

Your

# Pension Matters

The Trustees' report to members

# welcome

It's a pleasure to present this year's issue of *Your Pension Matters*, the newsletter for members of the Pearl Group Staff Pension Scheme. It brings you the latest news from the Scheme as well as general information about pensions, which we hope you find useful.

The most recent actuarial valuation looked at the Scheme's financial position as at 30 June 2024, when the funding level was 101%. Since then, the actuary has provided an update of the position as at 30 June 2025, and you can read more about this in the summary funding statement on page 10.

As reported in last year's *Your Pension Matters*, the Trustees have been making good progress on the Scheme's project to check and adjust Guaranteed Minimum Pension (GMP) benefits for GMP equalisation. It's a complex and technical exercise that many of the UK's defined benefit pension schemes have been working on. This doesn't affect all members of the Scheme and you don't need to take any action, as we will write to you in due course if it applies to you.

Pensions fraud continues to be a risk, and we encourage all members to be alert to the dangers in our increasingly digital world. You'll find more about this on page 7.

I hope you enjoy reading this year's issue of *Your Pension Matters*. If you have any questions about the Scheme or your benefits, please get in touch with the Scheme administrator using the contact details on the back page.

**Keith Jones**  
Chair of the Trustees

# Scheme highlights

**£1.7 billion**

The value of the Scheme's assets on 30 June 2025

**£86.8 million**

The value of the pensions paid to members from July 2024 to June 2025

**101%**

The funding level as at 30 June 2025

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# Scheme noticeboard

## Pensions and inheritance tax

The government is proceeding with plans to bring pensions into the scope of inheritance tax, but the legislation has not yet been finalised. Under the plans that have been announced, unused pension funds and some death benefits will no longer be automatically passed on tax free to beneficiaries but will be included in the value of the estate (a person's property, money, possessions, etc.) when working out if inheritance tax is due.

The new measures will not, however, affect the payment of pensions payable to spouses and dependants from the Scheme, but we're expecting the measures to affect lump sums that are payable by the Scheme on a member's death. The government has been consulting on these changes, and HMRC will provide further guidance ahead of the implementation in April 2027.

It's worth noting that inheritance tax is not payable if you leave your entire estate to your spouse (or civil partner), but it may be payable if you leave your estate to other beneficiaries. The rules are complex and if you need advice, you should speak to an estate planning specialist.

## Reminder about the rise in minimum pension age

Please remember that if you're thinking about early retirement, the government is raising the normal minimum pension age, and this may affect your plans. From April 2028, the earliest you will be able to access your Scheme pension is going up from age 55 to 57, unless you're in ill health.

“  
thinking about  
early retirement?  
”

## We've changed our address – have you?

You'll see from the back page that we've changed our address – don't forget to let us know if you have also moved.

Making sure we have your correct postal address is important so that we can pay your benefits when they're due. If you're already receiving your Scheme pension, please note that any mail that's returned to us as undeliverable may trigger a suspension in your pension payments while we check your details.

## Pensions dashboards

The government's pensions dashboards are set to transform the way we interact with our pensions and help us all plan for retirement more effectively. When ready, the dashboards will provide a single, secure place online that allows you to access information about all your pensions that aren't yet in payment, including the State pension.

It won't be until autumn 2026 at the earliest that all pension schemes have connected to the pensions dashboards' ecosystem, ahead of a public launch date which will be at some point in 2027.

Please be aware that scammers may attempt to take advantage of the project as it gains momentum and greater public awareness. **At no point will anyone from the pensions dashboards contact you to ask for confirmation of your data.**

## The first line of defence against impersonation fraud...is you

The Pensions Regulator is warning members about an increase in impersonation fraud, where scammers pretend to be pension scheme members to gain access to their pension.

They can do this by hacking into emails to intercept correspondence between members and their pension scheme. Once they've obtained enough personal information about you to impersonate you, they arrange for bank account details to be changed or for fake pension accounts to be set up in your name. Money is then moved from the real account to the fake account without challenge.

