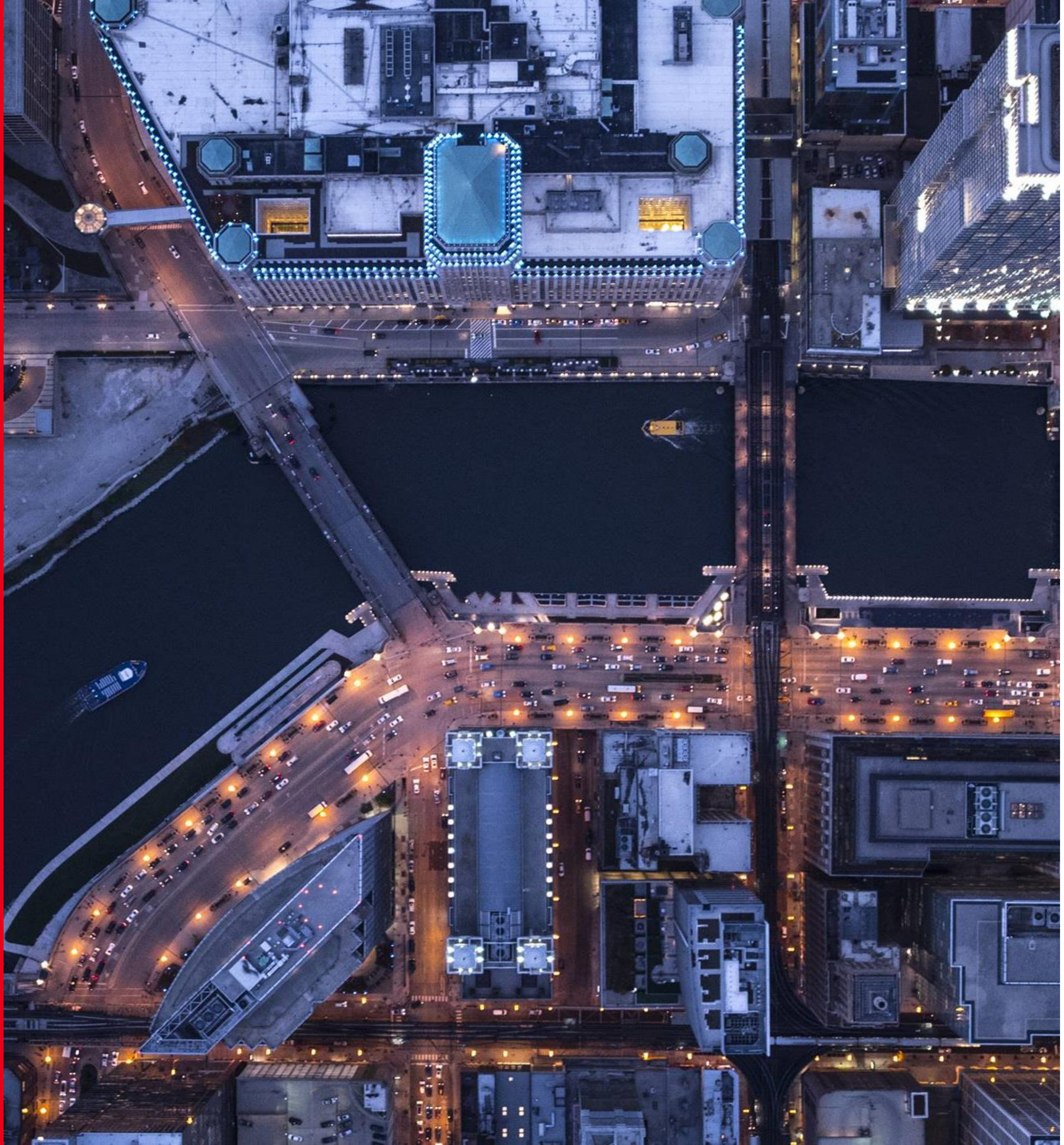


Annual actuarial report at 31 December 2024

MRC Pension Scheme (Universities Section)

Prepared for: M.R.C. Pension Trust Limited

Prepared by: John Coulthard FIA

6 October 2025

Private and Confidential

Your annual actuarial report

Why bring you this report?

