

The Sun Life Assurance Company of Canada 1988 UK and Irish Employee Benefits Scheme (the “Scheme”)

Your 2025 Summary Funding Statement



This statement is being sent to you on behalf of the Scheme Trustee, who is responsible for administering the Scheme. As you are entitled to benefits from the Scheme, we are writing to give you an update on the Scheme's financial position. Please take a few minutes to read this statement as it provides important information about the financial health of the Scheme.

Who manages the Scheme?

As required by law, the Scheme is managed by trustees. Trustees are legally bound to act in the interest of all members and are responsible for ensuring the Scheme is run in line with the Trust Deed and Rules and complies with legislation.

Until recently, there were three trustees; Michael Edwards, Mandy Perrin and BESTrustees Limited (a professional trustee company, represented by Alison Creasy). However, following agreement with all of the trustees and the Company, with effect from 31 March 2026, Michael and Mandy retired as trustees leaving BESTrustees Limited as the sole professional corporate trustee.

Under the sole professional corporate trustee structure, there are two professional trustees from BESTrustees who manage the Scheme. Alison Creasy continues to be involved and she has been joined by her colleague Chris Parrott. Both Alison and Chris are experienced professional trustees accredited by the Association of Professional Pension Trustees.

We would like to thank Michael and Mandy for all of their hard work and commitment to the Scheme over the years.

The Trustee's contact details are as follows:

BESTrustees
Represented by Alison Creasy and Chris Parrott
BESTrustees Limited
Cornhill, London, England, EC3V 3ND

Independent
Professional Trustee

Summary of the Scheme's funding position

Every three years a funding valuation is carried out by the Scheme Actuary (a qualified, independent professional). The Scheme Actuary determines the funding position by comparing the value of the Scheme's assets with an estimate of the current value of the Scheme's liabilities (which is the total value in today's terms of all members' benefits that will be paid in the future).

The funding levels below show the Scheme's interim funding position as at 31 December 2024, along with the full funding valuation results as at 31 December 2022.

| 31 December 2022 | | 31 December 2024 | |
|----------------------|--------------------|----------------------|--------------------|
| Total Assets | Liabilities | Total Assets | Liabilities |
| £347.4m | £341.2m | £301.4m | £295.5m |
| Funding level | Surplus | Funding level | Surplus |
| 102% | £6.2m | 102% | £5.9m |

The Scheme's funding position remains strong as although assets have fallen in value so have the liabilities. These falls are as a result of the increase in bond yields that have taken place since the full funding valuation. Note that the value of assets shown above is slightly different to that shown in the Scheme accounts (see next page). This is because the value of the assets used in the accounts includes the Scheme's investments, plus some additions including pre-paid benefits and bank account balances.

The next full actuarial valuation is being carried out as at 31 December 2025

The funding plan

How is my pension paid for?

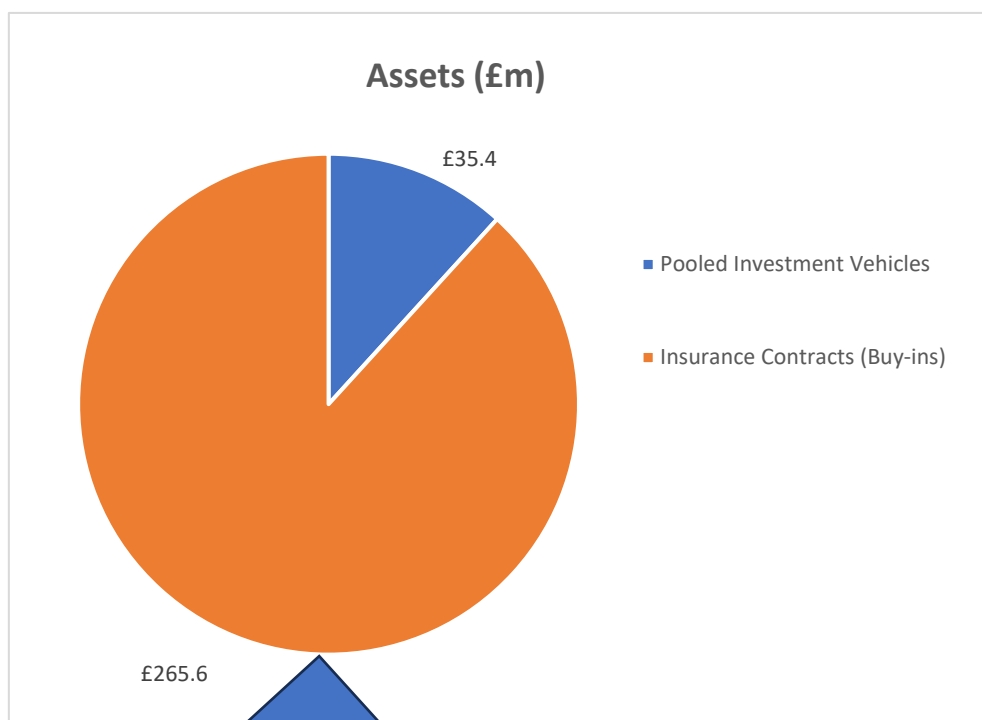
The employer, Phoenix Life CA Limited, is required to pay contributions to fund any deficit revealed by each formal actuarial valuation in order to ensure that the Scheme has sufficient funds to pay the promised benefits. The Scheme had a surplus at the last full valuation so no contributions are currently needed.