To protect yourself from impersonation fraud, please make sure that you:



use two-step verification for any pension portals you use



review your passwords – make sure you're using strong passwords for each site



don't click on links or attachments in suspicious emails

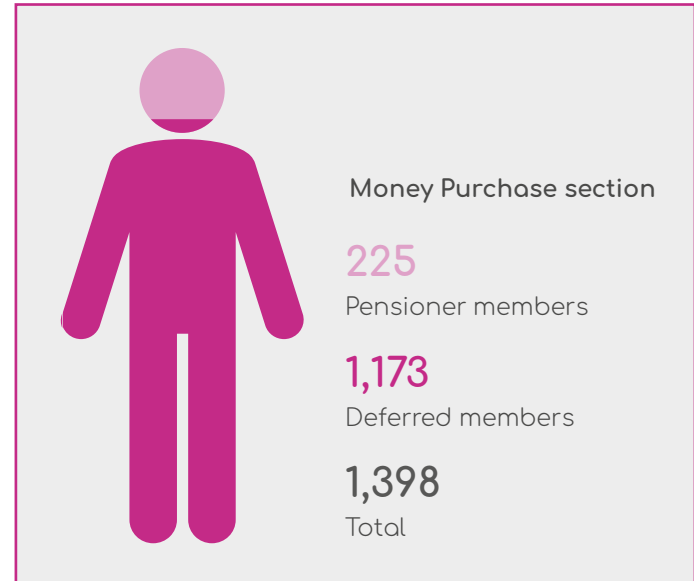
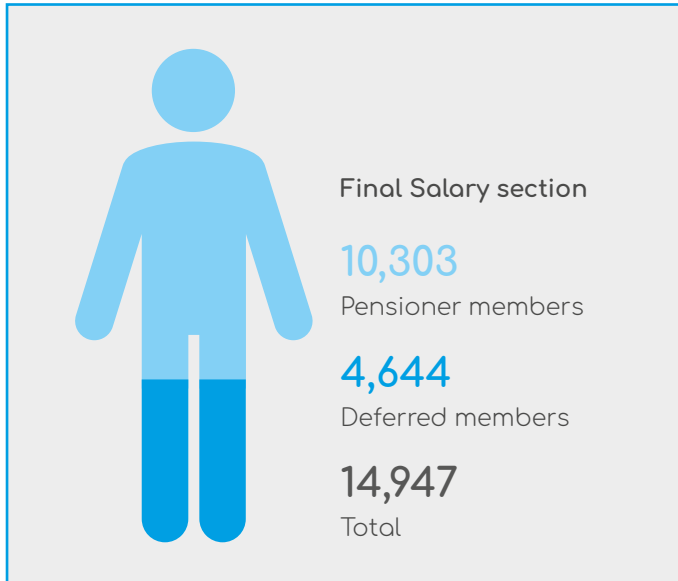


never respond to unsolicited messages or calls that ask for your personal financial details.

Analysis shows that members between the ages of 50 and 69 are at the greatest risk of impersonation techniques, with 55% of the reported victims in this age range. For more information, please go to [stopthinkfraud.campaign.gov.uk](https://www.stopthinkfraud.campaign.gov.uk)

# Who's in the Scheme?

As at 30 June 2025, there were 16,345 members in the Scheme.



Some of our members have benefits in both sections of the Scheme. They are included in the totals for the Money Purchase section.

# The Scheme's finances

The information on these pages is a summary taken from the Scheme's formal report and accounts for the year to 30 June 2025.

