

Actuarial Report as at 31 December 2025 Europ Assistance Holdings Limited Pension and Life Assurance Plan



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9 March 2026

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Introduction

Part 3 of the Pensions Act 2004 requires trustees of schemes with more than 100 members to obtain annual actuarial reports between formal valuations (if they do not obtain annual actuarial reports, a formal valuation must be carried out each year). The annual report must be prepared and signed by the Scheme Actuary, and cover developments affecting the scheme’s technical provisions since the last valuation.

This report has been prepared by the Scheme Actuary and addressed to the Trustee of the Europ Assistance Holdings Limited Pension and Life Assurance Plan. It provides an approximate update of the funding position of the Plan as at 31 December 2025 and complies with the statutory requirements for such reports.

By law, you are required to forward a copy of this report to the Employer within 7 days of receipt.

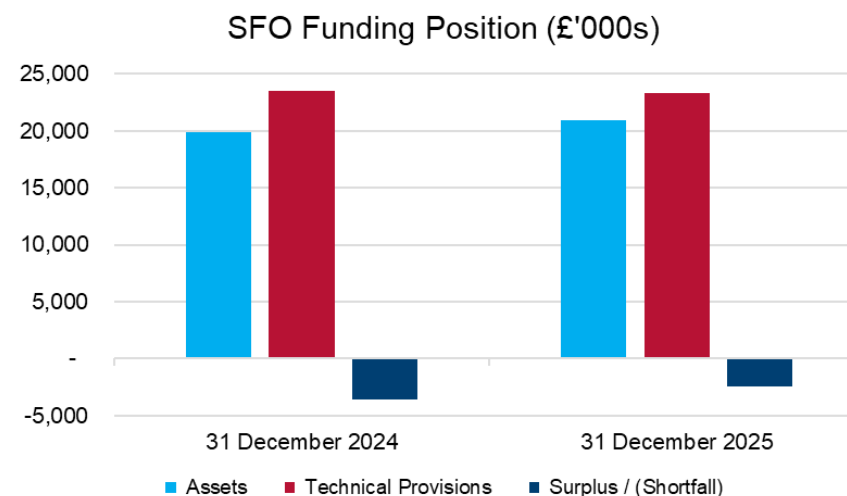
Readers other than the Trustee of the Plan should note that this report cannot be relied upon as being actuarial advice to third parties and third parties should seek their own independent advice as appropriate.

Update on the funding position

The estimated SFO funding position as at 31 December 2025 is set out in the following table and chart below. For comparison purposes, the position as at 31 December 2024, the date of the last full valuation, is also shown.

SFO valuation £'000s	31 December 2024	Estimated position 31 December 2025
Assets	19,894	20,913
Technical provisions	23,495	23,361
Surplus/(Shortfall)	(3,601)	(2,448)
Funding level	85%	90%

The shortfall has reduced since the last actuarial valuation as at 31 December 2024.