This is the annual actuarial report required by legislation.

Its purpose is to provide an **approximate** update of the assets and technical provisions of the Scheme on the **anniversary** of the last valuation.

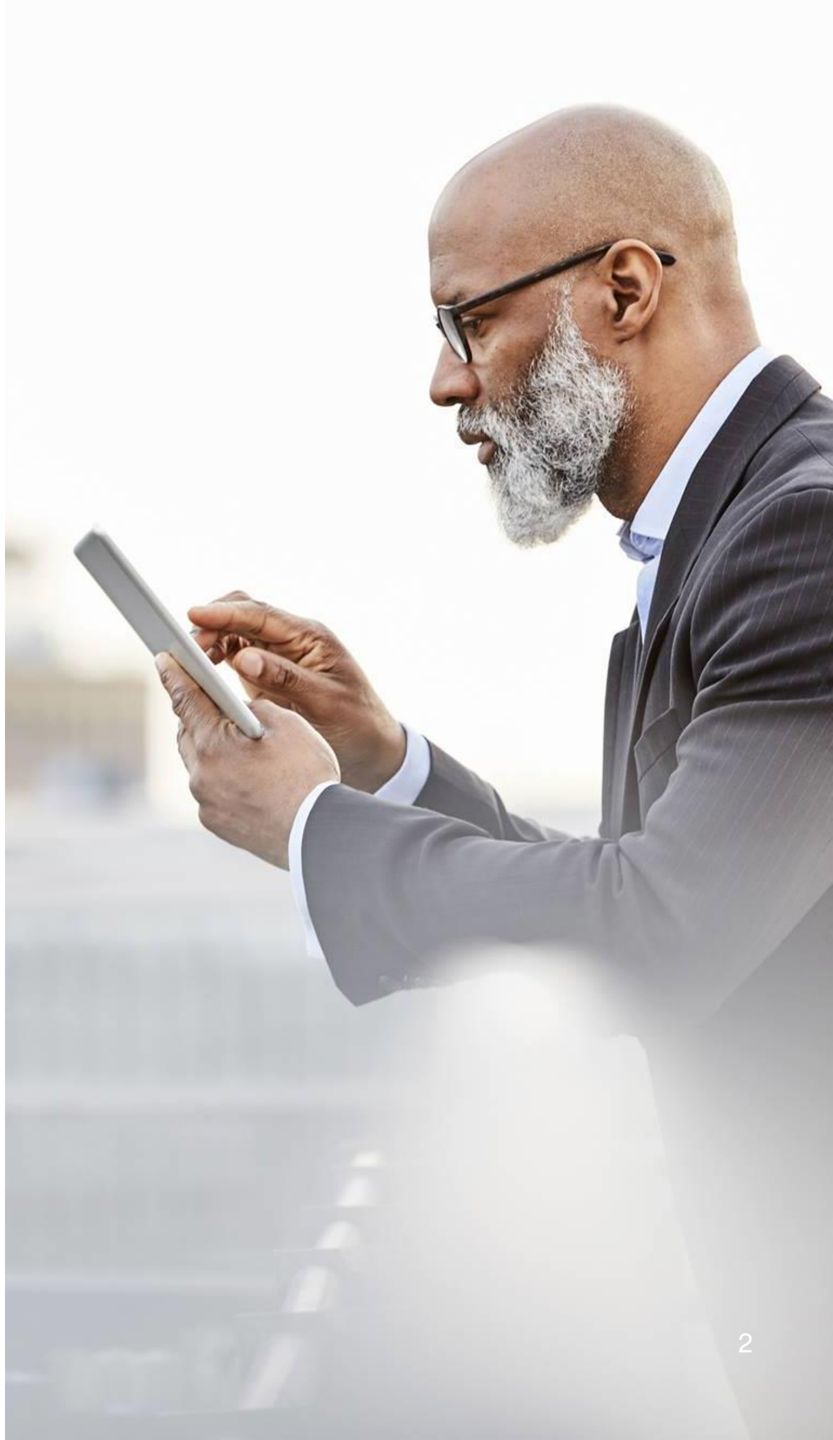
This report is also intended to be used by the Trustee as the basis of the **summary funding statement** that needs to be provided to members.

