

Airbus Group UK Pension Scheme

Summary Funding Statement – September 2023

This Statement is intended to give members important information about the funding position of the Airbus Group UK Pension Scheme (“the Scheme”).

We last wrote to you about the Scheme’s funding position in Autumn 2022 when we provided details of the Scheme Actuary’s approximate assessment of the funding level as at 5 April 2022. That estimate showed that the Scheme had a funding level of 108.7%.

Since then, the formal actuarial valuation of the Scheme, as at 5 April 2023, has been completed and the results of this valuation are shown below.

Funding position as at 5 April 2023

The results of the formal actuarial valuation as at 5 April 2023 are shown below, along with the results of the 5 April 2022 funding assessment and the preceding formal actuarial valuation as at 5 April 2020:

| Funding position as at: (including AVCs and Retirement Accounts) | 5 April 2020 £ million | 5 April 2022 £ million | 5 April 2023 £ million |
|--|----------------------------------|----------------------------------|----------------------------------|
| Assets | 1,114.1 | 1,675.0 | 1,430.7 |
| Liabilities | 1,237.3 | 1,541.1 | 1,299.2 |
| Surplus (Shortfall) | (123.2) | 133.9 | 131.5 |
| Funding level | 90.0% | 108.7% | 110.1% |

Change in funding position since 5 April 2022

It can be seen that the funding level has improved to 110.1% since 5 April 2022. The main reason for this was significant increases in gilt yields on which the discount rate used to value the liabilities is based. This was largely offset by the changes in actuarial assumptions used to value the liabilities, with the main change being the use of a more cautious discount rate assumption relative to gilt yields, to reflect a reduction in the risk intended to be run in the Scheme’s investments.

Other information we are required to tell you

Payments to the Company

It is a requirement that we inform you whether any payment has been made from the assets of the Scheme to the Company since the last summary funding statement was issued. There have not been any payments made to the principal employer or any participating employer out of the Scheme’s funds during this period (or any prior period).

Interaction with the Pensions Regulator

It is also a requirement to state whether the Pensions Regulator has used its powers in relation to the Scheme to modify the future benefits, provide direction regarding the calculation of the Scheme’s liabilities or imposed a Schedule of Contributions. We can confirm that the Pensions Regulator has not used any of these powers in relation to the Scheme.

What would happen if the Scheme discontinued?

We are required to tell you what would happen if all the Scheme assets were sold and the proceeds taken to an insurance company to buy an annuity, or pension, for everyone. In the case of the Scheme, this is a hypothetical situation as there is no intention of ceasing the Scheme, but if this did happen, the Scheme’s Actuary estimated that as at 5 April 2023 the assets represented around 101.3% of the amount required

to purchase annuities with an insurance company. This is lower than the level of cover if the Scheme continues, as insurance companies take a cautious view of the future and need to make a profit, so their rates are relatively expensive. By contrast, our funding plan assumes that Airbus will continue in business and will continue to support the Scheme. Inclusion of this information is a legislative requirement and does not imply that Airbus is considering winding up the Scheme.

What would happen if the Scheme started to wind up?

The Pension Protection Fund (PPF) was set up to protect your pension benefits. It is a type of 'compensation plan', funded by annual levies which are paid into the fund by all defined benefit pension arrangements like ours. The PPF will compensate Scheme members if the Company becomes insolvent and the Scheme does not have enough money to pay members' benefits. However, the benefits provided by the PPF are likely to be less than the full benefits due from the Scheme. Further information and guidance is available on the Pension Protection Fund's website, or you can contact the Pension Protection Fund through:

www.pensionprotectionfund.org.uk

Pension Protection Fund, Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA

Where can I get more information?

If you have any questions about your pension or the Scheme or would like more information please contact anyone on the Pensions Team at the address shown at the back of this document.

Please also contact the Scheme's administrator if you have changed address and not yet informed the Trustees. This will allow us to keep you informed about the Scheme and your benefits.

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

**Airbus UK Pension Trustee
September 2023**