ELECTRICITY SUPPLY PENSION SCHEME

Minutes of the 43rd Annual General Meeting of Members of the Scheme held as a virtual meeting by Webinar provided by EPTL's legal adviser, Fieldfisher, on Tuesday 18 November 2025 commencing at 1pm.

Present

Melanie Cusack	Chair, Electricity Pensions Trustee Limited
Council Members of EPTL	
Directors of EPTL	
Kevin Groves	Scheme Secretary, Capita
Sue Hands	ESPS Financial Controller, Capita
Paul Wallis	ESPS Company Secretary, Capita
Sarah Harwood	Capita
David Gallagher	Fieldfisher, EPTL Legal Adviser
67 members of the Scheme	

Other attendees

Various employer pensions staff and advisers.

One registered attendee had not provided sufficient information to explain their interest in the Scheme and failed to do so when asked by David Gallagher before the meeting started. That person was then excluded from the meeting.

Minutes	Actions
Notice convening the Meeting 1. The notice convening the meeting was taken as read. The Scheme Secretary: • welcomed those present; • summarised the message from the Chair of EPTL on meeting etiquette; • outlined the purpose of the AGM and explained the process for raising a question; • noted that the documents relevant to the AGM had been emailed to attendees who had registered to join the meeting and placed on the ESPS website; • noted that the meeting would be recorded and the recording would be held by Fieldfisher; and • noted that a copy of the presentation slides would also be placed on the ESPS website.	**Capita**
Introduction 2. The Chair opened the meeting and: • welcomed the members and others present;	

• introduced the main speakers; • summarised the directors and reserves on the EPTL Board; • thanked outgoing directors; • outlined the meeting proceedings including explaining why there would no longer be an investment presentation; and • noted that the minutes of the 42nd ESPS AGM had been placed on ESPS website during August 2025, and the intention was to place this year's minutes on the website earlier.	
Minutes of the Annual General Meeting held on 19 November 2024 3. As noted above the draft minutes of the Annual General Meeting held on 19 November 2024 had been placed the ESPS website during the year and these were being tabled for approval by the members. The Chair then invited any questions from members on the accuracy of the minutes. 4. ***Minute 33*** - XXXX (EON Pensioner) asked why there was not reference to the details of the reasons given at the meeting as to why himself and XXXX had not raised with their respective Groups the issue that was the subject of relevant minute. David Gallagher of Fieldfisher confirmed the purpose of the minutes was to record the points raised; however, the Chair confirmed that the minutes would be amended to include a fuller description. Appendix 1 to these 2025 minutes show an extract of Minute 33 from the 2024 minutes, marked up to show the change. 5. ***Minute 41*** - XXXX (EON Pensioner) asked why the advice EPTL had received from the City of London Police not to publish the name and Group of an individual in the minutes had not been recorded in the minutes. The Chair and David Gallagher confirmed that EPTL had received training on Cyber Security from the City of London Police and not tailored advice for the on this specific point. The training highlighted that it was good practice to avoid linking members' names etc. to things relating to their economic rights. XXXX confirmed he accepted the explanation and the Chair noted the minutes would not be updated for this point. 6. XXXX (EON Pensioner) then stated that the minutes were not a record of what was said rather an interpretation what may have been preferred and that the only meaningful power was to vote against the minutes which is what he would be doing. He also noted that although he could point out more discrepancies, he did not have time to do so due to other commitments. He also stated that the ESPS suffered from a lack of leadership. The Chair advised XXXX that as a member of the Scheme he could vote against approval of the minutes, but that his other statements were not relevant for the AGM and she referred him back to the meeting etiquette. 7. ***Minute 22*** – it was noted that the typographical error in minute 22 which stated "2024" and should be "2025" and would be corrected. 8. XXXX (EON Pensioner) noted that he fully supported XXXX stance in respect of minute 33 and raised the issue that EPTL has no power and that the power all lies	**Capita** **Capita**

