

Ernst & Young Retirement Benefits Plan

Keeping you up to date with your Pension Plan's financial position

December 2025

On a regular basis, the Trustee of the Ernst & Young Retirement Benefits Plan (“the Plan”) produces a Summary Funding Statement, like this one, to give you an update on the funding position of the Plan.

We use independent advisers to help us to monitor the Plan's finances, and this statement gives you a snapshot of the Plan as at 1 October 2024.

The valuation as at 1 October 2022 revealed a funding shortfall of £299 million. However, due to changes in market conditions, as well as deficit reduction contributions paid into the Plan by Ernst & Young LLP (“the Firm”), the shortfall had improved to £179 million by 1 October 2024. Further details are on page 2, with page 3 answering some of the further questions you may have.

E & Y Trustees Limited



Further Information

If you have any questions or would like to see a copy of the Plan's financial accounts, rules, investment or funding policy documents, please contact the Plan's administrators using the details below.

You can also find much of this information online on ePA at epa.towerswatson.com/accounts/ey/

If you're considering making any changes to your pension arrangements, you should consult a financial adviser before taking any action. The law prevents us from providing you with financial advice.

Are your details up to date?

Please let us know if your contact details have changed. If you'd like to change the people you have nominated to receive benefits upon your death, please complete a beneficiary nomination form online via ePA at epa.towerswatson.com/accounts/ey/



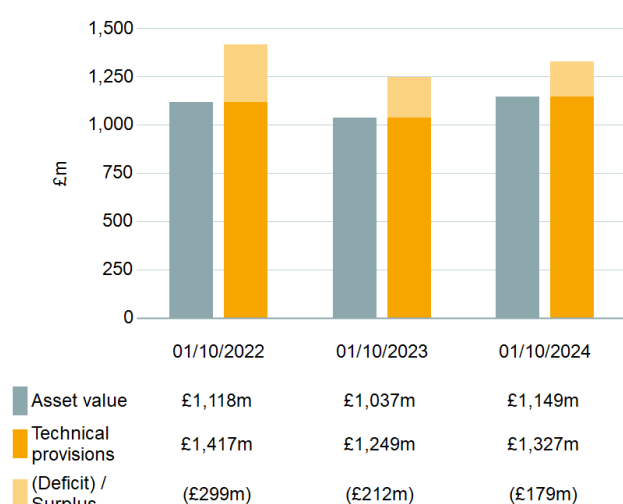
eypensions@wtwco.com



WTW
PO Box 545
Redhill
Surrey
RH1 1YX
United Kingdom

A snapshot of the Plan on 1 October 2024

At 1 October 2024 the target level of assets was £1,327m and the actual assets were £179m below this.



The chart shows that on 1 October 2024 there was a £179 million shortfall in the Plan against the target level of assets.

The £179 million shortfall does not affect the pensions being paid out of the Plan - we have always paid members their pensions in full.

When we wrote to you last year, we reported a shortfall of £212 million at 1 October 2023.

The Plan's financial position has therefore improved by £33 million over the year. This is due to higher than anticipated investment returns and the deficit reduction contributions paid into the Plan over the period, partially offset by less favourable market conditions.

To meet the shortfall, the Trustee and the Firm have agreed the Firm will pay contributions totalling £36.2m per year from 1 July 2023 until 1 July 2028, with a final contribution of £40.9m due on 1 July 2029. The Firm will also pay up to £0.9m each year towards the core operating expenses of the Plan.

The Firm has also committed to a Contingent Funding Agreement to provide additional security during the recovery plan. During the course of the recovery plan, the Firm will obtain a form of a renewable guarantee drawn on a reputable financial institution, for the benefit of the Plan. We expect the snapshot to change from year to year because the Plan's finances depend on changes in global financial markets.

The first-year guarantee was £25 million, and this will continue to rise throughout the recovery period to £50 million in the final year. The guarantee is triggered in the unlikely event that the Firm becomes insolvent or otherwise fails to honour the agreed Schedule of Contributions. In the final year, the guarantee can also be triggered if there remains a shortfall of assets compared with liabilities at the end of the recovery period.

The next full actuarial valuation is due as at 1 October 2025.

Assumptions

The Trustee employs an independent expert to provide regular checks on the Plan's finances. These regular check-ups involve calculating a target level of assets. The latest update is shown above.

The target level of assets is the amount that is expected to be enough to continue to pay out all the pensions that members have already built up in the Plan, based on assumptions about the future. For example, how long people will live; what inflation will be; and what returns will be earned on the Plan's investments, amongst other factors.

Nobody knows exactly how much money will be needed to pay everybody's pensions. This will depend on how actual experience compares with the assumptions made.

Assets of the Plan

The assets of the Plan come from contributions paid by members and by the Firm, together with investment growth.

The assets of the Plan are held separately from the Firm and the Plan's Trustee is responsible for investing this money.

The assets are held in a common fund - they are not held in separate pots for each member.

Pensions are paid to retired members out of this common fund.

Your questions answered

Q: What if the Plan has to wind-up?

The Firm and the Trustee do not intend to wind up the Plan. We do however monitor the impact on the Plan should the Firm no longer be able to support the Plan. In this event, a wind-up of the Plan is likely to begin and the responsibility for paying members' pension benefits would be transferred to an insurance company.

The Trustee monitors the cost of securing all members' benefits with an insurance company.

The most recent estimate provided by our independent advisers looked at the position on 1 October 2022. This estimate showed that, at that date, the Firm would have to make an additional final contribution of about £423 million to make sure all members' pensions could be paid in full by an insurance company.

This is a larger deficit compared with the position shown on page 2, but this is fairly common amongst similar UK pension schemes.

Q: Is my pension protected?

If the Firm became insolvent and there was not enough money to secure benefits in full with an insurance company, members may not receive their full pension benefits.

To help members in this situation, the Government has set up the Pension Protection Fund. If the Plan were to enter the Pension Protection Fund, the amount members receive may be less than the pension benefits built up for them in the Plan.

The Pension Protection Fund rules are complex - the amount it will pay depends on the rules of the Plan, whether a pension is already being paid, a member's age and the type of pension benefit.

More information and guidance about the Pension Protection Fund is available at www.ppf.co.uk or by emailing them at information@ppf.co.uk or calling them on 0345 600 2541.

Q: What about my Additional Voluntary Contributions (AVCs)?

The Plan also holds AVCs for those who chose to pay them, these are separately invested.

Q: Is there anything else I need to know?

Regulations require us to confirm that since the last Summary Funding Statement the Firm has not taken any money out of the Plan and the Pensions Regulator has not intervened in the running of the Plan. We are happy to confirm this.



Issued by E & Y Trustees Limited

December 2025

© Copyright Ernst & Young Retirement Benefits Plan. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of Ernst & Young Retirement Benefits Plan.