

Chubb Security Pension Fund

(Fund Registration Number 10094555)

Annual Report For The Year Ended
31 March 2025

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The Trustee's Report

Introduction

The Trustee is pleased to present its report on the Chubb Security Pension Fund ("the Fund") for the year ended 31 March 2025.

The Fund is an occupational defined benefit pension plan established under English law by a Trust Deed and Rules dated 1 May 1980 and is currently governed by a replacement definitive Deed and New Rules (as subsequently amended) which was adopted on 19 May 2000.

The Fund is registered in the United Kingdom. The registered office is at Ground Floor, 2 Lotus Park, Staines, Middlesex, TW18 3AG.

In accordance with HMRC requirements the Fund is registered under Chapter 2, Part 4 of the Finance Act 2004. As a consequence, if payable, both employee and employer contributions are normally eligible for tax relief and income and capital gains earned by the Fund receive preferential tax treatment.

Following consultation with active members in accordance with legislation and after a period of reflection, the Principal Employer decided to proceed with its proposals to close the Fund to the future accrual of benefits. The closure became effective on 31 March 2020.

Management of the Fund

The Fund has a corporate Trustee, Chubb Security (Pensions) Limited, appointed by the Principal Employer. The names of the Directors of the corporate Trustee during the year, are as follows:

Name	Nominated/appointed by
B D McGowan (Chairman)	Employer
H Dulay	Members
I Fixter	Members
C Forbes	Employer
W Jones	Employer
C Walters	Members
K Bettmann	Employer

The Trustee is responsible for setting the strategy and for managing the Fund and the directors meet four times a year for this purpose.

All occupational pension schemes must implement arrangements that provide for at least one-third of the trustee directors to be member-nominated. The arrangements for the nomination and selection must be proportionate, fair and transparent.

Four directors of the Trustee company are appointed and removed by the Principal Employer and three directors are member nominated and are deferred or pensioner members of the Fund.

The Trustee has delegated the day-to-day management and operation of the Fund's affairs to professional organisations.

The Trustee's Report (Cont)

Changes to Fund Rules

There have been no changes to the Fund Rules during the period under review.

The Principal Employer

The Principal Employer is:

Chubb International Holdings Limited, Ground Floor, 2 Lotus Park, Staines, Middlesex TW18 3AG.

Financial development of the Fund

The financial statements have been prepared and audited in compliance with regulations made under sections 41 (1) and (6) of Pensions Act 1995.

During the year, the net assets of the Fund decreased by £65.2 million to £538.0 million as follows:

	£millions
Net withdrawals from dealing with members	(33.2)
Net returns on investments	(32.0)
Net decrease in the Fund	(65.2)

Fund membership

Details of the Fund membership at the end of the Fund year were as follows:

	2025 Number	2024 Number
Deferred members	1,434	1,566
Pensioners	3,941	3,988
Total	5,375	5,554

Pensioners include 1,015 (2024: 1,020) individuals receiving a pension following the death of their spouse.

The above membership details include 87 (2024: 87) members for whom the Fund is in receipt of legacy annuity payments. On 20 June 2023, the Trustee entered into a bulk purchase annuity insurance contract with Phoenix Life Limited to secure future pension payments for all deferred and pensioner members of the Fund, except for the members benefits covered by the legacy insured annuity payments.

Defined contribution benefits

Whilst the Fund is a defined benefit pension arrangement, it does (in addition to standard Additional Voluntary Contribution (AVC) arrangements) have some defined contribution (DC) benefits.

- DC benefits for some members who had short periods of membership after 5 April 1997 and who received a refund of part of their contributions. The DC benefits represent retained 'Protected Rights', a result of the method used by the Fund from 6 April 1997 to 'contract out' of the State Pension Scheme. These Protected Rights remained invested within the Fund's defined benefit (DB) investment strategy.
- DC 'underpin' accounts apply for some members, under which they will receive the greater of a DB entitlement and the comparable pension that can be secured by the DC underpin account. The Trustee has been advised by the Fund's administrator that, during the Fund year, comparable pensions that could be secured by DC underpin accounts were not expected to be greater. Benefits for these members are, therefore, expected to be DB in nature.

The Trustee's Report (Cont)

Fund advisers

The Trustee retains a number of professional advisers in connection with the operation of the Fund. In line with UK pension scheme best practice, the Trustee has a policy of periodically reviewing all of its external advisers and service providers.

The advisers currently appointed are as follows:

Scheme Actuary	P Houghton, Barnett Waddingham LLP
Advising Actuaries	Barnett Waddingham LLP
Administrator of the Fund benefits	Gallagher Benefit Services
Legal Advisers	CMS Cameron McKenna Nabarro Olswang LLP
Independent Auditors	PricewaterhouseCoopers LLP
Investment Managers	Insight Investment Management Limited
AVC provider	Aegon
Bulk Purchase Annuity Provider	Phoenix Life Limited
Investment Advisers	Barnett Waddingham LLP
Custodian of the Fund assets	Bank of New York Mellon
Covenant Adviser	Cardano
Bankers	Lloyds Bank plc
Secretary to the Trustee Directors	H Willcox – Barnett Waddingham LLP (until 31 March 2025) H Gill – Barnett Waddingham LLP (from 1 April 2025)

Bulk Annuity Purchase

On 20 June 2023, the Trustee entered into a bulk purchase annuity insurance contract with Phoenix Life Limited to secure future pension payments for all deferred and pensioner members of the Fund at that date. Under this insurance policy, Phoenix Life began to make monthly payments to the Fund from December 2023 to cover the pensions in payment for pensioners in the Fund. The initial premium and true up payments/receipts totalling £543.8m were transferred from Insight by the Fund to Phoenix Life in June and July 2023 via payments of cash and transfers of stocks.

