

PIC COMPLETES £380 MILLION TRANSACTION WITH THE AIR CANADA (UK) PENSION TRUST FUND

London, 22 March 2022 – Pension Insurance Corporation plc ("PIC"), a specialist insurer of defined benefit pension funds, has signed a buy-in with the Trustee of the Air Canada (UK) Pension Trust Fund ("the Fund"), covering £380 million of liabilities for about 1,400 members, 40% of which are yet to start drawing their pension (deferred members). Punter Southall Governance Services (PSGS), the Fund's sole, professional corporate trustee, was advised by Aon.

Air Canada is Canada's largest airline and the largest provider of scheduled passenger services in the Canadian market, the Canada-U.S. transborder market and in the international market to and from Canada. Air Canada shares are traded on the Toronto Stock Exchange (TSX:AC).

Wayne Phelan, representing PSGS, said: "Securing these benefits for our members has been a long-term priority for the Trustee for many years. I am delighted we have reached this milestone and would like to thank Aon and PIC for their collaborative and flexible approach in what was a complex and challenging transaction."

Richard Quintian, Actuary at PIC, said: "PIC is delighted to have worked with the Trustee and the sponsoring employer, Air Canada, on this deal. The Trustee has been able to significantly de-risk this scheme, including for all of its deferred members, providing greater security to them for the long-term and we are happy to have helped them reach this goal."

Joe Hathaway, Senior Consultant at Aon, said: "This transaction with the Fund was contingent on meeting the objectives of both the Trustee and Company, including the

requirement to complete the transaction in 2021 and with no further contributions. Through a combination of good preparation and close collaboration with all advisers, we were able to negotiate this transaction with PIC, achieving a really attractive outcome for all parties."

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Notes to Editors:

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About PIC

The purpose of PIC is to pay the pensions of its current and future policyholders. PIC provides secure and stable retirement incomes through leading customer service, comprehensive risk management and excellence in asset and liability management. At 31 December 2021, PIC had insured 282,900 pension scheme members and had £51.1 billion in financial investments, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of U.K. defined benefit pension schemes. Clients include FTSE 100 companies, multinationals and the public sector. PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN 454345). For further information please visit www.pensioncorporation.com