

Summary Funding Statement

March 2025

The last actuarial valuation as at 5 April 2024

An actuarial valuation compares how much money the Plan has (its **assets**) with how much it needs to be able to pay everyone their benefits (its **liabilities**).

If the Plan's assets are more than its liabilities, there is a **surplus**; if they are less, there is a **shortfall**. The valuation then looks at how much Schneider Electric Limited (the **Company**) needs to pay to the Plan to recover any shortfall.

A full actuarial valuation usually takes place every three years but can take place more often if the Trustee wants. The last full valuation was as at 5 April 2024 and the results are shown on the right, along with the results of the annual funding update as at 5 April 2023 and the full valuation as at 5 April 2021.

2024 Plan valuation

Liabilities £309.9m

Assets £287.2m

Shortfall
£22.7m93%
funded

2023 Plan update

Liabilities £337.3m

Assets £308.0m

Shortfall
£29.3m91%
funded

2021 Plan valuation

Liabilities £471.5m

Assets £413.8m

Shortfall
£57.7m88%
funded

Agreeing how to fund the Plan

The Trustee agrees a funding plan (the **Statement of Funding Principles**) with the Company, to make sure there is enough to pay for all members' benefits. The Company must pay extra contributions if there is a shortfall, as well as the cost of running the Plan.

The agreed approach is to target low dependency, by the Company paying additional contributions. Low dependency aims to remove the need for further Company contributions and better secure members' benefits.

The Recovery Plan

Because there was a shortfall at the 2024 valuation, the Company has paid the following contributions:

- £850,000 per month from April 2024 until 30 September 2024
- £17,600,000 in November 2024

Change in funding position

The shortfall has reduced since the 2023 update, mainly due to a change in market interest rates and contributions received from the Company. Due to the calculation date, the 2024 Plan valuation does not include the final payment in November 2024.

Payment from the Plan to the Company

No payments have been made to the Company since the last Summary Funding Statement.

If the Plan had to wind up

There is currently no intention to wind up the Plan, but if it were to happen, benefits may be bought with an insurance company. In 2024, this was estimated to cost **£345.9m**, which was **£58.7m** more than the Plan's assets. This generally costs more, due to profit margins, running costs and extra allowance for risk. If the Plan did wind up, the Company would need to cover this extra cost, if it was still running and able to. As the Plan is not being wound up, additional funds are not currently being put aside to cover this extra cost.

The Pensions Regulator

In certain circumstances The Pensions Regulator can:

- Direct how the Plan's liabilities must be calculated
- Set the period for removing any funding shortfall
- Set the level of Company contributions to be paid
- Change the way members build up benefits in the future

None of these apply to the Plan.