At the time of purchasing the buy-in policy, there were a number of known data and benefit issues that needed further investigation. As a result, there is a slight mismatch between the benefits payable under the policy and those due from the Fund. In due course, the Fund will undertake a "true up" of the policy and agree a balancing premium with Phoenix Life to ensure that the policy covers the actual benefits due from the Fund.

The Trustee's Report (Cont)

Tax status of the Fund

The Fund is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and, to the Trustee's knowledge, there is no reason why the Fund's registered status should be prejudiced or withdrawn.

Transfer values

All cash equivalents (transfer values) paid during the year were calculated and verified in the manner required by the Pension Schemes Act 1993 and subsequent amendments. No discretionary benefits are included in the calculation of transfer values. A cash equivalent is the amount which a Fund member is entitled under social security legislation to have applied as a transfer payment to another permitted pension arrangement or a buy-out policy.

Pension Increases

Pensions were subject to increases as at 1 April 2024.

For those members who joined the Fund after 1 December 1995, pensions increase by the lower of 5% or the increase in the Retail Prices Index (RPI). This is referred to as Limited Price Indexation (LPI). RPI measured as at September 2023 was 8.9%.

Members who joined prior to 1 December 1995 continue to receive a minimum increase of 4% per annum (new basis) or 3% per annum (old basis). Such members will only receive increases above these minimum rates where the cumulative LPI increase exceeds their cumulative rate of increases over any two-year consecutive period, as provided by legislation.

The average increase in total pensions in payment in the year to 31 March 2025 was 3.8%.

Deferred pensions were increased in accordance with statutory requirements.

There were no discretionary pensions increases awarded during the year.

Increases to pensions in payment made in respect of members who joined the Fund before 1 December 1995 over the last ten years have been 4% per annum on total pension in payment except for;

- members who retained entitlement to old basis terms received 3% on the excess above the Guaranteed Minimum Pension from 1 April 2005 to 1 April 2015;
- members who have mixed benefits receive a combination of the increases applicable to old/new basis members.

Codes of Practice

The Trustee is aware of and adheres to the Codes of Practice issued by The Pensions Regulator ("TPR"). The objectives of these codes are to protect members' benefits, reduce the risk of calls on the Pension Protection Fund ("PPF") and to promote good administration.

The Pensions Regulator: Record Keeping

TPR issues guidance on all aspects of pension scheme data record keeping to all those responsible for the data (the trustees) and those who administer pension schemes. The guidance covers both common data and scheme-specific data (conditional). The guidance sets out good practice in helping trustees to assess risks associated with record keeping. Improved data means that trustees and employers will be able to make a more precise assessment of their financial liabilities. Schemes are expected to keep their data under regular review and set targets for the improvement in the standard of data recorded.

More information can be found at:

<https://www.thepensionsregulator.gov.uk/en/trustees/contributions-data-and-transfers/record-keeping>

The Trustee's Report (Cont)

GMP equalisation

In October 2018, the High Court determined that benefits provided to members who had contracted out of the state second pension must be recalculated to reflect the equalisation of state pension ages from May 1990 to April 1997 between men and women. In November 2020, a further ruling by the High Court determined that transfers out of a scheme in respect of members who had contracted out of the state second pension must also be recalculated to reflect the equalisation of state pension ages from May 1990 to April 1997 between men and women.

As a result, the Fund is required to equalise Guaranteed Minimum Pension (GMP) liabilities which will result in an increase in liabilities to provide benefits.

Under the ruling, pension schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

The Trustee of the Fund has made an approximate financial allowance for this when calculating the liabilities as part of the actuarial valuation. However, the Trustee, with the help of its advisers, is still working through the detailed calculations required to work out any required adjustments to member benefits. As a result, a detailed estimate of the past service element, which would be applicable for the Fund financial statements, has yet to be estimated but the Trustee considers that it is likely to be immaterial to the financial statements.

Virgin Media case

In June 2023, the High Court handed down a decision in the Virgin Media Ltd versus NTL Pension Trustees II Ltd, which considered the implications of section 37 of the Pension Schemes Act 1993, which required that the rules of a salary-related contracted-out pension scheme cannot be altered, in relation to post April 1997 service, unless the actuary confirmed that the scheme would continue to satisfy the statutory standards. The High Court found that, where the required actuarial confirmation was not supplied, the effect of section 37 was to render the relevant amendment to any contracted-out right automatically void. It also held that references in the legislation included both past and future service rights and that the requirement for actuarial confirmation applied to all amendments to the rules of a contracted-out scheme. This decision was appealed to the Court of Appeal and, in July 2024, the Court of Appeal upheld the decision of the High Court.

In June 2025, the Government announced that they will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. On 1 September 2025, the Government published a series of draft amendments to the Pension Schemes Bill 2025. These amendments include new clauses implementing the Government's promised remedy following the Court of Appeal decision. The relevant amendments are due to come into force two months after the Pension Schemes Bill receives Royal Assent.

The Trustee is monitoring the position and will consider the possible implications, if any, for the Fund of the above with its advisers and what steps, if any, it wishes to take. Therefore, it is not possible, at present, to estimate the potential impact, if any, on the Fund.

Contact for further information

If, as a Fund member, you wish to obtain further information about the Fund, including copies of the Fund documentation, your own pension position, or who to contact in the event of a problem or complaint, please write to or telephone: Gallagher the Fund administrators:

Gallagher Benefit Services (Edinburgh)
PO Box 321
Mitcheldean
GL14 9BG

Tel: 0330 123 9563, Or email: chubbpensions@ajg.com

The Trustee's Report (Cont)

Statement of trustee's Responsibilities

The trustee's responsibilities in respect of the financial statements

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the trustee. Pension scheme regulations require, and the trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the fund during the fund year and of the amount and disposition at the end of the fund year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the fund year; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the fund will continue as a going concern.