Note that on 1 November 2024 the Company name was changed (as a result of the acquisition of Sun Life Assurance Company of Canada U.K. Limited by the Phoenix Group).

By law, we are also required to notify you of any refunds paid to the employer, or modifications or directions on the Scheme made by the Pensions Regulator. There have been no such refunds, modifications or directions since you were last issued with a Summary Funding Statement.

The Scheme's investment policy

The Scheme's assets are invested by the Trustee with the aim of getting a suitable return for an agreed level of risk so the assets can meet member payments. The Trustee regularly review the investment strategy to ensure it remains appropriate for the Scheme.



The value of the Scheme's assets as at 31 December 2024 (as reported in the annual accounts) was £301.0m

The asset allocation is split as shown:

Change of address

Deferred pension
statement request

Cash Equivalent
Transfer Value
request

**For all member enquiries
contact Hymans Robertson:**

sloc@hymans.co.uk

0121 212 8120

Any other
member query

Retirement
quotation
request

It is important that you let your loved ones know to contact Hymans Robertson in the event of your death even if this is difficult to talk about

If the Scheme were to be wound up

The money used to pay for your pension and other benefits is held in various investments on behalf of all members. It is not held in separate funds for each individual. As members retire, their benefits are paid from these investments. However, like all pension schemes, this Scheme contains no absolute guarantees. The Scheme promises to pay you your pension, but there are risks and it is not certain that the Scheme will be able to meet the promises in full.

If the Scheme winds up you might not get the full amount of pension you have built up even if the Scheme is fully funded under the funding plan. The extent to which the Scheme can secure benefits with an insurance company if it were to close down is known as its solvency position. This is estimated by an actuary rather than obtaining a quotation from an insurance company.

An estimate of the solvency position was included in the actuarial valuation as at 31 December 2022 when the Scheme was estimated to have 102% of the money needed to secure the accrued benefits of all members in full.

Additional documents and information available on request

| | |
|---------------------------------------|---|
| Benefit Statement | If you are not receiving a pension, you can ask the Administrator for a statement that gives you an illustration of your estimated pension at retirement. |
| Annual Report and Accounts | Details of the Scheme's income and expenditure over the scheme year. |
| Actuarial Valuation Report | The Actuary's full report on the Scheme's assets and liabilities and the recommended contribution rate. |
| Implementation Statement | Discloses how the Trustee has followed the objectives and policies set out in their Statement of Investment Principles: www.1988onlinebenefits.co.uk/resources/implementation-statement/ |
| Cash Equivalent Transfer Value | You are entitled to one free transfer value each year. |
| Scheme Booklet | You would have been given a copy of this when you joined the Scheme, but copies can be provided on request. |

| | |
|--|--|
| Schedule of Contributions | This shows how much money is being paid into the Scheme. |
| Statement of Funding Principles | Sets out the Trustee's policy for meeting the Statutory Funding Objectives. The Trustee must agree its contents with the Principal Employer. |
| Statement of Investment Principles (SoIP) | Explains how the Trustee invest the money paid into the Scheme and its existing assets. A copy of the SoIP is available on the member website and online at: www.1988onlinebenefits.co.uk/resources/statement-of-investment-principles/ |

