



Welcome

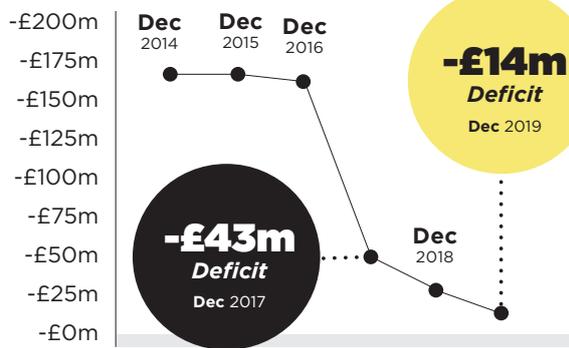
Welcome to the Trustees' 2020 annual newsletter for members of the NTL Pension Plan.

Over the last few months we've all experienced considerable upheaval in our day-to-day lives. This is an uncertain time and we know that you'll have a lot on your mind looking after yourself and your loved ones. We would like to reassure you that we are working hard with our advisers to make sure that the NTL Pension Plan is continuing to run business as usual; you can read more detail on page 4.

We hope you enjoy reading our newsletter and we welcome your feedback.

Ross Russell
Chairman of the Trustees

Last formal valuation
31
DEC 2017



Funding position

We agreed an updated recovery plan with the Company following the actuarial valuation as at 31 December 2017, under which the Company agreed to make the following payments to the Plan.

2018	£11.3m in equal monthly instalments, plus an additional £5.5m by 31 December 2018
2019	£11.3m in equal monthly instalments, plus an additional £5.0m by 31 December 2019
2020	£14.0m in equal monthly instalments, plus an additional £3.9m by 31 December 2020

assets > liabilities = **surplus**
assets < liabilities = **deficit**

Membership

1,304 members at 31 December 2019

348 + 956

DEFERRED PENSIONERS

PENSIONERS

Over the year to 31 December 2019, the following members of the Plan sadly passed away:

- Mr G Atkinson
- Mrs A Burke
- Mr M Carter
- Mr J Coffey
- Mr W Ellery
- Mr D Everett
- Mr M Foley
- Dr J Forrest
- Mr T Miller
- Mr D Oakden
- Mr S Powell
- Mr S Rutland
- Mr D Smith
- Mr G Ware
- Mr J Webster
- Mrs J Wright

Please let us know if your details are out-of-date including your address and information about your dependants

If you are approaching retirement keep an eye out for your pack of important information

Your Trustees



Ross Russell
Chairman of the Trustees



Dick Buckle
Member Nominated Trustee



Peter Heslop
Member Nominated Trustee



David Rodman
Company Nominated Trustee



Tom O'Connor
Company Nominated Trustee



Hugh Woolford
Company Nominated Trustee

Report and Accounts

As at 31 December 2019 the value of the Plan's assets was **£532.2m** (this includes **£22m** held separately in a cash Escrow account, which is available to the Plan but will be returned to Virgin Media if not needed), compared to **£489.1m** at 31 December 2018.

Please let us know if you want more information about transferring your benefits out of the Plan

The distribution of the asset classes for the Plan at 31 December 2019 was as follows:

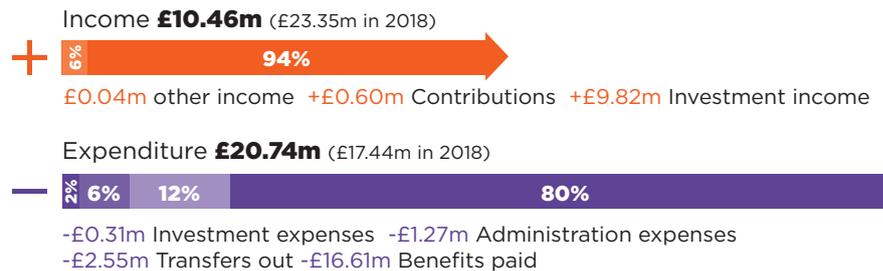
Buy-in policies	£217.5m
Growth assets	£145.4m
*Matching assets	£147.3m
Escrow account	£22.0m

*Investments that broadly match the payments the Plan has to make

Income and Expenditure

Over the year to 31 December 2019

Contributions excludes contributions made to the Escrow account.