Next steps

A copy of this report must be made available to the Company within **seven days** of receiving it and to members within **two months** of request.

John Coulthard FIA
Scheme Actuary

+44 (0) 2070 869 060
john.coulthard@aon.com



Funding position at 31 December 2024 – Technical Provisions

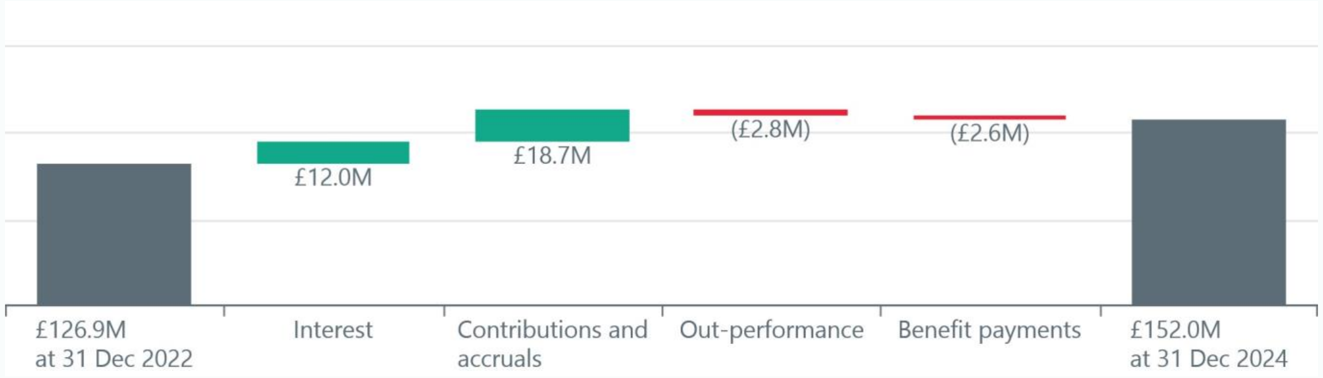
Funding level

152.3%

31 Dec 2024

^ 28.4%
vs 31 Dec 2022

Change in asset value since 31 December 2022



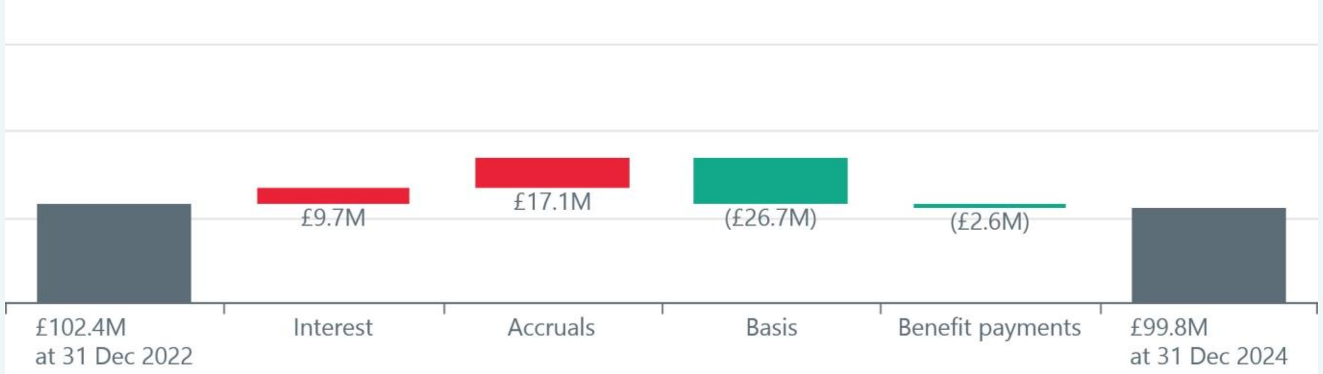
Surplus

£52.2M

31 Dec 2024

^ £27.7M
vs 31 Dec 2022

Change in liability value since 31 December 2022



Basis:
Technical Provisions

Effective Date:
31 December 2024

Comments

Since the valuation at 31 December 2022 the Section's Technical Provisions funding level has improved and the surplus has increased by around £28M.