with the companies from whom the responses are unsatisfactory. The Chair acknowledged XXXX concerns and confirmed that the EPTL Board does not have the power in relation to pension increases which was confirmed by David Gallagher. The Chair noted that XXXX could raise his concerns later in the meeting as this section was related to the approval of the minutes of the previous AGM. 9. XXXX noted that he concurred with XXXX comments. 10. ***Minutes of AGM 19 November 2024*** - the minutes of the Annual General Meeting held on 19 November 2024, with the amendments noted in minutes 4 and 7 above, were agreed as a correct record. The approval of the members was undertaken using an electronic voting system and 94% of the members voted for approval of the minutes.	
Matters arising out of the minutes for the 2024 Annual General Meeting 11. The Scheme Secretary covered the matters arising out of the minutes as detailed below. 12. ***Minute 1 –*** the 2024 AGM presentation had been placed on the ESPS website. 13. ***Minute 5*** – the 2024 AGM minutes had been placed on the ESPS website. In addition, the 2022 and 2023 AGM minutes were also on the ESPS website. 14. ***Minute 11*** – EPTL had agreed that the AGM would continue to be held as a virtual meeting because of the advantages previously noted. 15. ***Minute 14*** – the updated consolidation of the central scheme document had been placed on the ESPS website. 16. ***Minute 27*** - matters relating to Braganza case and pension increases would be included in David Gallagher's presentation. 17. ***Minute 29*** – matters relating to the calculation of RPI would be included in David Gallagher's presentation. 18. ***Member Resolutions from the 2024 AGM*** - five out of the six resolutions were passed at the 2024 AGM. The Scheme Secretary noted the following actions had been taken by EPTL and EPL: • The results of the votes were noted at an EPL meeting on 27 November 2024. • During December 2024 EPTL considered the results under their Rapid Approvals process. • Details of the resolutions and the results of the votes were circulated to Groups in January 2025. • Resolutions discussed further at the EPTL meeting on 19 February 2025. • Resolutions discussed further at the EPL meeting on 5 March 2025. • A further note was issued to Groups in March 2025. • The outcomes were as noted below. 19. ***Minutes 33 and 34 – Resolution 1*** - this related to a request to Groups that had	

paid pension increases below RPI in 2023 and/or 2024 to undertake a two-year process to mitigate the loss. It was noted that this was an issue for individual Groups to consider, and they had been advised of the result of the Resolution as set out above. 20. ***Minutes 35 and 36 – Resolution 2*** – this called upon the EPL Board to ensure that all Groups have put in place arrangements whereby Group Trustees can at appropriate intervals be elected to office as specified by the Scheme constitution. The actions noted above had been undertaken and it was agreed that no further action was required centrally. 21. ***Minutes 37 and 38 – Resolution 3*** - a request for EPTL to make arrangements for a small working group of Scheme members to be set up to consider the Group communications on pension increases with the intention to produce a standard generic communication. The actions noted above had been undertaken and it was agreed that no further action was required centrally as this was a Group issue. It was noted that EPTL continues to review its own communications. 22. ***Minutes 39 and 40 – Resolution 4*** - a request for the Chair of each relevant Group to respond briefly and in writing to Resolution 2 of 2023 AGM with a view to enabling EPTL to collate and circulate for discussion the positions of the relevant Groups in relation to the Resolution. The actions noted above had been undertaken and some feedback had been received from Groups. It was noted that responses would not be shared on a Group specific basis but as a flavour of the responses it was noted that: a number of Groups did not have Independent Trustee which was part of the Resolution; others do have a process in place similar to that described; and others were happy with the process they currently use. 23. ***Minutes 43 and 44 – Resolution 6*** – this related to a request that EPTL, after consulting with Groups, should write to the DWP regarding the points set out in the Resolution in respect of any major changes planned for UK defined benefit schemes. The actions noted above had been undertaken. It had been agreed that no further action was required and that this was not an issue for the Scheme AGM which has specific purposes. 24. It was noted on the presentation slides that the date of the 2026 AGM would be Wednesday 18 November 2026. 25. It was noted that feedback had been received from some members regarding updates on the Resolutions that are passed at the AGM which has traditionally been given at the following AGM. The Scheme Secretary reported that EPTL had agreed that for Resolutions that are passed at the AGM an update will be provided on the Scheme website during the year. 26. **Minute 35 -** XXXX (EON Pensioner) asked if the Chair agreed that each Group should have 50% of Group Trustees elected by members in accordance with Rule 19, and that 50% of the EPTL Directors should be elected by members under the same Rule, and whether this would deliver the best possible outcome for members? XXXX also asked for David Gallagher's view on these points. At the request of the Chair David Gallagher confirmed that each Group needs to follow	