Please let us know if you have applied to HMRC for tax 'protection'

Virgin Media and O2 have announced plans to join forces in the UK. More information on this agreement can be found here: www.nationalconnectivitychampion.co.uk

Please let us know if you have any comments on this newsletter, particularly if there is any extra information that you feel would be helpful, that the Trustees could communicate to you each year. Please email the Plan's secretary, Caroline West (Caroline.West@virginmedia.co.uk), with your feedback.

Useful contacts

If you need any information about your benefits or the Plan, please contact the administrators:

XPS Administration
Albion, Fishponds Road,
Wokingham, RG41 2QE

0118 313 0800
NTLPPAdmin@xpsgroup.com

The Pensions Advisory Service

120 Holborn,
London, EC1N 2TD

0800 011 3797
www.pensionsadvisoryservice.org.uk

The Pensions Ombudsman

10 South Colonnade,
Canary Wharf, E14 4PU

0800 917 4487
www.pensions-ombudsman.org.uk

Pension Tracing Service

The Pension Service 9,
Mail Handling Site A,
Wolverhampton, WV98 1LU

0800 731 0193
www.gov.uk/find-pension-contact-details

Virgin Media
Employee Services
0345 149 0845 (Option 2)



More detailed information

Funding position

Since the 2017 valuation, the Plan's funding position has improved. The main reason for this is deficit reduction contributions paid by the Company. This has been partially offset by lower than assumed returns from the Plan's growth assets.

The combination of the recovery plan contributions and investment returns was expected, at the 2017 valuation, to result in the Plan being fully funded on an ongoing basis by 31 May 2020, well in advance of the Trustees' originally planned date of 31 December 2026. Given the impact of the Coronavirus pandemic on financial markets, that expected date has been pushed back but is still expected to be well in advance of the 2026 target.

Information to go with the recent funding update

How is my pension paid for?

The Company pays contributions to the Plan so that it can pay pensions to members when they retire. The money to pay for members' pensions is held in a common fund separate from the Company and controlled by the Trustees. It is not held in separate funds for each individual.

Payments to the Company

There has not been any payment to the Company out of the Plan's funds in the year to 31 December 2019.

The importance of the Company's support

The Trustees' objective is to have enough money in the Plan to meet its pension liabilities now and in the future. However, the success of the Plan relies on the Company continuing to support the Plan because:

- *The Company pays for the expenses of running the Plan on an annual basis*
- *The funding level can fluctuate, and if there is a funding shortfall, the Company will usually need to put in more money*
- *The target funding level may turn out not to be enough so that the Company will need to put in more money*

The Trustees receive regular financial updates on the Company's performance.

What would happen if the Company no longer supported the Plan?

The Plan's strong funding position means that, within the next few years, the Trustees will look to insure all pensions (including those not yet in payment) with an insurance company following which the Plan will cease to operate in its current form. This is known as a 'buy-out' (please refer to the 2019 newsletter, and subsequent March 2020 update for further information, copies of which are available on the Plan website www.mypension.com/ntlplan). The timing of any transaction will depend on conditions in the insurance market and it is not certain that we will achieve the desired outcome within this timeframe. Once the Plan has been through a buy-out, member pensions will be secure and therefore the Company's support is no longer required.

In the very unlikely event that the Company could no-longer support the Plan before the buy-out, for example if the Company went into insolvency, then the Plan would be required to 'wind-up'. 'Winding up' means that members' benefits are bought out using insurance policies, as far as possible, using the Plan's assets. In the event of wind-up, the Company is required to pay enough into the Plan to enable all members' benefits to be bought out with an insurance company. If the Company was unable to pay the full amount required then members' benefits may have to be reduced. The Pension Protection Fund provides a further layer of protection to members and might be able to take over the Plan and pay compensation to members upon wind-up, subject to certain limits. Given the strong funding position of the Plan it would be very unlikely the Pension Protection Fund would be called upon but for further information and guidance, please visit the Pension Protection Fund's website at www.pensionprotectionfund.org.uk.