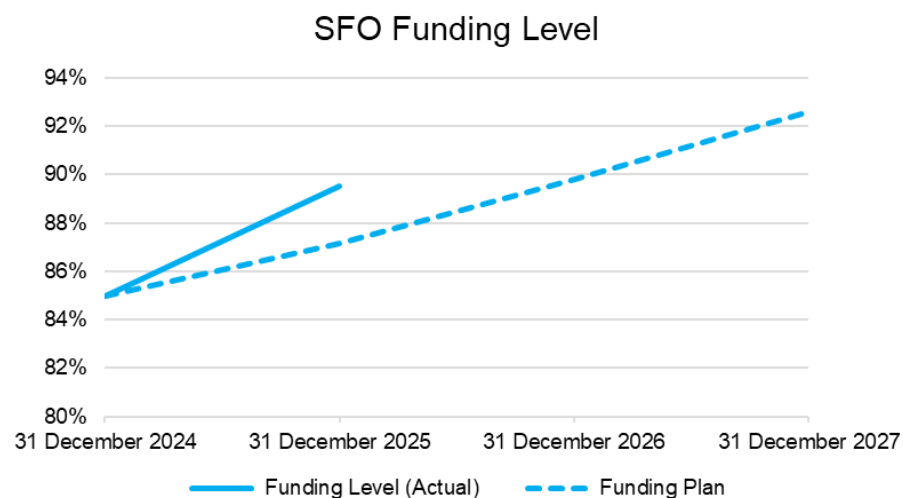


Expected funding position

Given the shortfall at the last valuation, a Recovery Plan was put in place, with the aim of being fully funded by 31 December 2030.

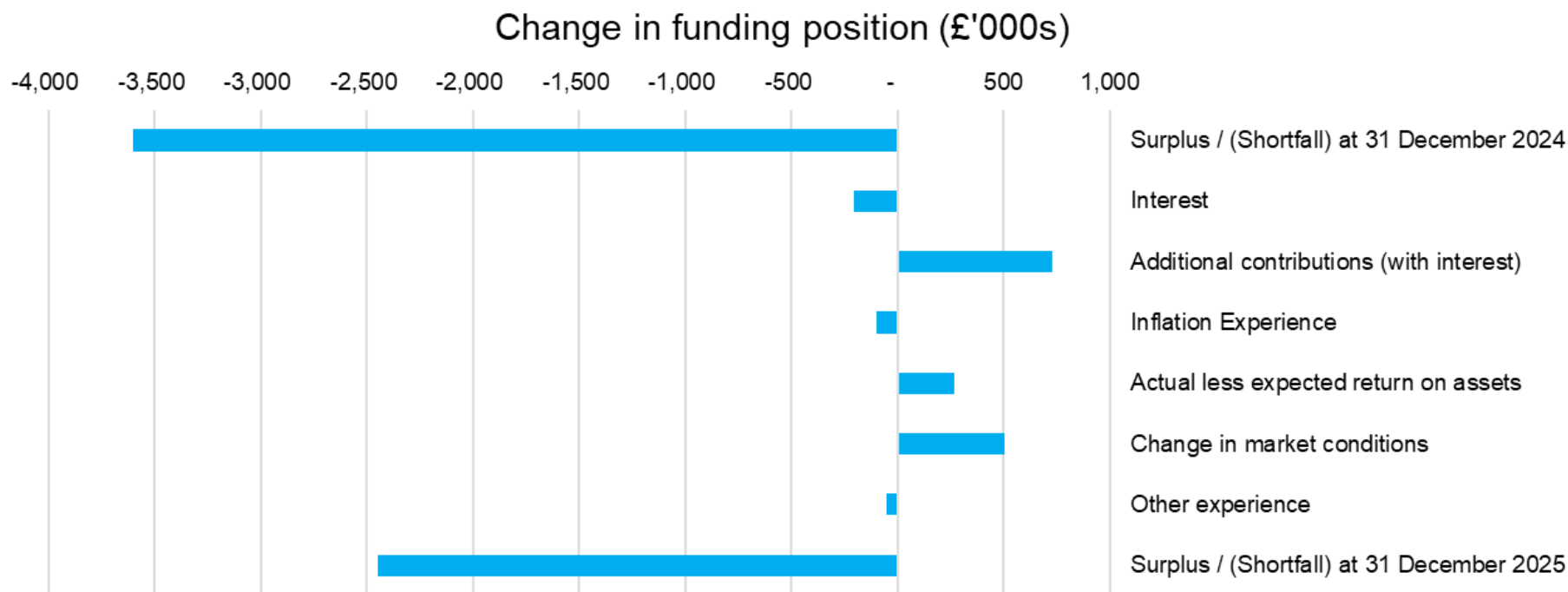
At the last valuation at 31 December 2024, the projected funding level at the next valuation date of 31 December 2027 was expected to be 93% (as shown by the dotted line in the chart below). This assumed that experience would remain in line with the Technical Provisions assumptions agreed upon at the last valuation, the assumptions from the last valuation remain valid at the next valuation date, and that contributions are paid in line with the Schedule of Contributions.