	Final Salary section £m	Money Purchase section £m	Total £m	Previous year to 30 June 2024 £m
<b>Income</b>				
Investment income	99.4	-	99.4	95.2
<b>Total</b>	<b>99.4</b>	<b>-</b>	<b>99.4</b>	<b>95.2</b>
<b>Expenditure</b>				
Benefits paid to members	(98.0)	(0.4)	(98.4)	(95.5)
Payments to leavers	(1.4)	(3.4)	(4.8)	(3.8)
Investment expenses	-	-	-	(0.7)
<b>Total</b>	<b>(99.4)</b>	<b>(3.8)</b>	<b>(103.2)</b>	<b>(100.0)</b>
<b>Income less expenditure</b>	<b>-</b>	<b>(3.8)</b>	<b>(3.8)</b>	<b>(4.8)</b>
<b>Change in market value</b>	<b>(134.9)</b>	<b>4.0</b>	<b>(130.9)</b>	<b>(41.8)</b>
<b>Net increase/(decrease)</b>	<b>(134.9)</b>	<b>0.2</b>	<b>(134.7)</b>	<b>(46.6)</b>
<b>Fund value at 30 June</b>	<b>1,645.3</b>	<b>65.2</b>	<b>1,710.5</b>	<b>1,845.2</b>

# Final Salary section

## Summary funding statement

Every three years, the Scheme actuary carries out a full actuarial valuation. In between valuations, the actuary provides an estimated update of the Scheme's financial position. The results of the most recent valuation as at 30 June 2024 are shown in the table below, along with the update as at 2025.

	30 June 2025 (annual update)	30 June 2024 (valuation)
Market value of assets	£1,711m	£1,726m
Amount needed to provide benefits	£1,696m	£1,714m
Surplus	£15m	£12m
Funding level	101%	101%

Since the valuation as at 30 June 2024, the funding level has remained at 101%. This is because the insured assets are designed to match the liabilities.

The next valuation is due as at 30 June 2027.

## How is my pension paid for?

The assets of the Scheme are held in a common fund which is used to pay pensions and other benefits to members as they are due. They are not held in separate accounts for each individual.

## How is the amount the Scheme needs worked out?

The Trustees agree a funding plan with the Company which aims to make sure there is enough money in the Scheme to pay for pensions now and in the future. The amount of money that the Company pays into the Scheme may go up or down following actuarial valuations.

When calculating the amount needed to provide benefits, the actuary has to make assumptions about what will happen in the future. These include how long members will live and what inflation might be. Together, the Trustees and the Company agree on what these assumptions should be.

## The importance of the Company's support

The success of the Scheme relies on the Company continuing to support it because the Company will be paying the future expenses of running the Scheme each year.

## The solvency position

The Pensions Regulator requires us to explain what would happen if the Scheme had started to wind up at 30 June 2024. It is estimated that the assets available would have been sufficient to secure 101% of members' benefits.

## Payments to the Company

There have not been any payments to the Company out of Scheme funds since the last summary funding statement was issued.

“...choose how your savings are invested, using the Retirement Pathway or the Self-Select funds...”

# Money Purchase section

The Money Purchase section was closed to future contributions in June 2020, and active members were offered membership of the Standard Life Master Trust.

If you are a deferred member of the Money Purchase section, you can choose how your savings are invested. You can use the Retirement Pathway, where your savings are managed for you, or you can use the Self-Select funds, where you take an active role in managing your investments.

If you want to change your investments, please complete an Investment Option form which is available on the Scheme website or from the administrator. Making changes is free, up to three times a year.

## Retirement Pathway Funds

Performance % (gross) for the year to 31 December 2025

Aon Managed Retirement Pathway Fund	Portfolio	Benchmark	Relative
Perpetual	7.0	4.9	2.1
2016–2018	7.2	5.2	2.0
2019–2021	7.8	5.7	2.1
2022–2024	8.3	6.2	2.1
2025–2027	8.8	6.9	1.9
2028–2030	9.6	8.0	1.6
2031–2033	10.4	9.1	1.3
2034–2036	10.9	10.4	0.5
2037–2039	11.4	11.7	-0.3
2040–2042	11.9	12.7	-0.8
<b>Aon Managed Retirement Pathway to Annuity</b>			
2025–2027*	6.1	n/a	n/a
2028–2030**	9.2	7.6	1.6
<b>Aon Managed Retirement Pathway to Cash</b>			
Cash 2025–2027*	5.5	n/a	n/a
Cash 2028–2030**	7.9	7.5	0.4

Source: Aegon, Aon Investments Limited. Returns are shown gross of fees and will be reduced by the annual management charge (AMC) paid by members. Returns are calculated using daily dealing prices and restated over all time periods to reflect the change in performance methodology implemented on 30 June 2024. Benchmarks are chain-linked using monthly underlying fund benchmarks and asset allocations and have been restated over all time periods to reflect this change.