The value of the liabilities decreased slightly over the period, mainly due to changes in market conditions, specifically increases in real gilt yields, partially offset by the ongoing accrual of benefits.

The value of the Section's assets increased over the period, mainly due to employer contributions and investment outperformance relative to the technical provisions discount rate.

Funding changes since the last annual actuarial report

Funding level

152.3%

31 Dec 2024

^ 16.1%
vs 31 Dec 2023

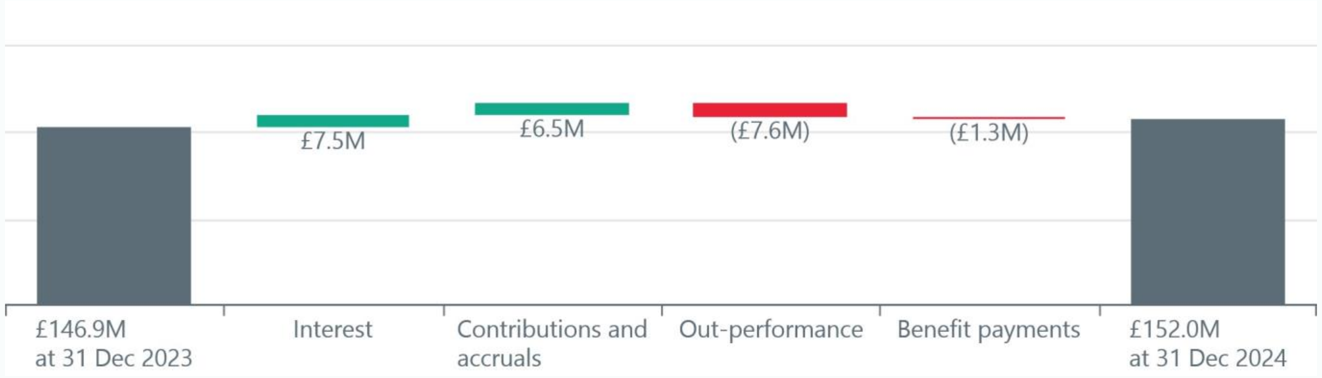
Surplus

£52.2M

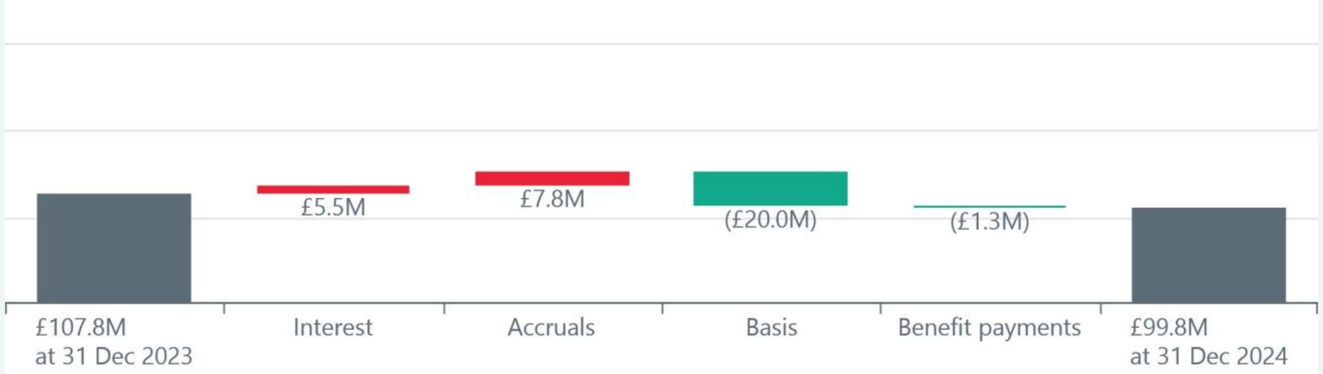
31 Dec 2024

^ £13.1M
vs 31 Dec 2023

Change in asset value since 31 December 2023



Change in liability value since 31 December 2023



Basis:
Technical Provisions

Effective Date:
31 December 2024

Comments

Since the previous annual actuarial report at 31 December 2023 the Plan's technical provisions funding level has improved and the surplus has increased by around £13M.