The trustee is also responsible for making available certain other information about the fund in the form of an annual report.

The trustee has a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the fund and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The trustee is also responsible for the maintenance and integrity of the <https://chubbfs.com/uk-en/reports/> website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustee's responsibilities in respect of contributions

The trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the fund by or on behalf of employers and the active members of the fund and the dates on or before which such contributions are to be paid.

The trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the fund and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the fund in accordance with the schedule of contributions.

Where breaches of the schedule occur, the trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

The Trustee's Report (Cont)

Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, the Fund is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions. The Technical Provisions represent the present value of the benefits members are entitled to at the valuation date. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Fund members on request.

The most recent full actuarial valuation of the Fund was carried out as at 31 March 2024. This showed that on that date:

The value of the Technical Provisions was: £576,000,000

The value of the assets was: £601,900,000

Therefore, the Fund had a funding surplus of £25,900,000 corresponding to a funding level of 104%.

The next valuation should be carried out with an effective date no later than 31 March 2027.

The method and significant actuarial assumptions used to determine the Technical Provisions are as follows (all assumptions adopted are set out in the Statement of Funding Principles dated 30 June 2025):

Method

The actuarial method used in the calculation of the Technical Provisions as at 31 March 2024 is the Projected Unit Method.

Actuarial assumptions – The key assumptions used as at 31 March 2024 are:

Discount rate	Barnett Waddingham bulk annuity pricing model discount rate
Retail Prices Index (RPI) inflation	Merrill Lynch RPI inflation yield curve
Consumer Prices Index (CPI) inflation	Pre 2030: RPI inflation less 0.70% p.a. (revaluation) / RPI inflation less 0.50% p.a. (pension increases) Post 2030: RPI inflation less 0.10% p.a.
Pension increases in payment	A model of each increase, allowing for insurers' relative pricing of different caps and collars
Mortality table	For males: 105% of the S3PMA tables For females: 109% of the S3PFA tables
Mortality projections	CMI 2022 projections using a long-term improvement rate of 1.75% p.a. The initial addition is 0.75% p.a. The 2020, 2021 and 2022 weight parameters are 0%, 0% and 10% respectively. Core values are used for other parameters.
Proportion of members with a dependant at retirement or earlier death	85% of males, 75% of females
Allowance for cash commutation	None
Allowance for data and benefit uncertainty reserve	£0.1M
Allowance for GMP equalisation	1% of liabilities
Allowance for expenses	£6.1M

Following the completion of the 31 March 2024 actuarial valuation, an updated Schedule of Contributions certified 30 June 2025, was agreed. Under the Schedule, all fees and expenses are to be paid by the Fund and no further deficit contributions are due to be paid.

As required by Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits.

The Trustee's Report (Cont)

Investment report

Investment managers

The Fund's Trust Deed and Rules permit the Trustee to delegate the task of investment management to outside experts. Insight Investment Management ("Insight") Limited are professional external investment managers and have taken full responsibility for investing the Fund's assets. The Trustee sets the investment strategy for the Fund after taking advice from the Fund's investment adviser. The Trustee has put in place a mandate with its investment manager which implements this strategy. The investment managers are remunerated by fees based on a percentage of funds under management, and these fees are met by the Fund.

Investment principles

The Trustee has produced a Statement of Investment Principles ("SIP") as required by section 35 of the Pensions Act 1995 and a copy of the statement is available online at the following address:

<https://chubbfs.com/uk-en/wp-content/uploads/sites/2/2023/09/2023-September-CPP-Statement-of-Investment-Principles-Pension-Fund.pdf>

During the year to 31 March 2025, there have been no significant departures from the stated principles.

Implementation Statement

There is a requirement for most trust-based defined benefit pension schemes to produce an annual Implementation Statement which covers the year. The Implementation Statement sets out how, and the extent to which, the Trustee has followed its policies on engagement and voting as set out in the Statement of Investment Principles over the Fund year, as well as a description of voting behaviour over the Fund year. The Fund's Implementation Statement, covering the period 1 April 2024 to 31 March 2025, is enclosed within this Annual Report from pages 31 and 32 and forms part of this Trustee's Report.

Investment strategy

The Trustee's primary investment objectives are to ensure that: sufficient resources are available to meet all liabilities as they fall due in the long term. In 2023, having identified that the Fund had sufficient assets to secure a bulk annuity policy that would cover all of the accrued member benefits, the Trustee proceeded with a purchase of such a policy with Phoenix Life. This effectively transfers the investment risks in respect of these liabilities to Phoenix Life and therefore limits the risk of the Fund. At 31 March 2025, the insurance policies were valued at £498.5m (2024: £565.2m).

The Trustee's Report (Cont)

Voting rights and social, environmental and ethical considerations

The Trustee believes that environmental, social and governance (ESG) factors, including management of climate-related risks, are potentially financially material and therefore have a policy to take these into account, alongside other factors, in the selection, retention and realisation of investments. However, these factors do not take precedence over other financial and non-financial factors, including but not limited to historical performance or fees. The Trustee may consider both financial and non-financial factors when selecting or reviewing the Fund's investments.

The Trustee does not apply any specific ethical criteria to their investments.

