THE ELECTRICITY SUPPLY PENSION SCHEME

43rd Annual General Meeting of Scheme Members

18 November 2025

The meeting will start at 1pm
If you have joined the meeting early, please hold

** Please note the meeting is being recorded*

Meeting Etiquette

Message from the Chair of EPTL

Dear Members,

I hope this message finds you well. The EPTL Board has decided to set out AGM behaviour guidelines to ensure our Zoom meeting is productive and respectful for all attendees, as would be the case in a face-to-face meeting.

We value your participation and want to ensure that our meetings remain a positive and constructive environment for everyone involved. Please adhere to the guidelines below and contribute to a respectful and professional atmosphere.

Please be aware that any instances of poor behaviour will result in participants being muted or possibly excluded from the meeting. Examples of poor behaviour include, but are not limited to, the following:

- Interrupting others while they are speaking
- Using inappropriate or disrespectful language
- Engaging in side conversations that disrupt the flow of the meeting
- Not adhering to the set agenda or being disruptive
- Displaying inappropriate content or visuals

Thank you for your cooperation and understanding.

Melanie Cusack of Zedra Governance Limited, as Chair of EPTL

Purpose of Meeting

- Central AGM of the ESPS.
- Receive the Annual Report and Financial Statements.
- For Members and Beneficiaries.
- Copies of: Agenda, minutes of the 42nd AGM, Privacy Notice and Annual Trustee's Report and Accounts have been provided to registered participants and available on the ESPS website https://www.espspensions.co.uk

If you have any questions....

- Questions can be raised using the Question button, alternatively, if you wish to speak go to Reactions and then click Raise Hand and wait to be unmuted.

- In either case please state your name, Group and whether you are an Active, Deferred or Pensioner member.

Agenda Item 1

Presentation by Melanie Cusack

Welcome, Introduction and Today's Proceedings

Welcome:

To the 43rd Annual General Meeting

Panel Introductions:

- Melanie Cusack– Chair EPTL
- Kevin Groves – Scheme Secretary
- Sue Hands – ESPS Financial Controller
- David Gallagher – Fieldfisher

Also present:

- EPTL Directors and Council Members

EPTL Board Members

Melanie Cusack (Chair) – Representing Zedra Governance Limited

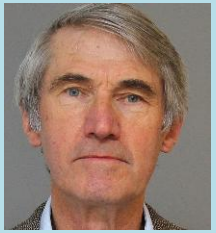
Jackie (John) Wall

Graham Commons

Nikki Dark

Steve Duffy

Rebecca Ferris



Tom Massey

Alastair Russell

Ruth Blackburn (Dovey)

Reserves

Martin McEwen

Ian Burkett

Jeff Rowlinson

Today's Proceedings:

- Minutes of the 2024 AGM.
- Consider Matters Arising out of the Minutes.
- Reports of the Scheme Trustee and Advisers.
- Matters Arising from the Presentations.
- Receive the Scheme Report and Accounts to 31 March 2025.
- Member Resolutions.
- Consider any other Competent Business.

Agenda Item 2

Presentation by Melanie Cusack

Approve the Minutes of 2024 Annual General Meeting

Approval of Minutes

- Questions can be raised using the Question button, alternatively, if you wish to speak go to Reactions and then click Raise Hand and wait to be unmuted.

- In either case please state your name, Group and whether you are an Active, Deferred or Pensioner member.

- There will be a vote to approve the minutes using the software.

- Matters Arising will be covered after the vote.

Agenda Item 3

Presentation by Kevin Groves

Consider Matters Arising out of Minutes

Consider Matters Arising out of Minutes

- 2024 AGM Presentation (minute 1).
- AGM minutes (minute 5).
- AGM meeting arrangements (minute 11).
- Consolidated Scheme Document (minute 14).
- Braganza case (minute 27).
- Calculation of RPI (minute 29).
- Member Resolutions from 2024 AGM.
  - Resolution 1 (minutes 33 and 34).
  - Resolution 2 (minutes 35 and 36).
  - Resolution 3 (minutes 37 and 38).
  - Resolution 4 (minutes 39 and 40).
  - Resolution 6 (minutes 43 and 44).

