

FUNDING UPDATE 2021



The funding level of the Bank of America UK Retirement Plan (the Plan) has improved from the 2018 formal triennial actuarial valuation and the Plan remains in surplus. Find out why inside.

We are pleased to have now completed the funding review of the Plan's Defined Benefit (DB) Section as at 31 December 2020.

The results below are compared to the previous funding review from December 2019. Find out more about what these figures mean in the FAQs on [page 2](#) and other important information about the Plan on [page 3](#).

If you are also a member of the Defined Contribution (DC) Section, you can [view the value of your Member Account and review your details on ePA](#).

Hover over the bubbles below to understand what the numbers represent and the key changes over the year.

*unaudited assets

Your guide to the Plan's funding position



Read the FAQs below to help you understand more about the Plan's funding positions and how they are calculated.

Click on each question to reveal the answer.



Statutory information



If the Plan wound up (or came to an end)

Although we set out the 'winding up' (or discontinuance) position below, this does not mean that the bank is planning to discontinue the Plan. By law, we need to provide this information to members.

- In the unlikely case that the Plan was wound up (or came to an end), the Plan's assets would be used to buy the equivalent benefits from an insurance company.
- As at 31 December 2020, the Plan's assets were estimated to be sufficient to provide around 94% of the money needed to insure members' benefits with an insurance company.
- This percentage is lower than the funding level because insurance companies have to invest in 'low-risk' assets, which generally tend to give lower returns than the Plan is targeting. Also, insurance companies' policy prices will include administration charges and profit margin.

The Pension Protection Fund (PPF)

- If the bank couldn't pay an additional amount into the Plan to secure 100% of members' benefits, these would be reduced, and the Plan would possibly enter the [PPF](#).
- The PPF provides compensation to members of retirement arrangements that are discontinued or where companies have become insolvent and the associated pension schemes do not have enough money to cover the cost of securing members' benefits with an insurance company.
- Please note that the PPF does not provide full protection, so members may still see some reduction in their benefits if the PPF were to provide compensation.



No payments to the bank

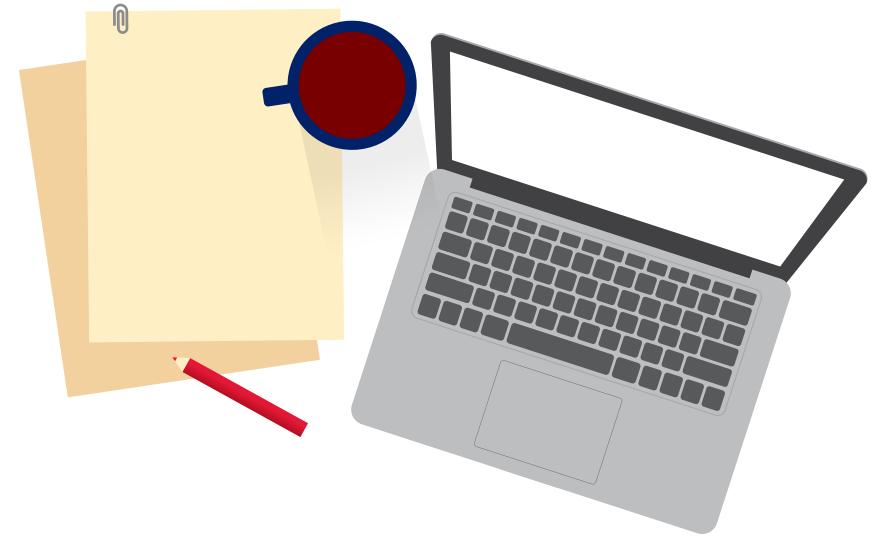
The Trustee confirms that no payments out of the Plan funds were made to the bank since the last funding update in 2020.



No intervention from the Pensions Regulator

In certain circumstances, the Pensions Regulator has powers to intervene in a pension scheme's funding strategy. The Trustee confirms that the Pensions Regulator has not needed to use any of these powers in relation to the Plan over the last 12 months.

Tools and resources



Useful resources

To learn more about the latest funding positions, [there are several documents you can access by going to ePA > Resources](#).

- **The Annual Actuarial Report** covers the results of the 2020 annual funding review.
- **The Formal Triennial Actuarial Valuation Report** gives more information on the funding position for the Plan as at 31 December 2018.
- **The 2020 Annual Report & Accounts** shows the Plan's income and expenditure for the latest year.
- **The Statement of Investment Principles** explains how the Trustee invests Plan funds, including the Plan's assets.
- **The Implementation Statement** explains how the Statement of Investment Principles has been followed during the year.
- **The Statement of Funding Principles** sets out the funding strategy for the Plan.
- **The Schedule of Contributions** shows how much money is being paid into the Plan, together with the Plan Actuary's certificate which confirms that the Schedule meets current requirements.

Scam-proof your savings



While the Government has taken additional steps to reduce pension scams, they are still on the rise. Red flags to watch out for are:

- 'Too good to be true' investments,
- Pension loans, and
- Upfront cash in exchange for your retirement savings.

