



focus:



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A step in the right
direction...

...moving toward a paperless pension

In response to member feedback, we're taking steps to reduce the Fund's environmental impact and make it easier for you to access your documents online.

What's changing?

The first documents that will be moved online are:

- Annual Benefit Statements (ABS)
- Summary Funding Statements (SFS)
- Pension Saving Statements (PSS)
- Newsletters, including Focus
- 'Wake-up' letters - a reminder to start making plans for retirement, which you'll get before you're due to stop work. You may still receive a pre-retirement pack in the post to help you prepare for retirement

You may not get all of these documents. It depends on your circumstances, but any you do get won't be sent automatically by post, unless you opt-in to print. If you've changed your address, you'll need to tell us online. More documents and processes are expected to follow online, but you may continue to get some things by post until then.

Whatever your channel of choice (print or online), it will apply to documents for all your periods of membership. You can change your mind by contacting us at any time.

What do I need to do?

Go paperless - If you're happy to get your documents digitally, then you don't need to tell us that, but you will need a myFund account to access them online. If you already have an account, great, you'll start getting your documents online automatically. If you haven't, you can sign up quickly and easily at btppensions.co.uk/register.

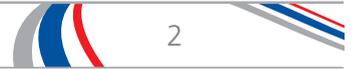
Continue with print - If you prefer to keep getting things in print, you will need to tell us. Simply fill in the form at member.railwayspensions.co.uk/knowledge-hub/news-and-views/paper-opt-in. You can also let us know by calling the Helpline.

It's up to you - If you don't register for an online account, or opt into print, you will continue to get your personal documents by post. However other items, such as newsletters, will only be available at btppensions.co.uk.

However you choose to get your documents (print or online) it will apply for all of your periods of membership. You can change your mind by contacting us at any time.

Where will I find my documents online?

Whether you go paperless or not, you can find all your personal pension paperwork in the 'my library' section of your secure myFund account at btppensions.co.uk/login. Current and historic Annual Benefit Statements will be in the 'view statements' section.



Message from your Trustee Chair...

Welcome to the winter issue of Focus!

I'm delighted to share the December issue of Focus with you. To easily manage your pension at any time, I encourage you to sign up for your myFund account at btppensions.co.uk/register if you haven't already.

We continue to make careful decisions about how your money is invested. Your feedback shows you are increasingly concerned about climate change. Our approach to investing continues to take into account, and influence, environmental, social and governance (ESG) factors, to contribute to a better future for us all. You can read about our approach to sustainability on pages 3 and 4. You'll learn about our latest Sustainable Ownership Member Review, and the recent launch of Bracks Solar Farm, which was purchased by Railpen in 2022.

This newsletter also includes your regular news round-up, and an article on nominating beneficiaries. It's important to be extra vigilant of scams at this time of year, so we've included some hints and tips on how to protect yourself too.

I hope you enjoy this edition. We'd love to hear what you think, what you'd like to see more of, or even less of. Please complete our survey on the back page to help us understand what is useful to you.

With best wishes,

Christine Kernoghan
Trustee Chair



News round-up: the latest news from the pension world

Pension tax changes

Following the significant pensions tax reforms announced by Chancellor Jeremy Hunt in the Spring Budget, legislation is now in place to bring into force various increases in the Annual Allowance and replace the pensions Lifetime Allowance (LTA) charge with income tax payable at an individual's marginal rate. Both take effect retrospectively from 6 April 2023.

At the time of writing, the necessary legislation to abolish the LTA framework altogether from April 2024 was still being drafted.

Chancellor announces Mansion House pension reforms

As part of his Mansion House speech on 10 July, the Chancellor set out a package of reforms known as the "Mansion House reforms". The overall aim of the reforms is to support growth across the economy by unlocking capital for high-growth companies and increasing returns for savers. This included reforms to the UK pensions market.

The reforms mainly affect defined contribution schemes rather than defined benefit ones, such as the Fund. However, the Trustee has been engaging in some of the consultations that followed on from the Mansion House speech and will be monitoring developments in those areas.

Budget update

This issue of Focus was printed before the 2023 Autumn Budget announcements were made. We will let you know about anything that affects your Fund pension on your member website btppensions.co.uk and in future editions of the newsletter.

Have you nominated your beneficiaries?

The easiest way to make a nomination is to log into your myFund account at btppensions.co.uk/login.

Making a nomination...

Tells the Trustee who you'd like your lump sum death benefit to be paid to if you die.

You can nominate...

- A friend or family member (or several people)
- An organisation or charity you care about

You can update your nominations if you need to...

By logging into your myFund account.

Your voice matters

We love your feedback!



Tell us what you think to help us do better for you.

Have your voice heard with Platform, our voluntary feedback group. By signing up, you'll be entered into our prize draw with the chance of winning **£150 worth of shopping vouchers** at the end of the year.

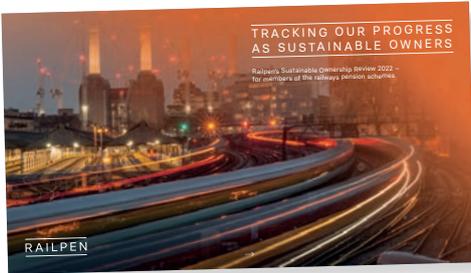
Sign up today at: btppensions.co.uk/platform.

Latest Sustainable Ownership Member Review available now

You can learn more about how your money is invested in the latest Sustainable Ownership Member Review.