The value of the liabilities decreased over the year, mainly due to changes in market conditions, specifically increases in real gilt yields, partially offset by the ongoing accrual of benefits.

The value of the Section's assets increased slightly over the year, mainly due to employer contributions.

Method

Liabilities

This annual actuarial report is consistent with the technical provisions calculations for the formal actuarial valuation at 31 December 2022. The assumptions used have been modified only insofar as is necessary to maintain consistency with the Statement of Funding Principles dated 7 March 2024, reflecting the change in the effective date and in relevant market conditions.

The liabilities are projected from the results of the formal actuarial valuation at 31 December 2022 and are therefore approximate. Since the liabilities are not based on up-to-date membership data, they become more approximate the longer the period of time that has elapsed since the last actuarial valuation.

The liabilities take account of the following over the period since the last formal actuarial valuation:

- Cashflows into and out of the Section; and
- Actual price inflation and its impact on benefit increases.

Demographic experience since the last formal actuarial valuation has been assumed to be in line with the Statement of Funding Principles.

This update is designed to give a broad picture of the direction of funding changes since the actuarial valuation but does not have the same level of reliability as, and therefore does not replace the need for, formal actuarial valuations.

It does not reflect any changes to assumptions which would be made if a full actuarial valuation were to be carried out to reflect, for example, changes to the covenant of the sponsoring employer, investment strategy or economic outlook.

Assets

We have used an audited value of the Section’s assets at 31 December 2024 taken from the final Trustee Report & Accounts.

The asset values exclude AVCs and DC investments, which are invested separately.

TAS compliance

This document has been prepared in accordance with the framework set out below.

This document has been requested by M.R.C. Pension Trust Limited ("the Trustee"). It has been prepared under the terms of the Agreement between the Trustee and me on the understanding that it is solely for the benefit of the addressee.

This document, and the work relating to it, complies with 'Technical Actuarial Standard 100: General Actuarial Standards' ('TAS 100') (updated July 2023) and 'Technical Actuarial Standard 300: Pensions' ('TAS 300 v2') (updated December 2023).

The compliance is on the basis that the Trustee is the addressee and the only user and that the document is for information only and is not to be used to make any decisions on the contributions payable or the investment strategy. If you intend to make any decisions after reviewing this document, please let me know and I will consider what further information I need to provide to help you make those decisions.

This document should be read in conjunction with:

- The report on the most recent actuarial valuation of the Section dated 7 March 2024.
- The Statement of Funding Principles dated 7 March 2024.
- The Annual Actuarial Report at 31 December 2023 dated 24 September 2024.

If you require further copies of any of these documents, please let me know.

Glossary

Understanding the terminology in this document

General terms

Technical provisions
The funding target for a scheme, agreed as part of the actuarial valuation.

Funding level
The ratio of the value of assets to the value of liabilities.

Surplus / Deficit
The value of assets less the value of liabilities. If the value of the liabilities is greater than the value of the assets, then the difference is called a deficit.

Chart labels

Interest
The asset and liability values are assumed to increase at the discount rate used to value the liabilities.

Contributions / Accrual
The expected increase in assets and liabilities due to contributions and new benefit accruals.

Outperformance / Basis
Actual returns achieved on assets over and above the assumed discount rate and the impact on liabilities of a change in market conditions.

Benefit payments
The expected decrease in assets and liabilities due to benefit payments (including transfers out) during the period.

John Coulthard FIA
Senior Partner

+44 (0) 2070 869 060
john.coulthard@aon.com