As the Fund's residual assets are typically held in pooled funds, ESG considerations are set by each of the investment managers. The Fund's investment managers will ultimately act in the best interests of the Fund's assets to maximise returns for a given level of risk. The Trustee does not currently impose any specific ESG-related restrictions or requirements on the segregated mandate with Insight, so ESG considerations are determined at their discretion. The Trustee is aware of the approach that each of their investment managers take in relation to ESG considerations.

The Trustee believes that good stewardship and positive engagement can lead to improved governance and better risk-adjusted investor returns. The Trustee delegates the exercise of rights (including voting rights) attached to the Fund's investments to the investment managers. All of the Fund's managers are signatories to the UN Principles of Responsible Investment and the UK Stewardship Code.

In selecting, monitoring and reviewing their investment managers, where appropriate, the Trustee will consider investment managers' policies on engagement and how these policies have been implemented. The Trustee has not considered it appropriate to take into account individual members' views when establishing the policy on environmental, social and governance factors, engagement and voting rights.

Assets as at 31 March 2025

Fund	31 March 2025		31 March 2024	
	Valuation £000	Allocation	Valuation £000	Allocation
Insight Bonds and Liquidity	27,598	80.4%	26,828	80.0%
Bank of New York Mellon Cash and Liquidity	6,745	19.6%	6,689	20.0%
Total	34,343	100%	33,517	100%

Assets above exclude AVC investments and insurance policies.

The Trustee’s Report (Cont)

Performance to 31 March 2025

	12 months	3 years p.a.	5 years p.a.
	Fund	Fund	Fund
Chubb Security Pension Fund	2.9%	-14.2%	-11.5%

Employer related investments

At 31 March 2025, the Fund had no employer related investments (2024: nil).

Nature, disposition, marketability, security and valuation

The Trustee has considered the nature, disposition, marketability, security and valuation of the Fund’s investments and considers them to be appropriate relative to the reasons for holding each class of investment. More details about investments are given in the notes to the financial statements.

Custodian arrangements

Bank of New York Mellon acts as custodian for the Insight Investment Management portfolios. These investments are held in a designated nominee account at Bank of New York Mellon, in the name of the Trustee of the Fund.

Approval of Trustee's Report

The Trustee’s Report on pages 1 to 10 was approved by the Trustee and signed on its behalf by:

B D McGowan

Date: _____

Summary of contributions payable in the year

During the year, no contributions were payable to the Fund by the Employer under the Schedule of Contributions certified on 20 January 2022.

Approved by the Trustee and signed on its behalf by:

B D McGowan

Date: _____

Independent auditors' statement about contributions to the trustee of Chubb Security Pension Fund

Statement about contributions

Opinion

In our opinion, the contributions payable under the schedule of contributions for the fund year ended 31 March 2025 as reported in Chubb Security Pension Fund's summary of contributions have, in all material respects, been paid in accordance with the schedule of contributions certified by the fund actuary on 20 January 2022.

We have examined Chubb Security Pension Fund's summary of contributions for the fund year ended 31 March 2025 which is set out on the previous page.

Basis for opinion

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the fund under the schedule of contributions, and the timing of those payments.

Responsibilities for the statement about contributions

Responsibilities of the trustee in respect of contributions

As explained more fully in the statement of trustee's responsibilities, the fund's trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the fund by employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

Date:

Independent auditors' report to the trustee of Chubb Security Pension Fund

Report on the audit of the financial statements

Opinion

In our opinion, Chubb Security Pension Fund's financial statements:

- show a true and fair view of the financial transactions of the fund during the year ended 31 March 2025, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Net Assets available for benefits as at 31 March 2025; the Fund Account for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the fund's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustee of Chubb Security Pension Fund (Cont)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities, the trustee is responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The trustee is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the trustee is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to wind up the fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the fund and its environment, we identified that the principal risks of non-compliance with laws and regulations related to the administration of the fund in accordance with the Pensions Acts 1995 and 2004 and regulations made under them, and codes of practice issued by the Pensions Regulator; and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, by the trustee and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and

Independent auditors' report to the trustee of Chubb Security Pension Fund (Cont)

determined that the principal risks were related to posting inappropriate journals to conceal misappropriation of assets. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Reviewing meeting minutes, any correspondence with the Pensions Regulator, and significant contracts and agreements.
- Holding discussions with the trustee to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with the Pensions Acts 1995 and 2004 and regulations made under them.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

Date:

The Financial Statements

Fund Account

for the year ended 31 March 2025

	Note	31 March 2025 £000	31 March 2024 £000
Benefits paid or payable	5	(31,549)	(29,756)
Transfers to other schemes	6	(286)	(1,537)
Administrative expenses	7	(1,438)	(1,904)
		(33,273)	(33,197)
Net withdrawals from dealings with members		(33,273)	(33,197)
Returns on investments			
Investment income	8	35,201	17,430
Change in market value of investments	9	(67,129)	(24,669)
Investment management expenses	10	(25)	(224)
Net returns on investments		(31,953)	(7,463)
Net decrease in the fund during the year		(65,226)	(40,660)
Net assets of the Fund			
Opening net assets		603,244	643,904
Closing net assets		538,018	603,244

The notes on pages 18 to 28 form part of these financial statements.

The Financial Statements (Cont)

Statement of Net Assets

available for benefits as at 31 March 2025

	Note	31 March 2025 £000	31 March 2024 £000
Investment assets:			
Bonds	9	2,910	3,375
Pooled investment vehicles	12	24,552	23,306
Insurance policies	15	498,524	565,186
AVC investments	14	247	275
Cash deposits	9	6,775	6,721
Other investment balances	13	106	115
		533,114	598,978
Current assets	19	7,863	7,175
Current liabilities	20	(2,959)	(2,909)
Total net assets available for benefits		538,018	603,244

The financial statements summarise the transactions of the Fund and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Fund year. The actuarial position of the Fund, which takes into account such obligations, is dealt with in the Report on Actuarial Liabilities on page 7 of the Annual Report, and these financial statements should be read in conjunction with this report.