The estimated amount needed to ensure that all members' benefits could have been paid in full, if the Plan had started winding-up on 31 December 2017 (the last time the position was formally assessed) was **£574m**, meaning there was a shortfall of £56m at that date. As you will see from page 1, the Plan's funding position has improved since 31 December 2017 and therefore this shortfall is likely to be lower at a more recent date.

It is a statutory requirement that we provide information to members about what would happen if the Plan was required to wind-up. Including this information doesn't mean that the Company is considering withdrawing support from the Plan. Indeed, and as mentioned above, the Company is supportive of the Trustees' aims to fully secure member pensions via a buy-out. The Plan is in a very strong position and **whilst it remains ongoing, benefits will continue to be paid in full.**

COVID-19 Pandemic

While the Coronavirus outbreak goes on, you'll have a lot on your mind looking after yourself and your loved ones. You may also feel concerned about the potential impact on your pension benefits and we hope to give you some peace of mind on this. The Trustees and our advisers have the capability to work effectively from home and we have full access to any Plan documents and other key information which we may need to carry out our commitments to members.

Our first priority is to keep on paying pensions, in full and on time. Virgin Media operates the pension payroll on behalf of the Trustees and we have made sure this is continuing as normal, and checked that extra measures are in place to make sure that their payroll system keeps running. Above all, we are working hard to make sure the Plan continues to run as usual.

Securing your benefits via an annuity (buy-out)

We told you last year that we were hoping to purchase an insurance annuity contract in 2020 and that the Trustees and our advisers have been working hard to get the Plan ready for this to happen. This was well in advance of our long-held target for purchasing such a contract in 2026/27. The quotations we received were significantly higher than expected and, therefore, buy-out may not now happen for a number of years. You can read more detail in the update we provided earlier this year, which you can find on the Plan website at www.mypension.com/ntlplan

Changes to the Plan's investments

With the help of our investment advisers, we recently carried out an exercise to change the structure of the Plan's invested assets. The changes included a small reduction in "growth" and "matching" funds, replacing them with "credit" funds. There has also been a move towards assets that generate cashflows to pay for future benefits and allow the Plan to better align with the buy-out pricing mentioned above.

Equalisation of Guaranteed Minimum Pensions

Work to look at the effect on your pension is currently underway and is expected to be completed in 2021. We will let you know more details as soon as we are able to.

Don't get scammed

A study by Canada Life found that 5.2m people in the UK had fallen victim to, or knew someone who had been duped by, a financial scam since the beginning of the Covid-19 pandemic. A significant number of attempted scams related to pensions.

The Pensions Regulator, the Pensions Advisory Service (TPAS) and HM Revenue & Customs (HMRC) have issued strong warnings about pension scams and the potential risks of taking up offers which claim to be able to release cash from your pension before you reach age 55 or in larger quantities than are currently allowed under the law (sometimes referred to as 'pension liberation' 'early pension release' or 'pension loans'). You can find more information about the consequences of these offers at www.thepensionsregulator.gov.uk/pension-scams

The Trustees take steps to help reduce the risk of the Plan's members transferring their benefits to a pension scheme that does not operate in accordance with HMRC requirements. It is very important to take independent financial advice before transferring and you can find an FCA approved adviser at www.moneyadvice.service.org.uk/directory. If you are thinking about transferring your pension, please be extremely cautious and visit www.fca.org.uk/scamsmart which has specific help and guidance relating to Coronavirus, and you can check the firm you are dealing with and see whether what you're being offered is a known scam or has the signs of a scam.

Lifetime and Annual Allowances

For the 2020-21 tax year the standard Lifetime Allowance increased to £1,073,100 (from £1,055,000). The standard Annual Allowance for the 2020-21 tax year remains at £40,000.

Changes to the State Pension Age

You can check your state pension age at www.gov.uk/state-pension-age and www.yourpension.gov.uk

Member website

The Plan's website has various useful documents and can be found at www.mypension.com/ntlplan