Keeping you up to date with your pension scheme's financial health

September 2026

The Trustee of the Lloyd's Register Superannuation Fund Association (LRSFA) produces Summary Funding Statements, like this one, to give you an update on the funding position of the Defined Benefit (DB) section.

We use independent advisers to help us to monitor the LRSFA's finances, and this statement summarises the results of the actuarial valuation of the LRSFA as at 31 March 2025.

This is the first valuation following our investment decision in October 2024 to insure members' benefits with Standard Life. Under the new insurance contract (also called a "buy-in" insurance policy), the Trustee remains responsible for paying the benefits due to all members and beneficiaries. These amounts are then paid back to the Trustee by Standard Life under the insurance contract.

This buy-in improves security for LRSFA members because the payments the DB Section makes to members are matched by payments from the insurance contract. This contract has been reflected in the triennial valuation results. The results show that the LRSFA is at a funding level of 100%, with no surplus or deficit. Details are given on page 2.

We are now working on the update at 31 March 2026 and will share the results of that assessment in due course.



Yours faithfully

Nicholas Godden

Chairman of the Trustee Board

Results of the actuarial valuation at 31 March 2025

At 31 March 2025 the expected cost of the benefits was £623m, and this was equal to the actual assets in the DB section.

The Trustees employ an independent expert to provide regular checks on the LRSFA's finances. These regular check-ups involve calculating the expected cost of the benefits (known as the "technical provisions"). The technical provisions in respect of members' benefits is the amount that is expected to be enough to continue to pay out all the pensions and associated benefits that members have built up in the LRSFA.

Nobody knows exactly how much money will be needed to pay everybody's pensions. This will depend on how long members live and the level of future inflation, amongst other factors.

The buy-in policy is an asset of the LRSFA which is designed to provide payments to the Trustee which match the pensions and associated benefits payable to DB section members. Therefore, the asset value given to the buy-in policy is the same as the technical provisions in respect of members' benefits.

The total technical provisions also include the estimated costs of running the LRSFA and reserves for additional costs that could occur. As at 31 March 2025 there were some other assets in the DB section including cash not related to the buy-in and these were equal to the estimated costs and reserves, therefore there is no surplus or deficit at that date. This compares to a surplus of £34m at 31 March 2024. The reason for the change (which represents c5% of the LRSFA assets) largely relates to the cost of providing the improved security of members' benefits, through the buy-in policy.

Lloyd's Register Group Limited ("the Company") is still the Principal Employer of the LRSFA and remains, along with the other participating employers, ultimately responsible for supporting the LRSFA.

The assets of the DB section are held separately from the Company, and the Trustee is responsible for investing this money, after taking professional advice.

This statement does not cover the DC (money purchase) assets of the LRSFA.

Your questions answered

Q: Has the Company taken any money out of the LRSFA?

Regulations require us to confirm to you that the Company has not taken any money out of the LRSFA since the date of our last Summary Funding Statement. We can confirm that this is the case.

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

In this event, a wind-up of the LRSFA would be likely to begin and responsibility for paying members' pension benefits would be transferred to Standard Life or another insurance company. The Trustee uses the "solvency" actuarial valuation to estimate the cost of securing all members' benefits with an insurance company.

The most recent estimate provided by our independent advisers looked at the solvency position on 31 March 2025. This estimate showed that the LRSFA is at a 100% funding level.

Q: Is my pension protected?

The Government set up the Pension Protection Fund, which provides pension scheme members with added security should their employer become insolvent and their scheme does not have enough assets to secure members' benefits in full.

If the LRSFA were to enter the Pension Protection Fund, the amount members receive may be less than the pension benefits built up for them in the LRSFA. The Pension Protection Fund rules are complex. The amount they will pay depends on the rules of the scheme, 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/

Q: Where can I find the Climate-Related Financial Disclosures (TCFD)?

The Trustee has published the LRSFA's TCFD report, which explains how climate-related risks and opportunities are identified, assessed and managed in relation to the LRSFA. The report is available at: https://lrpensionport.co.uk/documents/activedeferred/2025_TCFD_report.pdf

If you would like a paper copy, please contact the admin team using the details on page 4.

Q: Where can I find out more details on the buy-in?

Please refer to my letter of October 2024 available at https://lrpensionport.co.uk/documents/generic/buy_in_letter_2024.pdf

Where can I get more information?

If you have any questions or would like to see a copy of the LRSFA's financial accounts, rules, investment policy or other documents, please contact the administrators at the address below or by email LRSFA@xpsgroup.com.

XPS Administration,
PO Box 562,
Middlesbrough,
TS1 9JA

Alternatively visit the LR pensions website and stay connected with the latest news and information about your pension. **https://www.lrpensionport.co.uk/**

Are your details up to date?

Please let us know if your contact details have changed.

If you would like to change the people you have nominated to receive benefits upon your death, please complete an Expression of Wish form.

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