The notes on pages 18 to 28 form part of these financial statements.

These financial statements on pages 16 to 28 were approved by the Trustee and signed on its behalf by:

B D McGowan

Date: _____

Notes to the Financial Statements

1. General information

The Chubb Security Pension Fund (the 'Fund') was established under English law by a Trust Deed and Rules dated 1 May 1980 and is currently governed by a replacement definitive Trust Deed and New Rules which was adopted on 19 May 2000 (as subsequently amended).

The Fund is an occupational defined benefit pension plan registered in the United Kingdom. The office is at Ground Floor, 2 Lotus Park, Staines, Middlesex TW18 3AG. The Fund was closed to future accrual with effect from 31 March 2020.

2. Basis of preparation of the financial statements

The individual financial statements of Chubb Security Pension Fund have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard (FRS) 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council ("FRS 102") and the guidance set out in the Statement of Recommended Practice "Financial Reports of Pension Schemes" (revised June 2018) ("the SORP").

3. Accounting policies

The principal accounting policies of the Fund which are applied consistently are as follows:

Currency

- The Fund's functional and presentational currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rates at the Fund year-end. Foreign currency transactions are recorded in sterling at the spot exchange rate at the date of the transaction. Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

Payments to members

- Pensions in payment are accounted for in the period to which they relate.
- Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.
- Where members have a choice regarding the form and timing of their benefit, benefits are accounted for on an accruals basis on the later of the date of retiring or leaving and the date the option is exercised. Other benefits are accounted for on an accruals basis on the date of retiring or leaving.
- Individual transfers out of the Fund are accounted for when member liability is discharged which is normally when the transfer amount is paid.

Expenses and other payments

- Administrative expenses are accounted for on an accruals basis.
- Investment management expenses are accounted for on an accruals basis and shown net within "Returns on investments". Transaction costs are included in the cost of purchases and sale proceeds.

Investment income

- Income from bonds is accounted for on an accruals basis and includes interest bought and sold on investment purchases and sales.
- Income from pooled investment vehicles is accounted for when declared by the fund manager.
- Income from cash and short-term deposits is accounted for on an accruals basis.
- Receipts from annuity insurance policies are accounted for as investment income on an accruals basis.

Notes to the Financial Statements (Cont)

3. Accounting policies (Cont)

- Receipts or payments under swap contracts, representing the difference between the swapped cash flows, are included in investment income.
- Interest payable on repurchase agreements and receivable on reverse repurchase agreements is accounted for in the period it falls due.

Investments

- The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year. In the case of pooled investment vehicles which are accumulation funds, change in market value also includes income, net of withholding tax, which is reinvested in the fund.
- Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV) determined in accordance with fair value principles, provided by the pooled investment manager.
- Bonds are stated at their clean prices. Accrued income is accounted for within "Investment income" and within "Investment income receivable" included as "Other investment balances".
- Annuities and the bulk purchase annuity insurance contract have been valued by the Fund Actuary at the amount of the related obligation, determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.
- AVC investments securing additional benefits for those members electing to pay additional voluntary contributions ("AVCs") are included in the statement of net assets available for benefits. The market value of these investments is the fair value advised by the investment manager at the year end date.

Critical accounting judgments and estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. For the Fund, the Trustee believes the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the valuation of the Fund investments and, in particular, those classified in Level 3 of the fair-value hierarchy. Explanation of the key assumptions underpinning the valuation of investments are included above and within notes 15, 16 and 17.

4. Contributions

Following the completion of the 31 March 2021 actuarial valuation, an updated Schedule of Contributions certified 20 January 2022, was agreed. Under the Schedule, all fees and expenses are to be paid by the Fund and no further deficit contributions are due to be paid.

Following the completion of the 31 March 2024 actuarial valuation, a further updated Schedule of Contributions certified 30 June 2025, was agreed. Under this Schedule, all fees and expenses continue to be paid by the Fund and no further contributions are due to be paid.

5. Benefits paid or payable

	2025 £000	2024 £000
Pensions	27,727	27,173
Commutation of pensions and lump sum retirement benefits	3,695	2,358
Lump sum death benefits	127	225
	31,549	29,756

6. Transfers to other schemes

	2025 £000	2024 £000
Individual transfers to other schemes	286	1,537

Notes to the Financial Statements (Cont)

7. Administrative expenses

	2025 £000	2024 £000
Administration and processing	423	665
Actuarial fees	637	665
Pensions Regulator and Pension Protection Fund levies	35	38
Audit fees	40	62
Trustee fees	121	107
Legal and other professional fees	182	367
	1,438	1,904

8. Investment income

	2025 £000	2024 £000
Income from bonds	28	6,141
Bulk purchase annuity income	33,850	12,200
Income from pooled investment vehicles	1,236	1,706
Net payments from swaps	-	(136)
Net interest on repurchase agreements / reverse repurchase agreements	-	(2,825)
Annuity income	11	(27)
Interest on cash deposits	76	371
	35,201	17,430

Included in annuity income in the current year are repayments to the annuity providers totalling £1,084 (2024: £38,701).

Income from bonds, interest on repurchase agreements / reverse repurchase agreements and net payments/receipts from swaps have decreased significantly in the year as the Fund divested the majority of its non-pooled investment holdings in June/July 2023 when entering into the bulk purchase annuity contract with Phoenix Life.