the relevant documentation having taken legal advice from the Group legal adviser. David Gallagher noted that the EPTL Board was selected using the Council process which complies with the centralised scheme requirements in the member nominated trustee legislation. David Gallagher noted historically the position at individual Groups had been raised at the AGM but, as had been stated previously, the Scheme AGM is not the place to deal with Group matters. XXXX stated that he believed that in some cases the composition of trustee boards was not in line with Rule 19. David Gallagher confirmed that for EPTL there is an Independent Chair and for the rest of the Board, 50% of Trustees were chosen by and from the Elected Group Trustee Councillors, 50% chosen by and from the Appointed Group Trustee Councillors. This is in accordance with the Scheme Rules. XXXX said he would rephrase his question for the 2026 AGM.	**XXXX**
27. **Minute 35** – XXXX (EON Pensioner) noted that one EPTL director spoke against the Resolution last year and he believed this director may be mis-informed regarding the make-up of the majority of Group Trustee Boards. The Chair noted that in her view it was extending Minute 35. XXXX said he would rephrase his question for the 2026 AGM.	**XXXX**
28. **Minute 46** – XXXX (EON Pensioner) noted that he did not think the Scheme wide amendment relating to payment of expenses was a technical amendment and asked whether this change would impact on the normal two thirds/one third ratio of surplus between employer and member. David Gallagher noted that the change was effected in 2023/24 and for many years the Rules had allowed expenses to be paid from surplus and the change allowed for an actuarial reserve to be created to pay expenses and this would not allow members' full benefits to be reduced to pay expenses. David Gallagher also noted that the two thirds/one third practice was something that some Groups may have adopted in the past, but this is not written in the Rules of the Scheme or in legislation. XXXX (EON Pensioner) asked if expenses were taken before the distribution of the surplus and whether it reduces the surplus available for distribution. David Gallagher noted that there is not a distribution of surplus. The Chair stated that there may be confusion over the purpose and treatment of a surplus and asked that the question be rephrased and sent to the Trustee for a response. XXXX said he would rephrase his question for the 2026 AGM.	**XXXX**
29. XXXX (EON Pensioner) asked if David Gallagher understood that: EON do not have a Group AGM; do not hold elections for members for the Group trustee board representatives; they use a small selection panel of the Chair of the Group Trustee, an employer appointed member of the Group Trustee and, the Group's legal adviser to select the Group member trustees; and whether this would alter his views. The Chair reconfirmed that it was each individual Group's responsibility to respond to members and not EPTL's and as such this was not competent business. XXXX stated he had been raising concerns with the Group for over 20 years, and he felt it was not a good situation.	
Report of the Scheme Trustee 30. The Scheme Secretary covered the Report of the Scheme Trustee which noted that:	

- 22 Active Groups at the end of the year, following the merger of NPower and EON.
- Scheme Wide Amendment – consolidation of previous Deeds of Amendment including updating of the notice provisions together with formatting and minor typographical amendments.
- RPI at September 2025 was 4.5%, this will feed through to pension increases.
- Governance matters considered by EPTL had included:
    - Governance requirements and reporting.
    - ESPS Annual Report and Financial Statements.
    - Monitoring of Risk Register.
    - Forestry Project completed 1 March 2025.
    - Engagement with DWP and TPR regarding TCFD and Pensions Dashboards.
    - EPTL work on the General Code of Practice to be completed in the next few months.
    - Reviews of Custodian and Scheme Auditor had taken place.
- Scheme continues to adhere to the Pension Regulator's guidance on Equality, Diversity and Inclusion.
- EPTL Board engaged with DWP regarding the treatment of ESPS Scheme/Groups under Pension Scheme Bill 2025. Further details would be provided in David Gallagher's update.

Report by the EPTL Legal Adviser

31. David Gallagher:

- Provided background on the ESPS, which was formed in 1983 by the Electricity Council and replaced the previous schemes. ESPS was retained through the privatisation process in 1989/90 and restructured into separate Groups by Employer such that they cannot access assets from or cross-subsidise each other.
- Noted that at privatisation there were over 150,000 members who were granted "Protected Persons" status. The protection has three key layers: 1) Continued accrual whilst in employment; 2) Past service protection; and, 3) limits on amendments.
- Reported that work has continued on the winding up of the Carillion Group. Benefits have been bought out with an insurance group but there were a few final actions to be completed.
- Highlighted issues that have been raised by Virgin Media legal case, which had questioned how some schemes have produced documentation relating to historical amendments.
- Confirmed the completion of the Forestry Project working with Mayer Brown, EPTL's legal investment adviser. All Scheme Investment decisions

are now with the individual Group Trustees.