Scheme news

Scheme membership

The total plan membership of the Scheme decreased over the year from 2,710 to 2,665. Membership numbers at 31 December 2024 were as follows:

| | |
|--------------------------|-------|
| Deferred members | 1,123 |
| Pensioner members | 1,542 |

Member website

A secure member website, known as PRISM, is available to all members.

Here's a reminder of what you can do:

- View and regularly check that the personal details held by us are correct.
- View your payslip and P60 (if you are receiving a pension).
- View your deferred benefits and request for a quotation.
- Submit a general enquiry.
- Set your preferred method of communication as email if you would prefer this to post.
- View Scheme documents, including the Trust Deed and Rules, the Statement of Investment Principles and the Trustee's Privacy Statement.

If you haven't logged in before, please visit the web address below to register.

www.secure.1988onlinebenefits.co.uk.

If you have any difficulties with the registration process please either call Hymans Robertson on 0121 212 8120 or email sloc@hymans.co.uk

Share your email address

People change their personal email address less frequently than they move house so having your email address reduces the chance of us losing touch with you in future.

In addition, you will probably have heard about the cyber incidents at big firms such as Marks & Spencer and Jaguar Land Rover and how disruptive these incidents were to the day to day running of these organisations. Pension schemes are not immune to these risks even though we make sure we have lots of protections in place. In the unlikely event of a major incident taking place that affects the Scheme, it will make it easier to contact you if we have your email address.

If you would like to share your email address with us please contact the Scheme Administrator, Hymans Robertson.

Transferring your benefits out of the Scheme

If you are considering transferring your pension to another arrangement, we recommend that you take independent financial advice; you are required to do so by law if your transfer value is over £30,000.

If you need financial advice visit www.unbiased.co.uk or www.localfinancial.co.uk to find a financial adviser in your area. An adviser will charge you for the services they provide. Please note that before a financial adviser does any work for you, they must agree with you the fee for their services. We recommend you make sure you understand exactly what you will be charged and are not afraid

to ask questions. For example, a 1% p.a. charge doesn't sound very much but it would be £1,000 taken from your savings every year (assuming a £100,000 transfer value).

For impartial guidance, you can get in touch with Pension Wise. It's a free service run by the government. Pension Wise can't tell you what to do with your money, but they can give you more information about how the different types of pension work, and what to look out for with taxes and fees.

You can get information online at www.pensionwise.gov.uk or phone 0800 280 8880 to talk to someone or to book a face-to-face appointment.

Be alert to pension scams

Pension scams are continuing and even people who are financially savvy are vulnerable to losing their pension savings to scammers. The attached leaflet has been prepared by the Pensions Regulator to help protect members. Remember, pension scammers are professional con artists and they work hard to make you believe them; so be cautious and do your homework if you are thinking about transferring out of the Scheme.

Nomination forms

If you are a pensioner with life cover in retirement, please remember to keep your nomination of beneficiaries form up to date. This ensures the Trustee has a better picture of your circumstances and wishes in the event of your death. If you need a form, please contact the Scheme Administrator, Hymans Robertson.

Retirement options

Please let us know if you would like a retirement quotation. You can retire from age 55 (this will rise to 57 on 6 April 2028.)

If you choose to access your pension early, your pension is reduced because it is paid for longer.

Here are some facts about early pension age change:

The minimum private pension age is due to rise from 55 to 57 in 2028.

State Pension age is increasing for men and women, and will gradually rise to 67 for those born on or after April 1960.

The government plans to increase the state pension age to 68 years old earlier than planned, possibly by 2034.

State Pension age is going to be kept under review, which means that it could change again in the future.

Scheme Privacy Policy

Our privacy policy is designed to protect our members' personal information whilst allowing the administration of the Scheme. Our privacy policy can be found at:

www.1988onlinebenefits.co.uk/resources/privacy-statement/