset by the investment return on the Plan's assets being higher than expected.

When the money needed to pay benefits is greater than the assets held, the Employer and Trustees must agree a plan to safeguard members' pensions by making sure the assets catch up.

At the last valuation the Employer agreed to pay a lump sum of £111,000 by 31 March 2020 to top up the assets of the Plan.

This statement gives you an update on the estimated financial position of Europ Assistance Holdings Limited Pension and Life Assurance Plan.

The Plan is a Defined Benefit scheme. This means that it gives you an income for life.

The Trustees use the assets of the Plan to pay pensions to Plan members, including those members who have not yet retired. The assets are held separately from the Employer. Assets can only be returned to the Employer if they are more than is needed to arrange for an insurance company to pay all benefits. No such payment to the Employer has been made since the date of the last statement.

Your Plan is looked after by

Trustees

PAN Trustees UK LLP (Independent Trustee)

Plan Administrator

First Actuarial
Fosse House, 182 High Street, Tonbridge, Kent, TN9 1BE
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Scheme Actuary

Christopher Martin, FIA, First Actuarial LLP

Auditor

RSM UK Audit LLP

Legal advisers

Shoosmiths LLP

Investment managers

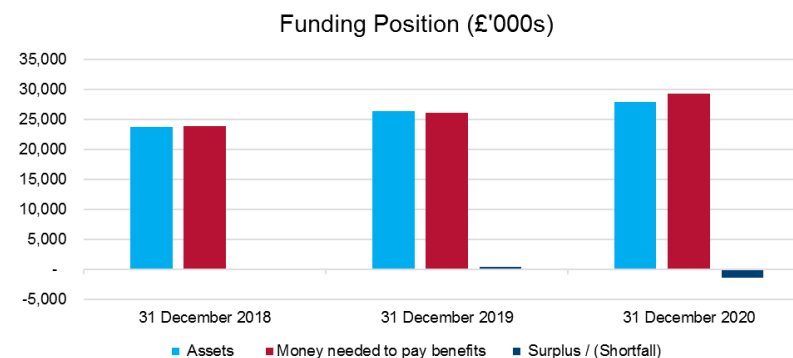
Mobius Life Limited

Your Plan's finances

Working out the value of the benefits promised to members – how much money we need to pay all the members' pensions – is not an exact science. It depends on several things, including inflation, investment returns and how long its members live.

A valuation is carried out every three years. As part of the valuation, we calculate whether the assets are worth more than the amount we think is needed to pay out the benefits. If that is not the case, then the Trustees and Employer will agree what action needs to be taken.

Changes in the value of the Plan's assets and the money needed to pay benefits over the past three years are shown below. The next valuation will be carried out at 31 December 2021.



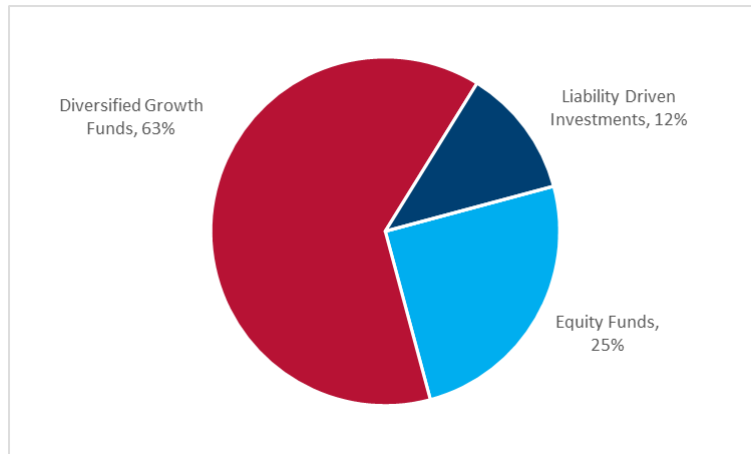
This funding update shows that the assets of the Plan are less than the amount needed to pay all benefits to members. This is not unusual.

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The assets

The Trustees have an investment strategy in place to make the most of the Plan's assets by holding a mix of investments in the following way:



Winding up the Plan – The buy-out position

If the Employer wants to let go of its responsibility for the Plan, or is unable to support the Plan, the Plan will be wound up. This means that the Employer will have to pay a one-off contribution to the Plan to cover the extra cost of getting an insurance company to take on the responsibility of paying all Plan benefits. If this had happened at 31 December 2018 the contribution required from the Employer would have been an estimated £32.6 million.

The Pensions Regulator looks after work-based pension schemes and has certain powers it can use if it has concerns about a scheme. It has not used any of these powers in relation to this Plan.

Additional protection

If an employer becomes insolvent, the Pension Protection Fund can pay compensation to members in certain circumstances. Further details are available at www.pensionprotectionfund.co.uk.

If you are thinking of leaving the Plan for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking action.

Further information

You can ask your Plan Administrator – contact details are on page one – for copies of any of the following documents:

- Statement of Funding Principles
- Statement of Investment Principles
- Recovery Plan & Schedule of Contributions
- Trustees' annual report and accounts
- Latest actuarial valuation report
- Shorter actuarial reports

If you have yet to start receiving your pension and we have not sent you an estimate of your pension at retirement in the last 12 months, you can ask the Plan Administrator for one.

Please help us by making sure we have your correct contact details. If your address has changed or if you need any further information or help, please write to the Plan Administrator or give them a call.