- Has been working with The Pensions Regulator (TPR) to ensure that the legislation they will be enforcing regarding Pensions Dashboards would work appropriately for ESPS.
- Has been working with EPTL and Group Trustees to ensure implementation of the General Code in a way that ensures members are properly protected without creating undue inefficiency.

32. Looking ahead to 2025/26, David Gallagher covered:

- The winding up of the Carillion Group.
- A Pension Schemes Bill was currently going through Parliament and that would become a Pension Schemes Act, which has a number of new provisions including a proposed solution to the Virgin Media issues and new proposals to allow employers in certain circumstances to be able to access surplus funds in a pension scheme on an ongoing basis.
- Engagement by Fieldfisher with DWP on the issues to ensure that ESPS is treated appropriately.
- Potential legislation or guidance on investing in productive finance.
- Working to provide that EPTL conducts its Own Risk Assessment (ORA) to ensure compliance with the General Code.

33. David Gallagher provided a summary of the rules regarding pension increases in the ESPS noting that the standard position is that:

- Pensions increases for ESPS are effective from 1 April each year.
- Increases use Retail Price Index (RPI) for the year from the previous 30 September.
- If RPI exceeds 5%, under the Rules of ESPS, the increases can be capped by the Employer. This is a decision for each Group, and increases can be more than 5% but is decided on a Group-by-Group basis, as are all benefit decisions.
- Braganza Case – this case relates to an employee life insurance scheme provided by BP, that was set up partly under the employees' contract of employment. The insurance contract gave the employer the right to determine the cause of death. Mr Braganza was lost at sea, and the cause of death was important as certain causes of death were excluded from the insurance cover. The Court stated that the employer must act rationally and not perversely with perversely being that "no reasonable employer would have exercised his discretion in this way". The case does not require an employer to have written reasons or a duty to share reasons.

34. David Gallagher noted that at a previous AGM the issue of inflation reform and court cases had been discussed but as this has been raised again, he noted the following points: -

- Consumer Price Index (CPI) and Retail Price Index (RPI) have historically

been different. • RPI has in practice generally been higher than CPI by c1.0% a year. • Some economists say that RPI over-estimates inflation as it does not look at the behaviour of the consumer whereas CPI does. • The Government were looking to abolish RPI as an official statistic and litigation was bought by BT Scheme Trustee against the Statistics Authority and Chancellor of the Exchequer. • BT Scheme had invested heavily in Government gilts. • The UK Statistics Authority decided they would use same methodology and data sources as CPI for RPI, so in effect RPI will become the CPI Index. • This was challenged in Court but the challenge failed. Therefore, the way in which RPI will be calculated from 2030 will be the same as CPI.	
Presentation on the Scheme Accounts for 2024/25 35. Sue Hands, ESPS Financial Controller, gave a presentation on the matters dealt with in the Scheme's Annual Report and Consolidated Financial Statements for 2024/25 and noted: • The ESPS Scheme accounts are a consolidation of 23 underlying Groups. • Main financial statements are detailed on pages 29 and 30. • Detailed financial information is provided in the notes on pages 31 to 57. • Information on Investments are shown on pages 40 to 52 and 54 to 57. • Membership statistics are shown on pages 60 and 61. • The annual Scheme audit was undertaken by the independent Auditors PwC for the year end 31 March 2025. Details of their report are shown on pages 25 to 28. 36. Funding and Benefits information: - • During year 2024/25 total pension contributions of £448 million were received. This was made up of £18 million member contributions and £430 million Employer contributions. • Scheme paid out pension benefits totalling £1,822 million, in addition £35 million paid to and on account of leavers. • Net decrease in DB pensioners of 947. • Increase in pension benefits paid of £87 million. 37. Scheme Investments at 31 March 2025: - • Net Investments £23 billion. This included pooled funds of £22.3 billion and DC investments of £75 million. • Scheme assets are made up of both DC and DB together with current assets, offset against current liabilities, which gives overall Scheme	

