

Members' Summary Funding Statement

This Summary Funding Statement has been prepared by the Trustee of the London Stock Exchange Group Pension Scheme (the “Trustee” of the “Scheme”) to update members on the financial position of the LSE Section (the “Section”).

Why have you sent me this Summary Funding Statement?

The Trustee is responsible for looking after the Scheme on behalf of its members. We are sending you this statement to let you know about the Section's financial security. The financial security of the Section might affect the benefits you will receive, so we recommend you take some time to read through this statement. We will send you a similar statement in future years to keep you up to date.

How is the Section's financial security measured?

The LSE and LCH Sections both have their own assets, and the financial performance of each Section is reviewed separately.

The estimated cost of providing the benefits that you and other members have earned to date is known as the Section's “liabilities”. This includes the benefits of members who have left the Company¹ or retired.

The Scheme is closed to future benefit accrual. However, the Company continues to pay contributions when required.

The contributions we collect from the Company are invested in a communal fund for the LSE Section, not in separate funds for each individual. **The amount of money we have invested is known as the Section's “assets”.**

To check the Section's financial security, we look at its financial position and compare the value of its liabilities to the value of its assets. **If the value of the Section's assets is lower than the value of its liabilities, there is said to be a “shortfall”. Conversely, if the value of its assets is higher than the value of its liabilities, there is said to be a “surplus”.**

We carry out an in-depth look at the Section's finances at least every three years, this is referred to as an “**actuarial valuation**”. An independent and qualified professional, known as an Actuary, carries out the actuarial valuation and provides a written report summarising their conclusions. In the interim years between actuarial valuations, the Actuary also undertakes a less formal check on the financial security of the Section.

What is the Section's financial position?

The latest formal actuarial valuation was completed as at 31 December 2023. The results of this valuation and the subsequent actuarial reports as at 31 December 2024 and 31 December 2025 are shown in the table below:

Actuarial valuation / actuarial report as at:	31 December 2023	31 December 2024	31 December 2025
The value of the Section's liabilities was:	£309.9m	£269.7m	£264.0m
The value of the Section's assets was:	£307.4m	£268.1m	£261.1m
This means that there was a shortfall of:	(£2.4m)*	(£1.6m)	(£2.8m)*

* Calculated using the unrounded assets and liabilities

¹ In this document, “Company” means London Stock Exchange plc

How has the Section's financial position changed since you last received a Summary Funding Statement?

As we mentioned in last year's Summary Funding Statement, a full Scheme bulk annuity policy was secured with Standard Life in May 2023, which covers all members of the Scheme who had not previously been insured. As a result of this bulk annuity policy, the LSE Section's funding position remained broadly unchanged between 31 December 2023, 31 December 2024 and 31 December 2025. The small changes in shortfall are due to changes in the value of the LSE Section's non-insured assets relative to its non-insured liabilities.

What actions were agreed in relation to the shortfall at the end of 2023?

As the Scheme is closed to future benefit accrual, the Company is no longer required to pay contributions to meet the cost of new benefit accrual. However, the Company's commitment to fully fund the accrued benefits continues. To correct the shortfall of £2.4 million at 31 December 2023, the Company has agreed to pay contributions of £2.9 million (the higher amount allows for interest), in one or more instalments, on or before 1 April 2028. These contributions include the amounts paid to reimburse the Section for actual administration expenses and other costs.

How do you know what contributions should be paid into the Section?

Following each actuarial valuation, the Actuary advises us what contributions should be paid into the Section in order to remove any shortfall. We then agree a level of contributions for the Section with the Company and record this in a document called the Schedule of Contributions.

We review and update the Schedule of Contributions at least each time the Section has an actuarial valuation (i.e. at least every three years). The valuation and Schedule of Contributions follow standards we have set out in a Statement of Funding Principles. This document describes how we will manage the funding of the Section with the aim of being able to pay all members' benefits.

Can I transfer my benefits out of the Section before I am due to retire?

Yes, this is usually possible. If you would like to consider transferring your benefits, then please contact the Scheme's administrator.

If you are thinking of transferring your benefits from the Section for any reason, you should consult a professional adviser, such as an independent financial adviser, before considering any further action. The law prevents us from providing you with financial advice.