As at 31 December 2025 the funding plan was ahead of schedule.



Reasons for the change in funding position

The funding position since 31 December 2024 has improved. This is primarily due to contributions paid by the Employer in line with the Schedule of Contributions. Additionally changes in market conditions (notably a small increase in gilt yields and a small reduction in inflation) has resulted in a lower value being placed on the technical provisions. The Plan's non-matching assets also performed strongly over the year which has led to a further positive effect on the funding position.

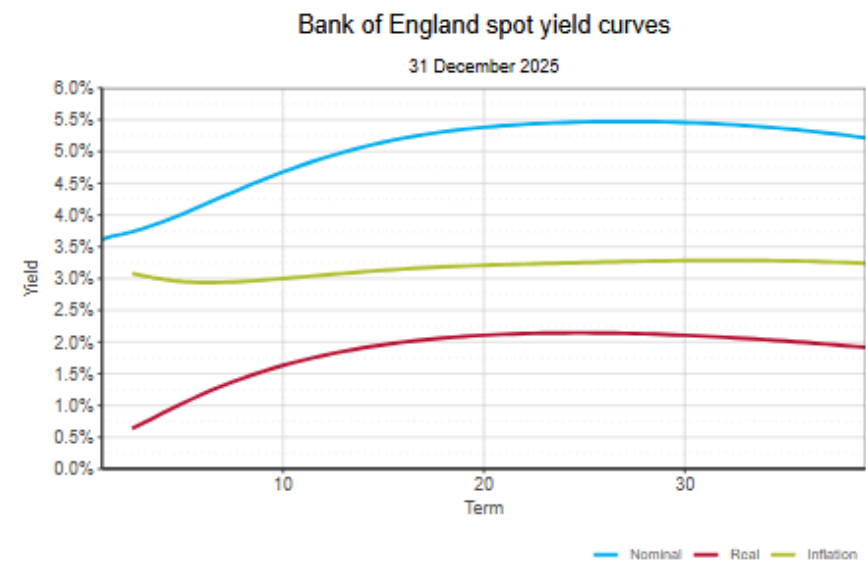
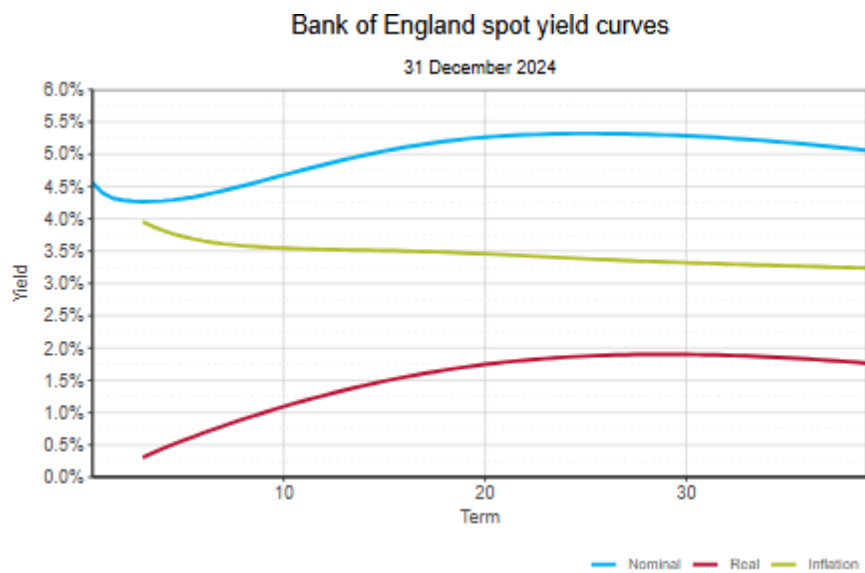


Assumptions

Financial assumptions have been updated to reflect the market conditions at 31 December 2025. All demographic assumptions are the same as used for the last actuarial valuation.