position. 38. Group Annual Representations: - • Representation process provides assurance to EPTL that devolved activities are being undertaken to the required standard. • Positive annual representations were received by EPTL. • Representations for 2025/26 are expected to continue to be aligned with regulatory requirements.	
Matters Arising from the Presentations 39. XXXX (EON – Pensioner) raised the issue of the Deed that enacted various tidying up amendments that had been mentioned in the presentations and in the accounts. XXXX noted that due to the timing of the receipt of the accounts there had not been time for him to review what was amended and he proposed that the issues be raised again next year, to allow time for him to review the amendments. The Chair clarified the issues raised: 1) the timing of the accounts, which as the AGM has been held earlier in recent years, the accounts may appear as if they are issued later; 2) Clarification as to whether his concern was from Deed of Amendment dated 25 February. XXXX confirmed this was the case. The Chair suggested that XXXX reviewed the Deed of Amendment and send through any questions and these could be discussed at the next AGM if any issues were outstanding. 40. XXXX (EON Pensioner) asked what advice would the Chair give to pensioners who are "met with a brick wall" when trying to communicate with their Group Trustee, asking if contacting MPs would be next course of action. The Chair acknowledged XXXX frustration and advised that writing to his local MP was always an option, but that was up to him. XXXX advised that he had been waiting for a reply from the Pensions Ombudsman for 2-3 years and his MP had told him the Pensions Regulator was under tremendous strain. David Gallagher explained the complaints procedure and noted issues should be raised with the Group Trustees including the Chair of the Group Trustees, also noting the use of the Internal Dispute Resolution Procedure. XXXX confirmed that he had previously raised a complaint. David Gallagher confirmed that if there had been maladministration that had caused loss, then that would be a case for the Pensions Ombudsman. However, the Pensions Ombudsman is there to award compensation in financial loss and that would not necessarily relate to governance issues. David Gallagher confirmed the Pension Regulator's role is to protect members' benefits and claims on the Pension Protection Fund, so if the Scheme is well-funded and operating securely with employer covenant, the Pensions Regulator may not get involved. The Chair advised XXXX to write to his Chair of Trustees. XXXX expressed his frustration that there were not Trustee elections or AGMs for his Group. 41. XXXX (Southern Electric Pensioner) noted that at the time of segregation members were assured there would be a "Glue" holding the Scheme together and he asked if this was something that would help with Group AGMs or has this been forgotten about. David Gallagher noted that as an aside he was not aware	**XXXX**

that the phrase “Glue” had been used at the time of privatisation but had come into use several years later. “Glue” refers to the central structure for EPTL, ESPS and EPL that hold the Scheme together as a single trust, however individual events that are decided at Group level, such as the decision to hold or not hold a Group AGM are not part of the “Glue”. 42. XXXX (UK Power Group Pensioner) commented on David Gallagher’s legal presentation, stating he feels too much has been taken by the legal profession on the Braganza case, and the term “rational and not perverse” can been found in many professions such as Doctors. He also wished to commend David Gallagher on a concise, clear and informative presentation. 43. XXXX (EON Pensioner) noted that in 1991, when the issue of Group AGMs was discussed amongst the Directors, members were told clearly that Groups would want to hold an AGM. He stated he feels members have been misled. The Chair and David Gallagher noted the changes were part of the devolution over the subsequent years. 44. XXXX (EON East Midlands Pensioner) shared members views with the frustrations on contact with the Groups and stated he would welcome a forum. He congratulated David Gallagher on his presentation and was interested in the Braganza case and the lack of requirement to provide written reasons for a decision. He also stated that when pension increases issues came to light, inflation was high and it was in the commercial interest of Groups to cap increases at 5%. The effect was compounded, as some companies did not apply the cap. XXXX felt aggrieved that he and some other members were affected and has no avenue to raise concerns. 45. XXXX (EON Pensioner) appreciated XXXX support. 46. The Chair acknowledged the frustrations and confirmed that these are fed back to the Groups; however, she confirmed that the EPTL Board does not have the power to address the various issues raised.	
Receipt of Annual Report and Financial Statements 47. The Scheme’s Annual Report and Consolidated Financial Statements, and the Auditors’ Report thereon for the year ended 31 March 2025, were formally received noting that of those voting, 98% approved.	
Members’ Resolutions 48. Notice of Resolutions was read out, confirming the process after Resolution approved and the vote. 49. Resolutions requirements were confirmed as: 1) Competent Business – definition was read out; and, 2) Proper Function of the Scheme Trustee. 50. The Scheme Secretary noted that one potential resolution had been submitted but it did not meet the requirement of Competent Business. 51. There were no Member Resolutions to vote on this year.	