Inception date for the majority of funds is 31 May 2015, except funds marked with \* which launched on 27 June 2019 and funds marked \*\* which launched on 30 June 2022. For funds with a target date after 2039, performance is shown for the 2040–2042 Fund.

Please remember that past performance is not a guide to future returns, and the value of your investments and income from them can go down as well as up.

You can read about the performance of the funds in the Money Purchase section in the document '2025 DC Fund Performance Commentary', which you can find in the members' area of the Pearl website under Money Purchase Investment Information.

## Self-Select funds

Performance % (gross) for the year to 31 December 2025

	Portfolio	Benchmark	Relative
Global Equity	13.2	13.9	-0.7
Active Global Equity	9.1	12.8	-3.7
Global Impact	9.0	12.8	-3.8
Property & Infrastructure	3.7	3.6	0.1
Passive Corporate Bond	6.8	6.9	-0.1
Diversified Asset	12.0	4.2	7.8
Long-term inflation linked	0.1	0.8	-0.7
Liquidity	4.4	4.2	0.2
BlackRock UK Equity Index	19.9	20.7	-0.8

Source: Aegon, Aon Investments Limited. Returns are shown gross of fees and will be reduced by the annual management charge (AMC) paid by members. Returns are calculated using daily dealing prices and restated over all time periods to reflect the change in performance methodology.

Inception date: Aon Managed Funds – 31/12/2014, Aon Managed Global Impact Fund – 31/10/2020, Aon, Aegon BlackRock UK Equity Index Fund – 31/10/2009.

Benchmark shown for the Aon Managed Diversified Asset Fund is LIBOR up to 31 October 2019 and SONIA with effect from 31 October 2019. Inception date: Aon Managed Funds – 31/12/2014.

Benchmark for the Aon Managed Liquidity Fund is 7-day LIBID up to 30 December 2021 and SONIA with effect from 30 December 2021. Inception date: Aon Managed Funds – 31/12/2014.

# Running the Scheme

The Scheme is managed by a corporate trustee called P.A.T. (Pensions) Limited. There are seven Trustee Directors, four of whom are appointed by the Company, including an independent chair, and three are nominated by the Scheme's members.

## Your Trustee Directors

Keith Jones, independent chair

Graham Felston\*

Max Mauchline\*

Chris Munro\*

Gary Welsh

Lesley Williams

Quentin Zentner

\*Nominated by members

## Secretary to the Trustees

Clare Wilson, First Actuarial LLP

## Advisers to the Scheme

The Trustees have appointed the following professional advisers to help run the Scheme.

### Actuary

Scott Latham FIA, WTW

### Auditor

RSM UK Audit LLP

### Investment adviser

Aon Investments Limited

### Bank

HSBC Bank plc

### Legal adviser

Reed Smith LLP

### Principal employer

Pearl Life Holdings Limited

# Get in touch

If you have any questions about the Scheme or your benefits, please contact the Scheme administrator.



**Call us:**

01733 447620



**Email us:**

[pearl@firstactuarial.co.uk](mailto:pearl@firstactuarial.co.uk)



**Write to us:**

Pearl Group Staff Pension Scheme  
First Actuarial LLP, A Gallagher Company  
2nd Floor Office, Orton Pavilion  
Peterborough Business Park  
Lynch Wood  
Peterborough PE2 6FY



**Scheme website:**

[pearlstaffpensionscheme.co.uk](http://pearlstaffpensionscheme.co.uk)

## Please let us know!

You will see we have moved office address so if you move house or your personal circumstances change, please remember to tell us so that we can keep in touch with you and pay your benefits when they are due.