9. Reconciliation of investments

	Value at 1 April 2024 £000	Purchases at cost £000	Sales proceeds £000	Change in market value £000	Value at 31 March 2025 £000
Bonds	3,375	-	-	(465)	2,910
Pooled investment vehicles:	23,306	1,246	-	-	24,552
Insurance policies	565,186	-	-	(66,662)	498,524
AVC Investments	275	-	(26)	(2)	247
	592,142	1,246	(26)	(67,129)	526,233
Cash deposits	6,721				6,775
Other investment balances	115				106
Net investment assets	598,978				533,114

Transaction costs are included in the cost of purchases and deducted from sale proceeds. Direct transaction costs include costs charged to the Fund such as fees, commissions and stamp duty. The Fund incurred £nil in direct transaction costs in the year (2024: £1k).

Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and charges made within those vehicles. The amount of indirect costs is not separately provided to the Fund.

Employer related investments

At 31 March 2025 and 31 March 2024, there were no direct or indirect employer related investments.

Notes to the Financial Statements (Cont)

10. Investment management expenses

	2025 £000	2024 £000
Administration, management and custody	25	224

Investment expenses have decreased significantly during the year due to the investment changes that took place in July/July 2023 when entering into the bulk purchase annuity contract with Phoenix Life.

11. Taxation

The Fund is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

12. Pooled investment vehicles

The Fund's investments in pooled investment vehicles at the year-end comprised:

	2025 £000	2024 £000
Cash funds	24,552	23,306

13. Other investment balances

The other investment balances held by the Fund at the year-end are as follows:

	2025 £000	2024 £000
Investment assets		
Investment income receivable	106	115

14. AVC investments

The Trustee holds assets invested separately from the main fund in the form of insurance policies securing additional benefits on a money purchase basis for those members that have elected to pay additional voluntary contributions. Members participating in this arrangement each receive annual statements confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments at the year end are as follows:

	2025 £000	2024 £000
Aegon (unit linked)	247	275

Notes to the Financial Statements (Cont)

15. Insurance policies

	2025 £000	2024 £000
Bulk purchase annuity insurance contract	498,485	565,143
Legacy annuities	39	43
	498,524	565,186

Legacy annuity policies provide an income to the Fund as disclosed in note 8. The value of these policies is estimated annually by the Fund Actuary.

On 20 June 2023, the Trustee entered into a bulk purchase annuity insurance contract with Phoenix Life Limited to secure future pension payments for all deferred and pensioner members of the Fund at that date. Under this insurance policy, Phoenix Life began to make monthly payments to the Fund from December 2023 to cover the pensions in payment for pensioners in the Fund. The initial premium totalling £543.8m was paid by the Fund to Phoenix Life in July 2023 via payments of cash and transfers of stocks.

At the time of purchasing the buy-in policy there were a number of known data and benefit issues that needed further investigation. As a result, there is a slight mismatch between the benefits payable under the policy and those due from the Fund. In due course, the Fund will undertake a "true up" of the policy and agree a balancing premium with Phoenix Life to ensure the policy covers the actual benefits due from the Fund.

The value of the bulk purchase annuity insurance contract has been provided at the year-end by the Fund Actuary. A summary of the assumptions adopted for the valuation of the policy are as follows:

Financial assumptions	31 March 2024	31 March 2025
Pre-retirement discount rate	Barnett Waddingham bulk annuity pricing model discount rate	
Equivalent to single rate of	3.70% p.a.	4.80% p.a.
Post-retirement discount rate	Barnett Waddingham bulk annuity pricing model discount rate	
Equivalent to single rate of	4.75% p.a.	5.55% p.a.
Inflation (RPI)	Merrill Lynch RPI inflation yield curve	
Inflation (CPI)	Pre 2030: RPI less 0.7% p.a. (revaluation) / RPI less 0.5% p.a. (pension increases) Post 2030: RPI less 0.1% p.a.	
Mortality table	Males: 105% of S3PMA Females: 109% of S3PFA	
Allowance for improvements in life expectancy:		
Projection tables	CMI 2022	
Long-term improvement rate	1.75% p.a.	
Initial addition parameter	0.75% p.a.	
Smoothing parameter	7.0	
2020 and 2021 weight parameters	0%	
2022 weight parameter	10%	
Allowance for cash commutation	None	
Allowance for known data and benefit uncertainty	£0.1 million	
GMP equalisation reserve	1% of liabilities	
Allowance for expenses	£6.1 million	£4.6 million

Notes to the Financial Statements (Cont)

16. Fair value hierarchy

The fair value of financial instruments has been disclosed using the following fair value hierarchy:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Fund's investment assets and liabilities fall within the above hierarchy levels as follows:

	As at 31 March 2025			
	Level 1	Level 2	Level 3	Total
	£000	£000	£000	£000
Bonds	-	2,910	-	2,910
Pooled investment vehicles	-	24,552	-	24,552
Insurance policies	-	-	498,524	498,524
AVC investments	-	247	-	247
Cash deposits	6,775	-	-	6,775
Other investment balances	106	-	-	106
	6,881	27,709	498,524	533,114

	As at 31 March 2024			
	Level 1	Level 2	Level 3	Total
	£000	£000	£000	£000
Bonds	-	3,375	-	3,375
Pooled investment vehicles	-	23,306	-	23,306
Insurance policies	-	-	565,186	565,186
AVC investments	-	275	-	275
Cash deposits	6,721	-	-	6,721
Other investment balances	115	-	-	115
	6,836	26,956	565,186	598,978

17. Investment risk disclosures

Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in foreign exchange rates
- Interest rate risk: this is the risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market interest rates
- Other price risk: this is the risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Notes to the Financial Statements (Cont)

17. Investment risk disclosures (Cont)

The Trustee determines the investment strategy after taking advice from a professional investment adviser. The Fund has exposure to these risks because of the investments it makes.