Consider Any Other Competent Business 52. XXXX (EON Pensioner) raised his frustrations, but under the Code of Conduct the Chair restricted the discussion. 53. XXXX (EON Pensioner) noted that last year it had been commented that XXXX, XXXX and XXXX had hogged the agenda regarding member Resolutions. He wanted it acknowledged that significant time and effort had been spent by him and others in preparing for the AGM and the Resolution that had been submitted and subsequently rejected this year. XXXX noted that is a fundamental right of all members and at no point did they wish to stop others from raising their Resolutions. XXXX questioned the Chair, as an Independent, should she not be defending the principle rather than repeating the implied criticism. The Chair confirmed at no point was there a suggestion that any member was "hogging" the agenda last year and every member has the right to submit a Resolution, and every Resolution is assessed as to whether it is Competent Business or not. A strict process is followed and a full and lengthy explanation was given as to why his submission had not been deemed Competent Business. XXXX noted that the minutes from 2011 AGM stated that member Resolutions would continue to be received and that EPTL would monitor Group activities through representations with the possibility of reverting activities if there was unsatisfactory performance. XXXX noted that he missed the informal friendly meetings. XXXX felt EPTL are narrowing the scope of meaningful member participation. The Chair responded that more members had attended the AGM since the meetings had been held virtually. The Chair reconfirmed the Resolution process and decision of whether a Resolution is Competent Business. 54. XXXX (EON Pensioner) asked why has EPTL changed its Articles of Association and what is the Beneficiary Advisory Panel? David Gallagher confirmed that he had not heard of the Beneficiary Advisory Panel and he would look at this outside of the AGM. In terms of changes to the Articles of Association, there were minor technical changes around Directors returning from maternity leave. 55. XXXX (EON Pensioner) advised that he believed the only reason more members were attending the virtual AGM was that there is no other option for members who are quite willing to attend face to face meetings. 56. XXXX (UKPN Pensioner) asked why Competent Business is always construed narrowly. David Gallagher confirmed that the meeting was the AGM for ESPS, it is run by EPTL the Trustee of the Scheme, the clauses relating to the AGM detail general business of the Scheme and items need to relate to the operation of the Scheme (for example changes in legislation). Where something is of impact on ESPS then it does relate to the running of the Scheme. 57. XXXX (EON Pensioner) stated he feels narrowing scope of Competent Business restricts meaningful member participation. The Chair disagreed confirming members had the opportunity for raising frustrations as evidenced in this AGM and there had not been any narrowing of the scope. It was noted there was an obvious need to comply with the Meeting Etiquette guidelines.	**Fieldfisher**

Date of 2026 Scheme AGM 58. As reported earlier in the meeting it was confirmed that the next Scheme AGM would be held on Wednesday 18 November 2026, with the starting time to be confirmed.	
Conclusion 59. The Chair thanked the contributors and the membership for attending this year's AGM. There was no further business and the meeting concluded at 14.50 pm.	
Note to Members: **1. the anonymised version of these minutes can be shared freely.** **2. the presentation slides and TCFD report are available on espspensions.co.uk**	

Appendix 1 – Updated Minute 33 of the 2024 AGM Minutes

Members' Resolution 1

33. XXXX XXXXXXX (UKPN Group pensioner) and XXXX XXXXXXX (E.ON UK Group pensioner) had proposed and seconded the first resolution shown below and XXXX XXXXXXX spoke in support of it as did other members in attendance. XXXX XXXXXXX explained that successive shortfalls against inflation had a compound effect, similar to compound interest, but in the opposite direction. In response to questions from the Chair XXXX XXXXXXX confirmed that he had not raised this issue with UKPN as he had been too busy and XXXX XXXXXXX confirmed that he had not raised it with E.ON as they did not answer his letters and so he did not see the point of raising it with them.