Consider Matters Arising out of Minutes

- Date of 2026 AGM - Wednesday 18 November 2026.
- Other items.
- Questions? Same instructions namely:
  - Questions can be raised using the Question button, alternatively, if you wish to speak go to Reactions and then click Raise Hand and wait to be unmuted.
  - In either case please state your name, Group and whether you are an Active, Deferred or Pensioner member.

Agenda Item 4

Presentation by Kevin Groves

Report of the Scheme Trustee

Report of the Scheme Trustee

- **22 Active Groups at 31 March 2025**

- **Scheme-wide Amendments during the year to 31 March 2025**

  Deed of Amendment dated 17 February 2025 which:

  - Consolidated the Deeds of Amendment since the previous consolidation.
  - Updated the notice provisions.
  - Updating formatting and minor typographical changes.

- **September 2025 RPI confirmed at 4.5%.**

Report of the Scheme Trustee

Some matters considered by EPTL during the year to 31 March 2025 include:

- Governance requirements and reporting:
  - ESPS Annual Report and Financial Statements.
  - Monitoring Scheme Risk Register.
  - Forestry Project – completed 1 March 2025.
  - Actively engaging with the DWP and TPR – TCFD and Pensions Dashboards.
  - General Code of Practice.
  - Taxation, VAT and class actions related issues.
  - Ongoing reviews of Scheme advisers and monitoring Custodian.

- Adhering to the Pensions Regulator's guidance including on equality, diversity and inclusion.

- The EPTL Board continues to actively monitor the quality and effectiveness of the Scheme's procedures.

- Post year end the EPTL Board engaged with the DWP regarding the treatment of ESPS Scheme/Groups under the Pension Schemes Bill 2025 – more detail will be provided in the legal update.

Agenda Item 5

Presentation by David Gallagher

Legal Update

fieldfisher

Electricity Supply Pension Scheme

Legal Update 2025

David Gallagher, Fieldfisher
18 November 2025

Electricity Supply Pension Scheme

- Formed in 1983 by the Electricity Council
- Replaced predecessor schemes with one industry-wide scheme
- Through privatisation ESPS was retained, but re-structured into separate Groups
- Employees in the industry were granted “protected person” status
- This provides protections by law in a “statutory instrument” passed by Parliament
- The protections cover accrual, protection for past service and limits on amendments

Review of the year, 2024-25

- Working on winding up of the Carillion Group
- Issues raised by *Virgin Media* case regarding historic amendments
- Completion of the Foresty Project – all scheme investment decision-making is now with the Group Trustees
- Working with TPR so that Pensions Dashboards are regulated at Group level
- Implementation of the General Code of Practice

What to expect, 2025-26

- Winding up of the Carillion Group
- Pension Schemes Act on *Virgin Media* issues
- Pension Schemes Act on surplus
- Engaging with DWP on both issues to ensure ESPS is treated appropriately
- Potential legislation or guidance on investing in productive finance
- Adding the Own Risk Assessment to General Code compliance hence some new representations from Groups

Pension Increases

- Pensions increase each April
- Uses Retail Prices Index (RPI) for year to previous September
- If RPI exceeds 5%, increases can be capped by employer, must be at least 5%
- Capping is Group by Group as are all benefit decisions
- *Braganza v BP* case regarding employer powers
- Contract gave the employer to determine cause of death
- Implied term to act rationally and not perversely
- Decision of employer could be overturned if "no reasonable employer would have exercised his discretion in this way"
- Does not require written reasons or a duty to share reasons

Inflation Reform and Court Cases

- CPI and RPI are different
- RPI is generally higher by 1.0%; some economists say it over-estimates inflation
- R (BT Pension Scheme Trustees and others) v (1) UK Statistics Authority & (2) Chancellor of the Exchequer
- BT Scheme had invested heavily in Government gilts indexed to RPI
- UK Statistics Authority ("UKSA") decided RPI would, from 2030, use the methodology and data sources of CPI
- Court held (1) the UKSA had the right and power to make such decisions
- (2) Treasury had taken into account all relevant interests in facilitating the change

Agenda Item 6

Presentation by Sue Hands

Statement of Accounts

Presentation Covers

- Annual Report & Consolidated Financial Statements ("Scheme Accounts") for the year ended 31 March 2025.