Further information on the Trustee's approach to risk management, credit and market risk at the year-end is set out below. This does not include legacy insurance policies nor AVC investments as these are not considered significant in relation to the overall investments of the Fund.

Investment strategy

The investment objective of the Fund is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the Fund payable under the Trust Deed and Rules as they fall due. Having identified that the Fund had sufficient assets to secure a bulk annuity insurance policy that would cover all of the accrued member benefits, the Trustee proceeded with a purchase of such a policy with Phoenix Life. This effectively transfers the investment risks in respect of these liabilities to Phoenix Life and therefore limits the risk of the fund.

The Trustee sets the investment strategy for the Fund taking into account considerations such as the strength of the employer covenant, the long term liabilities of the Fund and the funding agreed with the Employer. The investment strategy is set out in the Fund's Statement of Investment Principles (SIP).

The Fund's investments (excluding AVC Investments and Insurance Policies) are currently invested in either bonds, cash or a money market fund. The allocation will be reviewed as required by the Trustee depending on the requirements for the assets to meet expenses or remaining liabilities.

Credit risk

The Fund is subject to credit risk because it directly invests in bonds and has cash balances.

Analysis of direct credit risk as at 31 March 2025

	2025 £000	2024 £000
Bonds	2,910	3,375
Cash	6,775	6,721
PIVs	24,552	23,306
	34,237	33,402

The credit risk arising on bonds is mitigated by predominantly investing in government bonds and corporate bonds which are at least investment grade credit rated.

Cash is held within financial institutions which are at least investment grade* credit rated.

* Investment grade refers to the quality of a company's credit. To be considered an investment grade issue, the company must be rated at 'BBB' or higher by Standard and Poor's or 'Baa' or higher by Moody's.

Notes to the Financial Statements (Cont)

17. Investment risk disclosures (Cont)

The pooled investment arrangements used by the Fund comprised of Irish domiciled open-ended investment companies. Direct credit risk arising from Pooled Investments Vehicles (PIVs) are mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and the Trustee's due diligence of the pooled manager. The PIVs themselves are unrated cash funds.

A summary of pooled investment vehicles by type of arrangement is as follows:

	2025 £000	2024 £000
Irish domiciled Undertakings for the Collective Investment in Transferable Securities Open-Ended Investment Company	24,552	23,306
Total	24,552	23,306

The Trustee monitored the performance of the investment managers on a regular basis in addition to having meetings with the investment managers from time to time as necessary. The Trustee had a written agreement with the investment managers, which contained a number of restrictions on how the investment managers may operate.

Direct credit risk also arises through the Fund's bulk purchase annuity contract, this direct credit risk is perceived as low due to the contracts being held with an insurance company, which is subject to strict Solvency II regulatory requirements.

Market risk: Interest rates

The Fund is subject to interest rate risk because some of the Fund's investments are held in bonds as segregated investments, cash funds through pooled vehicles and cash deposits. Under this strategy, if interest rates fall, the value of the bonds investments will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, these investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

Interest rate risk also exists as a result of the approach to valuing liabilities and affects the value of the Fund's bulk purchase annuity insurance contract. The Fund's overall exposure to interest rate risk results from the difference between the exposure to interest rates experienced by the assets and by the liabilities.

Market risk: Currency

The Fund has minimal exposure to currency risk.

Notes to the Financial Statements (Cont)

17. Investment risk disclosures (Cont)

Market risk: Other price

Other price risk arises due to the inflation linkage of the bonds held as segregated investments and cash funds through pooled vehicles. Under this strategy, if inflation expectations rise, the value of these bonds will rise to help match the increase in actuarial liabilities. Similarly, if inflation expectations fall, these investments will fall in value, as will the actuarial liabilities.

The Fund holds a bulk purchase annuity contract to manage liability risk (including longevity risk) associated with pensioner liabilities.

Other matters

During 2024/2025, geopolitical issues and economic issues (such as movements in the rates of inflation and interest rates and in foreign currencies) have continued to have a significant effect on domestic and global economies, with disruption and volatility in the financial markets. The Trustee, in conjunction with its advisers, monitors the situation closely and determine any actions that are considered to be necessary. This includes monitoring the Fund's investment portfolio, the operational impact on the Fund and the covenant of the Employer.

The extent of the impact on the Fund's investment portfolio, including financial performance, will depend on future developments in financial markets and the overall economy, all of which are uncertain and cannot be predicted. Since the year end, the value of the Fund's investment assets and investment liabilities have been impacted. Whilst the Trustee monitors the overall position, it has not, at this time, quantified the change (being an increase or decrease) in market value of the investment assets and investment liabilities as markets remain fluid and unpredictable and therefore such an estimate cannot be made.

18. Concentration of investments

The following investments each account for more than 5% of the Fund's net assets at the year-end:

	2025		2024	
	£000	%	£000	%
Bulk purchase annuity insurance contract	498,485	92.7	565,143	93.7

19. Current assets

	2025	2024
	£000	£000
Cash at bank	4,962	3,923
Prepaid pensions	-	1,965
Due from employer (VAT recovery)	169	111
Accrued bulk annuity contract income	2,732	1,176
	7,863	7,175

20. Current liabilities

	2025	2024
	£000	£000
Unpaid benefits	200	207
Accrued expenses	259	202
Prepaid bulk annuity contract income	2,500	2,500
	2,959	2,909

Notes to the Financial Statements (Cont)

21. Contingent liabilities and contractual commitments

In the opinion of the Trustee, except for the matters detailed below, the Fund had no contingent liabilities at 31 March 2025 (2024: £nil).

