

Trustee Summary Funding Statement

For the period ending 31 December 2024

The Trustee is pleased to present the Scheme's Summary Funding Statement showing you the funding position based on the latest actuarial valuation report as at 31 December 2024.

Why regular checks are important

Assets in the Scheme are invested in a single fund which is looked after by the Trustee. It is therefore important that the Trustee checks regularly that there is enough money building up to pay benefits.

'Ongoing' funding

This Summary Funding Statement as at 31 December 2024 shows the financial position of the Scheme relative to its statutory funding objective since the previous actuarial valuation as at 31 December 2023.

| | 2023 | 2024 |
|----------------------|--------------|---------------|
| Funding Target | £261.9m | £234.9m |
| Assets | £255.9m | £235.9m |
| Surplus/(shortfall) | (£6.0m) | £1.0m |
| Funding Level | 97.7% | 100.4% |

Change in the funding position since 31 December 2023

The funding level, as measured against the Statutory Funding Objective, has improved since 31 December 2023. This is mainly due to:

- The increase in gilts yields which means there has been a corresponding fall in the value of the Scheme's liabilities.
- Deficit contributions being paid into the Scheme by the RNLI of £425,000 at each month end from 31 January 2024 to 31 July 2024 inclusive.

How is the amount the Scheme needs worked out?

The Trustee obtains regular valuations of the benefits earned to date by members. In order to estimate the money needed to cover members' benefits, the Trustee agrees assumptions with the RNLI. The Scheme Actuary then calculates the funding target based on this agreed approach and, comparing the actual value of assets with this target, gives the surplus or deficit in the Scheme. Finally, the RNLI and the Trustee agree a Schedule of Contributions setting out future payments into the Scheme.

When is the next valuation due?

The next formal actuarial valuation is due as at 31 December 2026.

More information

What percentage of the Scheme's benefits could be secured with an insurance company (the 'winding up' position)?

As at 31 December 2024, it is estimated that, without any further contribution from the RNLI, the Scheme would have had enough money to secure around 85% of members' benefits with an insurance company (equivalent to a shortfall of £42.2m). These figures will be reviewed and updated as part of the next valuation at the end of 2026.

What does 'winding up' mean?

Winding up is a process whereby a pension scheme is closed down. To close down a scheme and secure its pension promises, a scheme has to use its money to buy the members' benefits from an insurance company. By law we must tell you what this figure is, based on the last valuation.

Why have you shown the 'winding up' position?

The fact that we have shown this information does **not** mean that the RNLI is thinking of winding up the Scheme. It is information we are required to give you to help you understand the financial security of the Scheme and your benefits.

We also have to tell you by law

- Since the last Summary Funding Statement, there have not been any payments to the RNLI out of the Scheme's funds.
- The Scheme has not been modified, and no directions or schedule of contributions have been imposed on the Scheme by the Pensions Regulator.