- Representations received by EPTL.

Scheme accounts - overview

- The ESPS Scheme Accounts are a consolidation of all of the underlying Groups.
- The main financial statements are on pages 29 and 30.
- Detailed financial information is provided in the notes on pages 31 to 57.
- Information about investments is shown on pages 40 to 52 and 54 to 57.
- Membership statistics are shown on pages 60 and 61.
- PricewaterhouseCoopers LLP (“PwC”) are the independent auditors and their report is shown on pages 25 to 28.

Pension Funding	***2024 (as at 31 March 2024)***	***2025 (as at 31 March 2025***
Total Pension Contributions • Employee • Employer	£464 million • £26 million • £438 million	£448 million • £18 million • £430 million
Pension Benefits		
Pension benefits paid	£1,735 million	£1,822 million
Payments on account of leavers	£214 million	£35 million
Net decrease in DB pensioners	1,107	947
Total increase in pensions benefits paid	£73 million	£87 million

Scheme Investments	***2024 (as at 31 March 2024)***	***2025 (as at 31 March 2025)***
Scheme Nets Investment	£31.9 billion	£29.0 billion
Pooled Funds	£25.5 billion	£22.3 billion
Scheme's DC investments	£75 million	£75 million

Income distributed by pooled funds is shown within change in market value (along with realised/unrealised gains and losses).

Scheme assets = DB investments + DC investments + current assets - current liabilities.

Representations Received by EPTL

- Groups required to make representations generally on an annual basis to EPTL.
- Representations process provides assurance to EPTL that devolved activities are being undertaken to required standard.
- Positive assurance was received on the required representations.
- Representations for 2025/26 expected to continue to be aligned with regulatory requirements.

Agenda Item 7

Presentation by Melanie Cusack

Consider Matters Arising out of the Presentations

- Questions can be raised using the Question button, alternatively, if you wish to speak use the Raise Your Hand button and wait to be unmuted.

- In either case please state your name, Group and whether you are an Active, Deferred or Pensioner member.

Agenda Item 8

Presentation by Melanie Cusack

Receive the Statement of Accounts and Auditors' Report

Receive the Statement of Accounts and Auditors Report

- Questions can be raised using the Question button, alternatively, if you wish to speak go to Reactions and then click Raise Hand and wait to be unmuted.

- In either case please state your name, Group and whether you are an Active, Deferred or Pensioner member.

- There will be a vote to acknowledge receipt the Statement of Accounts and Auditors' Report.

Agenda Item 9

Presentation by Kevin Groves

Resolutions

AGM Member Resolutions

Secretary's Note to the Resolutions

The attention of members is drawn to the notes to the Scheme AGM Agenda.

Members' resolutions voted on and carried at the Scheme AGM do not have any power conferred upon them, and cannot instruct EPTL, Group Trustees, Employers, or others involved in the running of the Scheme.

If any resolution is carried at the Scheme AGM, Electricity Pensions Limited (EPL) and Electricity Pensions Trustee Limited (EPTL) will be notified. EPL and EPTL may or may not decide to take any action in response to the resolution.

Vote

There will be a vote will be carried out after each resolution using the software.

AGM Competent Business

- Competent Business:

  Business which relates to the accounts of the Scheme, the proper functions of the Scheme Trustee and matters which have a specific effect on members of the Scheme (not just as members of any occupational pension scheme).

- Proper functions of the Scheme Trustee:

  Means functions which the Scheme Trustee would normally consider to be part of its role in managing the Electricity Supply Pension Scheme and not, for instance, issues of general relevance to the pensions industry.

- There were no Member Resolutions that are Competent Business.

Agenda Item 10

Presentation by Melanie Cusack

Consider any other Competent Business

DATE OF AGM 2026

18 November 2026

CONCLUSION

Thank you for attending the ESPS 43rd Annual General Meeting