Equalisation of Guaranteed Minimum Pensions (GMP)

In October 2018, the High Court determined that benefits provided to members who had contracted out of the state second pension must be recalculated to reflect the equalisation of state pension ages from May 1990 to April 1997 between men and women. In November 2020, a further ruling by the High Court determined that transfers out of a scheme in respect of members who had contracted out of the state second pension must also be recalculated to reflect the equalisation of state pension ages from May 1990 to April 1997 between men and women.

As a result, the Fund is required to equalise Guaranteed Minimum Pension (GMP) liabilities which will result in an increase in liabilities to provide benefits. Under the ruling pension schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

The Trustee of the Fund has made an approximate financial allowance for this when calculating the liabilities as part of the actuarial valuation. However, the Trustee, with the help of its advisers, is still working through the detailed calculations required to work out any required adjustments to member benefits. As a result, a detailed estimate of the past service element, which would be applicable for the Fund financial statements, has yet to be estimated but the Trustee considers that it is likely to be immaterial to the financial statements.

Virgin Media case

In June 2023, the High Court handed down a decision in the Virgin Media Ltd versus NTL Pension Trustees II Ltd, which considered the implications of section 37 of the Pension Schemes Act 1993, which required that the rules of a salary-related contracted-out pension scheme cannot be altered, in relation to post April 1997 service, unless the actuary confirmed that the scheme would continue to satisfy the statutory standards. The High Court found that, where the required actuarial confirmation was not supplied, the effect of section 37 was to render the relevant amendment to any contracted-out right automatically void. It also held that references in the legislation included both past and future service rights and that the requirement for actuarial confirmation applied to all amendments to the rules of a contracted-out scheme. This decision was appealed to the Court of Appeal and, in July 2024, the Court of Appeal upheld the decision of the High Court.

In June 2025, the Government announced that they will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. On 1 September 2025, the Government published a series of draft amendments to the Pension Schemes Bill 2025. These amendments include new clauses implementing the Government's promised remedy following the Court of Appeal decision. The relevant amendments are due to come into force two months after the Pension Schemes Bill receives Royal Assent.

The Trustee is monitoring the position and will consider the possible implications, if any, for the Fund of the above with its advisers and what steps, if any, it wishes to take. Therefore, it is not possible, at present, to estimate the potential impact, if any, on the Fund.

Notes to the Financial Statements (Cont)

22. Related party transactions

Transactions with related parties of the Fund comprise;

Key management personnel

- In the year, Trustee fees were paid to B D McGowan, I Fixter, W Jones and H Dulay for trustee services to the Fund. The aggregate amount paid was £120,000 (2024: £107,000). All Trustee fee payments are accounted for within note 7 of the financial statements. At 31 March 2025, £1k was owed to Trustee Directors (2024: £nil) and is included in accrued expenses within note 20 of the financial statements.
- H Dulay, C Walters (deferred members) & I Fixter (pensioner member), all of whom are Trustee Directors of Chubb Security (Pensions) Limited, are in receipt of benefits from the Fund in accordance with the rules of the Fund.

Employer and other related parties

- VAT amounting to £177k (2024: £401k) was recovered from Chubb Group Limited in the year. £169k was receivable at the year-end (2024: £111k).
- B D McGowan, W Jones and K Bettmann (Trustee Directors of the Chubb Security (Pensions) Limited) are also Trustees of the related Chubb Pension Plan.

Certificate of Adequacy of Contributions

Chubb Security Pension Fund

Certification of the Schedule of Contributions

Adequacy of rates of contributions

I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the Statutory Funding Objective can be expected to continue to be met for the period for which the Schedule is expected to be in force.

Adherence to Statement of Funding Principles

I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated June 2025.

The certification of the adequacy of the rates of contributions for the purpose of securing that the Statutory Funding Objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Fund's liabilities by the purchase of annuities, if the Fund were to be wound up.

Signature:		Date:	30 June 2025
Name:	Paul Houghton	Qualification:	Fellow of the Institute and Faculty of Actuaries
Address:	Decimal Place Chiltern Avenue Amersham HP6 5FG	Employer:	Barnett Waddingham LLP

Schedule of Contributions

Chubb Security Pension Fund Schedule of Contributions

Status

This Schedule of Contributions has been prepared by the Trustee of the Chubb Security Pension Fund (the Fund), after obtaining the advice of the Scheme Actuary appointed by the Trustee. This Schedule has also been agreed by Chubb International Holdings Limited (the "Employer").

Contributions to be paid by the Employer from 1 July 2025 to 30 June 2030

There is no requirement for the Employer to pay contributions to the Fund.

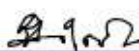
All expenses, including the Pension Protection levy, will be paid by the Fund.

Other provisions

The Employer contributions are subject to review at the next actuarial valuation which must be carried out with an effective date no later than 31 March 2027.

The Employer may pay contributions in addition to the amounts shown above at any time. Any contributions paid at a rate higher than that required can be offset against later payments due at the request of the Employer.

This schedule has been agreed by the Trustee and the Employer

Signed: 
Signed: Brian McGowan (Jun 30, 2025 08:57 GMT+1) Name: Brian McGowan Position: Chairman
 On behalf of the Trustee

Signed: 
Signed: Warwick Jones (Jun 30, 2025 09:38 GMT+1) Name: Warwick Jones Position: Director
 On behalf of the Trustee

Signed: 
Signed: Craig Forbes (Jun 26, 2025 11:02 GMT+1) Name: Craig Forbes Position: Director
 On behalf of the Employer

Date: 30-Jun-2025