The 2022 Review aims to provide comprehensive but straightforward information on what the Fund's investment manager, Railpen, has done on behalf of members in the last year, and its plans for the coming months.

You can find a copy online at railpen.com/knowledge-hub/reports.



What does the Review cover?

Railpen asked members what they wanted to know more about regarding how their pension is invested. The report is based on this feedback and addresses members' key areas of concern, including:

- fair treatment of workers
- climate change, and
- fair pay

The report describes Railpen's investment approach to environmental, social and governance (ESG) issues, with a specific focus on the three areas highlighted above. It also includes real-life examples to help bring the investment narrative to life and help members understand the work undertaken by the Sustainable Ownership team.

It shows:

- how Sustainable Ownership makes a positive impact on a company's financial performance.
- Railpen's approach to workforce treatment issues.
- the power shareholder voting gives Railpen to influence companies it invests in, including a few examples of using voting rights to make a difference with climate change and fair pay.
- Railpen's ambitions and efforts in pushing for positive policy change through a constructive dialogue with policymakers on ESG-related topics.

How to share your views on investments

We'll soon be sending a short survey to you about how your pension is invested.

It's important that we know what you all think, so we'd really appreciate if you could complete it. Every response is valuable and considered in our work to invest in a way that benefits the income you'll receive in retirement, and the world our children and grandchildren will inherit.

You can also get in touch with us at so@railpen.com.



Beware of scams over the festive season

Scammers can often take your entire life savings, so it's important to always be vigilant and take steps to protect yourself.

Be on alert for phishing emails/texts

These often promise to release your pension early, or offer one-off low-risk and high return investments and time-limited deals. If you receive a suspicious text like this, forward it to **7726**. If you receive a suspicious, unsolicited email, forward it to report@phishing.gov.uk.

Always check web addresses

Secure web addresses start with 'https' and display a locked padlock. If a website appears to be false, report it to nccsc.gov.uk/phishing-scams.

If you think you've been a victim of an online scam or fraud

Contact Action Fraud on **0300 123 2040** or visit actionfraud.police.uk.

Always be on your guard. If something feels too good to be true, it probably is.

Alternative Formats

If you require an **audio** or **large print** version of your newsletter, please email Format@railpen.com to request a copy. If you'd rather request by post, please write to:

Railpen, Stooperdale Offices, Brinkburn Road, Darlington, DL3 6EH



Fund's investment helps move towards green energy

Railpen buys Bracks Solar Farm project.

As part of further expansion into renewable energy, Railpen, the Fund's investment manager, bought the Bracks Solar Farm project from the global renewable energy company BayWa r.e. in 2022. This investment is based on both member feedback and Railpen's commitment to helping create a more sustainable future.

The solar farm, located approximately 2km to the east of Wicken in Cambridgeshire, produces 30MW of green, renewable energy per year. Since launching in summer 2023, it now provides clean energy at its full capacity: enough to power 8,000 households.

Along with broader renewable energy investments - the Tralorg and Carraig Cheal wind farms and the recent investment in battery energy storage with Constantine Energy Storage - Bracks Solar Farm demonstrates Railpen's commitment to the UK's green energy transition. Across renewable energy sites, Railpen now supports the supply of over 200,000 UK homes.

Anna Rule, Head of Real Assets at Railpen, comments:

"As the world navigates the challenges of climate change, the urgency to transition towards cleaner energy sources has become more apparent than ever."

"We recognise the dual purpose of investing in projects such as the Bracks Solar Farm. First, by investing funds into wind, solar, biomass and battery storage projects, we're actively participating in the UK's green energy transition. Second, it is our belief that investing in UK property and infrastructure is an enabler of economic growth."

"Pension funds, like the railways pension schemes, see the opportunity to support the UK's green transition as one which not only supports the financial goals of the schemes, but has far-reaching benefits to the UK economy, communities, and the world around us."

Key statistics

- 30MWp total capacity
- 55,000 solar panels
- Supplies energy to the equivalent of 8,000 homes
- Savings of approximately 11,000 tonnes of CO2 per year
- Sheep grazing with local farmers from 2024
- Biodiversity measures: hedgerow planting and installation of bat, bird, and owl boxes

To learn more about this, please visit railpen.com/news/2023.

Actuarial valuation shows surplus

The actuarial valuation as at 31 December 2021 was completed earlier this year.

Its purpose is to compare the current value of the Fund's assets against the current value of the Fund's liabilities (future benefit payments).

We are pleased to report that the valuation showed a surplus in the 1970 Contributory Section of the Fund.

- £1,746m Fund Assets
- £1,686m Estimated Liabilities
- 104% Funding Level

The results of the 2021 valuation mean there is no need for contribution rates to change.

Valuations are however dependent on many assumptions, so this makes pension funds very sensitive to changes, such as stock market fluctuations and longevity improvements.

Since the valuation was completed, the Scheme Actuary has calculated an annual update to show the estimated funding level at 31 December 2022. The estimated funding level had increased to 144%. You can read more information about this update and the 2021 valuation in your enclosed Summary Funding Statement.

The next actuarial valuation will be calculated as at 31 December 2024 and you will be sent a Summary Funding Statement following the completion of each annual update.

Follow us on X

Find useful information, our top tips and guidance on your Fund pension by following us on X. Visit [Twitter.com/BTPPensionFund](https://twitter.com/BTPPensionFund) and select 'Follow'.

Help us help you

Please let us know what you thought of this issue by completing the survey at surveymonkey.co.uk/r/FocusWinter2023 or by scanning this QR code.



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Potts to add logos