Additional Information on transferring your benefits out of the Scheme

For further information on the impact of transferring your benefits out of the Scheme, you can visit the FCA's website on consumer information on 'DB transfers'.

Please visit www.fca.org.uk/consumers/pension-transfer-defined-benefit.

You can also visit www.moneyhelper.org.uk which is a government service that offers free, impartial guidance about your pension options.

We are required to provide you with the following information relating to the Section's estimated "solvency position" at the valuation date and the Pension Protection Fund. However, you should note that much of this information is no longer relevant following the purchase of the buy-in policy with Standard Life (that is, the Section is now broadly fully funded on a solvency measure). The buy-in policy also means that it is highly unlikely that the PPF will be of relevance to your benefits in the Section.

Is my pension guaranteed?

The Trustee and the Company work together with a common goal of there being enough money in the Section to pay pensions now and in the future. This requires that the Company carries on in business and continues to pay money into the Section at the required time. In the unlikely event that the Company goes out of business whilst solvent or decides to stop paying for the Section, it has the responsibility to pay the Section enough money to secure all the benefits built up by members from an insurance company. This is known as the Section being "wound-up".

Legislation requires the Trustee to let you know of the position if the Section were to be "wound-up". The comparison of the Section's assets to the cost of buying the benefits from an insurance company is known as the "solvency position".

Is there enough money in the Section to provide my full benefits if the Section was wound-up?

As noted earlier in this Summary Funding Statement, the actuarial valuation at 31 December 2023 showed a £2.4 million shortfall. This shortfall reduced to £1.6m at 31 December 2024 and subsequently increased to £2.8m at 31 December 2025. This is an estimate of the additional funding required to pay the final balancing premiums to fully insure the Section's benefits and cover future Section expenses.

What happens if the Section is wound-up and there is not enough money to pay for all my benefits?

If the Section is wound up, the Company will have to make good the expected shortfall. As a further protection, the Government has set up a "safety net" in the form of the Pension Protection Fund ("PPF") to pay a minimum level of benefits to members if the Section is wound-up and the Section and the Company do not have enough money to cover the cost of buying this minimum level of benefits with an insurer.

If the Section were to be wound up and go into the PPF, the pension you would receive from the PPF may be less than the full benefit you have earned in the Section. Further information and guidance is available on the PPF website at www.ppf.co.uk.

Additional Information

We are required to tell you whether the Pensions Regulator has used its legal powers to make directions as to any of the method and assumptions used to calculate the liabilities, the length and structure of the recovery plan or the contributions that should be paid under the recovery plan. The Regulator has not used its powers in relation to the Section and therefore the Section is not subject to any directions.

There is also a legal requirement for us to tell you if any payments have been made to the Company out of Scheme funds. We can confirm there have been no such payments to the Company out of Scheme funds since the last statement was issued.

Where can I get more information?

A list of documents that provide further information is shown below. Members can be provided with copies of these documents on request, or some of these can be found on the Scheme-specific website, together with other Scheme documents and educational content at: www.lseg.yourisio.com.

Statement of Funding Principles

This explains how we (the Trustee) plan to make sure enough money is paid into the Section to provide the benefits that members have built up.

Schedule of Contributions

This shows how much money is being paid into the Section by the Company and includes a certificate from the Actuary showing that it is sufficient.

Annual Report and Accounts of the London Stock Exchange Group Pension Scheme

This shows the Scheme's income and expenditure to 31 December 2025.

Actuarial Valuation as at 31 December 2023

This shows the details of the Actuary's formal assessment of the Section's funding position as at 31 December 2023.

Actuarial Report as at 31 December 2024

This shows the details of the Actuary's approximate check of the Section's funding position as at 31 December 2024.

Actuarial Report as at 31 December 2025

This shows the details of the Actuary's approximate check of the Section's funding position as at 31 December 2025.

If you have any other questions, or would like any more information, please contact the Section Administrators. Contact details for Isio and PIC and details of how to access more information on your benefits online are shown on page 3 of the accompanying newsletter.

The Trustee of the London Stock Exchange Group Pension Scheme

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