[Find out more about pension scams on the Pension Regulator website.](#)

Useful retirement planning links

- [Request a forecast of your State Pension from the Government website.](#)
- [Check your State Pension Age on the Government website.](#)
- [Contact the Pension Tracing Service if you have lost track of a previous pension scheme.](#)

Get in touch

If you have already started to take your benefits, you can view your monthly pension payslip online

Logging on from inside the bank's network?

Use the links on **HR Connect > Benefits > Financial > Bank of America UK Retirement Plan**

Logging on from outside the bank's network?

Go to: www.bofapension.co.uk

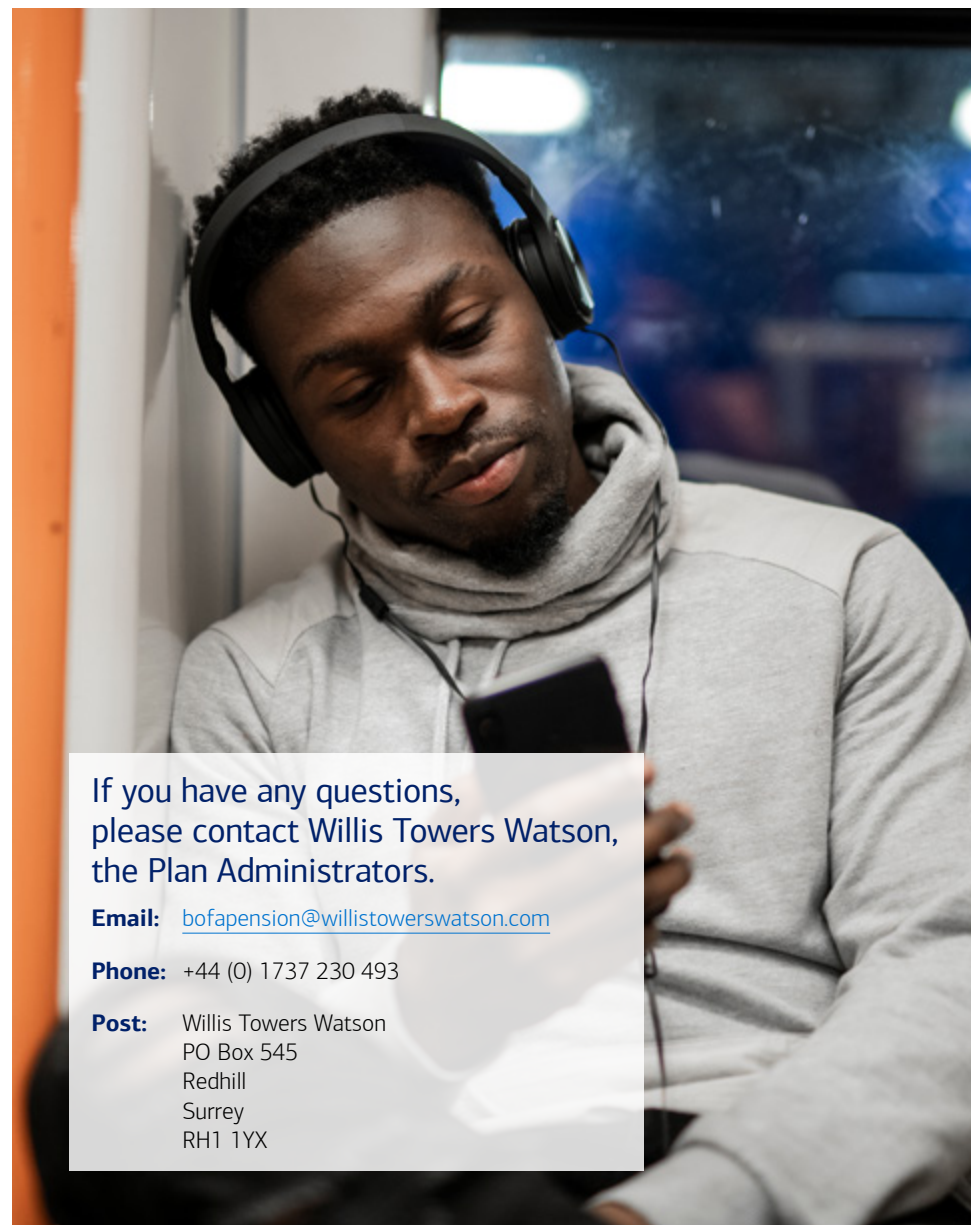
Have your personal details changed?

Help us stay in touch by keeping your personal information up-to-date.

If you are still employed by the bank, you can review your personal details on **Workday > Personal Information**. Otherwise, log on to ePA or [contact the Plan Administrators](#) to update your details.

Are your Expression of Wish details up to date?

If you have not told us who you would like to receive your death benefits, or your circumstances have changed and you would like to update your choices, please go to ePA (see above).



If you have any questions, please contact Willis Towers Watson, the Plan Administrators.

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