

BOC Retirement Benefits Scheme – SEPS section

Summary Funding Statement

This Statement is intended to give members important information about the funding position of the BOC Retirement Benefits Scheme – SEPS Section (“the Scheme”). It shows the Scheme’s funding position following the Scheme Actuary’s valuation as at 31 March 2023, which was finalised in May 2024.

Funding position as at 31 March 2023

The results of funding assessment as at 31 March 2023 are given below, along with the results of the previous update we provided for you:

Funding position as at:	31 March 2022 £m	31 March 2023 £m
Assets	272.9	235.4
Liabilities	249.3	194.8
Surplus / (shortfall)	23.6	40.6
Funding level	109.5%	120.8%

Change in funding position

The funding level has improved since the previous update. The main reason for this is because the Scheme’s assets did not reduce by as much as the liabilities over the year. The liabilities represent the amount of money the Trustee estimates it needs to pay your pension benefits in future. Over the year this amount reduced materially as interest rates increased. Higher interest rates mean the Trustee expects to make more investment returns in future, and therefore need to hold less money today to pay your pension benefits in future. Although the assets also fell in value over this turbulent period, they fell by less than the liabilities, resulting in the improved funding position.

The Trustee appreciates this information is quite out of date, but we are required to provide you with it. However, we can confirm that at a more recent date, 31 October 2024, the funding level was still very healthy, with a funding level of 124% and surplus of £42m.

Contribution requirements

As there were sufficient assets to cover the Scheme’s liabilities at the formal triennial valuation date (31 March 2023), Company contributions are not required and there is no recovery plan in place for the Scheme.

Other information we have to tell you

Payments to the Company

It is a requirement that we inform you whether any payment has been made from the assets of the Scheme to the Company since the last summary funding statement was issued. There has not been any payment to The BOC Group Limited (nor any other participating employer) out of the Scheme’s funds during this period.

Interaction with the Pensions Regulator

It is also a requirement to state whether the Pensions Regulator has used its powers in relation to the Scheme to modify the future benefits, provide direction regarding the calculation of the Scheme’s liabilities or imposed a Schedule of Contributions. We can confirm that the Pensions Regulator has not used any of these powers in relation to the Scheme.

What would happen if the Scheme discontinued?

We are required to tell you what would happen if all the Scheme assets were sold and the proceeds taken to an insurance company to buy a pension for everyone. In the case of the Scheme, this is a hypothetical situation as there is no intention of ceasing the Scheme, but if this did happen, the Scheme's Actuary estimated that at 31 March 2023 the assets represented around 109% of the amount required to purchase pensions with an insurance company. This is lower than the 121% level of cover noted above if the Scheme continues, as insurance companies take a very cautious view of the future and need to make a profit, so their rates are more expensive.

Where can I get more information?

If you have any questions about your pension or the Scheme or would like more information please contact the Scheme's administrator at:

The BOC Retirement Benefits Scheme Pensions Administration Team

Post: BOC Retirement Benefits Scheme | Sunderland | SR43 4JU

Email: BOCpensions@wtwco.com

Pension Portal: <https://epa.towerswatson.com/accounts/boc/>

**Trustee of the BOC Retirement Benefits Scheme
December 2024**