Yield curves

The following graphs show the Bank of England nominal and implied inflation yield curves at 31 December 2024 and 31 December 2025. These are used in derivation of the bases as described below.



Key assumptions

Key assumptions	31 December 2024	31 December 2025
Gilt curve	Bank of England nominal yield curve	
Discount rate	Gilt curve + 1.2% pa for a 6-year period from 31 December 2024, gradually reducing to gilt curve + 0.5% pa by 31 December 2040	
RPI curve	Bank of England implied inflation curve	
CPI curve	RPI curve – 0.8% pa before 2030 and with no deduction thereafter	
Revaluation in deferment	CPI curve subject to an overall cap of 5% pa	
Pension increases linked to inflation	In line with the appropriate inflation assumption using the Black Scholes model with a volatility of 50% of the relevant inflation assumption, subject to a minimum of 1.3%	
Mortality	100% S4PMA / 100% S4PFA CMI 2023 [1.50%]	
Cash Commutation	Allowance for the average impact of members commuting pension for 75% of the maximum lump sum available (equal to 0.97% of deferred liabilities)	
Proportion married/with partner	Males: 85% / Females: 75% at retirement or earlier death	
GMP equalisation reserve	1.0% of deferred pensioner liabilities	
Allowance for expenses after significant maturity	Discounted value of assumed wind-up and insurer expenses on the buy-out basis at the Relevant Date	

Appendix A: Background

The last full actuarial valuation of the Europ Assistance Holdings Limited Pension and Life Assurance Plan was carried out as at 31 December 2024. In accordance with the Statement of Funding Principles (SFP) dated 29 January 2026, the Trustee has commissioned this Actuarial Report for the year ending 31 December 2025.

The update process

This actuarial update is based on the SFP dated 29 January 2026. I have not made any allowance for changes to the SFP that might be made if a full review were carried out. In particular, I have assumed that there has been no change in the Trustee assessment of the strength of the Employer covenant since the previous valuation and have not made further consideration of the degree of prudence in the assumptions.

I have estimated the technical provisions as at 31 December 2025 by valuing the member data prepared for the last actuarial valuation as at 31 December 2024, on assumptions in line with the methodology set out in the SFP, updated for market conditions as at 31 December 2025.

I have then, approximately adjusted for membership movements (by removing members for whom no further benefits are due and reducing the defined benefit obligation by the amount of any tax free cash paid during the period).

All other experience over the period is assumed to be in line with that assumed for the valuation as at 31 December 2024.

Details of the changes to scheme membership and benefit payments have been provided by First Actuarial LLP, the Plan administrators.

Asset values have been supplied by Mobius Life Limited, together with details of the Trustee's bank account and net current assets from First Actuarial LLP, the Plan administrators, and are unaudited.

A number of approximations have been used and the results cannot be expected to be as accurate as if a full valuation with full, up to date, member data had been carried out.

However, I believe the approach taken to be adequate for the purposes of assessing whether the current funding plan is still appropriate.

GMP equalisation

The Plan was contracted out of the State Earnings Related Pension Scheme and therefore provides a Guaranteed Minimum Pension (GMP) in respect of accrual prior to 5 April 1997. The calculation of GMP is unequal for males and females.

For current pensioners, benefits have already been adjusted for GMP equalisation so actual adjustments are included in their liability calculations.

Deferred pensioners will be adjusted at retirement. An allowance of 1.0% of deferred member liabilities has been included in the Technical Provisions to cover the potential liability.

Appendix B: Compliance

Actuarial standards

The following Technical Actuarial Standards (TAS) apply to this work:

- TAS 100: General Actuarial Standards
- TAS 300: Pensions

I confirm I have complied with their requirements.

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