focus
For members paying into the Fund
Summer 2026

BRITISH TRANSPORT POLICE

A simple way to save a little extra

By paying into your pension, you're already doing something important for your future. AVCs could be a simple way to build on that...

Additional Voluntary Contributions (AVCs) are extra contributions you can make into your pension. And the great news is, they're taken from your pay before tax (up to certain limits), so you get tax relief – which means you save more, but it costs you less!

How do AVCs work?

The money you pay into AVCs is held separately to your defined benefit (DB) pension, and you choose how to invest it to try to grow your savings over time. The main AVC arrangement for 1970 Section members in the Fund is called BRASS, and for members of the 2007 and CARE sections, it's called AVC Extra.

How much can I pay in with AVCs?

You can pay as little as £2 a week or £10 a month into BRASS or AVC Extra. You can also change the amount, stop paying at any time, or make a one-off payment to suit your circumstances.

How can AVCs make a difference to my future?

When you take your benefits, your BRASS or AVC Extra pot can be used to give you extra cash lump sum, and sometimes even extra pension through the Fund.

You may be able to use the Pension Planner in your myFund account to see what this could look like for you, and how paying different AVC amounts could change your expected income. You can also request an estimate at any time.

As with any investment, values can go down as well as up.

FIND OUT MORE

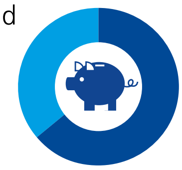
Read the 'Saving more with BRASS' area of your Fund website to find out more about planning for the future.

How do I start?

Speak to your payroll team if you'd like to start paying AVCs. After that, you can manage your investments directly in your myFund account.

Did you know?

64% of our retired members said they'd tell their younger selves to save more into their pension while they were still working – even small amounts can make a difference over time.



Message from your Trustee Chair

Welcome to this edition of Focus. After four years as Trustee Chair, I am stepping down knowing that the schemes are now more member focussed than ever. If I've learned anything from our members during that time, it's that knowledge is power when it comes to your pension, and I ask you to take steps to understand this valuable benefit.

Understanding what you have, what you need, and the options available, can make a real difference to how confident you feel about your future.

There's a wide range of information available to help you - whether it's our member website, e-bulletins, or newsletters like this one. Taking a little time to explore it can help you better understand your pension and what it could mean for you.

You don't have to start big. It can be as simple as registering for a myFund account, using our pension planner to see what your pension might be worth, adding a little more to your savings when you're able, or even just paying attention to your Annual Benefit Statement when it arrives.

Small steps like these can help you build a clearer picture over time and feel more in control of your pension.

There are wider changes happening across pensions and the railways industries too, which means it's more important than ever to stay informed.

Please don't delay. Take a moment to get to grips with your pension today and you could be in a much stronger position as you move through your career and into retirement.

With best wishes

Christine Kernoghan,
Trustee Chair

Your Trustee, standing up for members

When decisions are made that could affect your pension – whether within the railways pension schemes or through changes to law and regulation – the Trustee is there to represent you and make sure members' voices are heard.

The Trustee is legally responsible for running the railways pension schemes. Railpen supports the Trustee by administering the schemes day to day and managing the investments, but the Trustee is responsible for making sure members' pensions can be paid securely, affordably and sustainably over the long term.

That includes working with Railpen, employers and government – and speaking up when changes to law or the rail industry could affect the schemes and members.

Recent examples include working with government, industry bodies and other schemes on wider policy changes that could affect members, including Inheritance Tax changes, which you can read more about on the back page.

FIND OUT MORE

Elections were recently held for the Trustee Board. You can find the latest list of Trustees, and learn about how they work on your behalf at btppensions.co.uk/the-trustee.

Grow your pension confidence with a myFund account

Over 5,000 members of the British Transport Police Force Superannuation Fund (BTPFSF) are now managing their pension online — and it's easy to see why.

Available 24 hours a day, seven days a week, your myFund account gives you secure access to important information about your pension whenever it suits you.

What you can do with a myFund account

A smarter way to plan for retirement
Easy-to-use tools like the Pension Planner and Retirement Budgeting Calculator can help you understand how much income you might need when you stop working, and forecast what you might get from your Fund pension. You can also request estimates with variables like retiring early or late, and how that might affect your pension. You will usually get a response within a few minutes.

Quick and easy nominations
In just a few seconds, you can check who you have nominated to get a lump sum if you die before taking your pension. You can also change your nominations easily across all your periods of service, keeping them up to date with your wishes.

Confidence that your details are up to date
Moving house? Changed your email address or phone number? You can check and update your contact details online, helping us make sure we can contact you when we need to.

Easier access to your paperwork
Essential documents such as annual benefit statements, estimates, and letters are available to view and download.

Control of your investments
If you're paying Additional Voluntary Contributions (AVCs), you can use your myFund account to check and change the funds they're invested in, to reflect your plans for the money.

Flexibility for your needs
Your myFund account comes with an 'accessibility toolbar' so you can adapt the website to suit your needs. For example, you can increase the text size, adjust the contrast or hide any images you find distracting. Just look for the little blue circle with a person icon.

An easier way to stay in touch
If you have a question about your pension, you can contact us directly and securely, straight from your account.

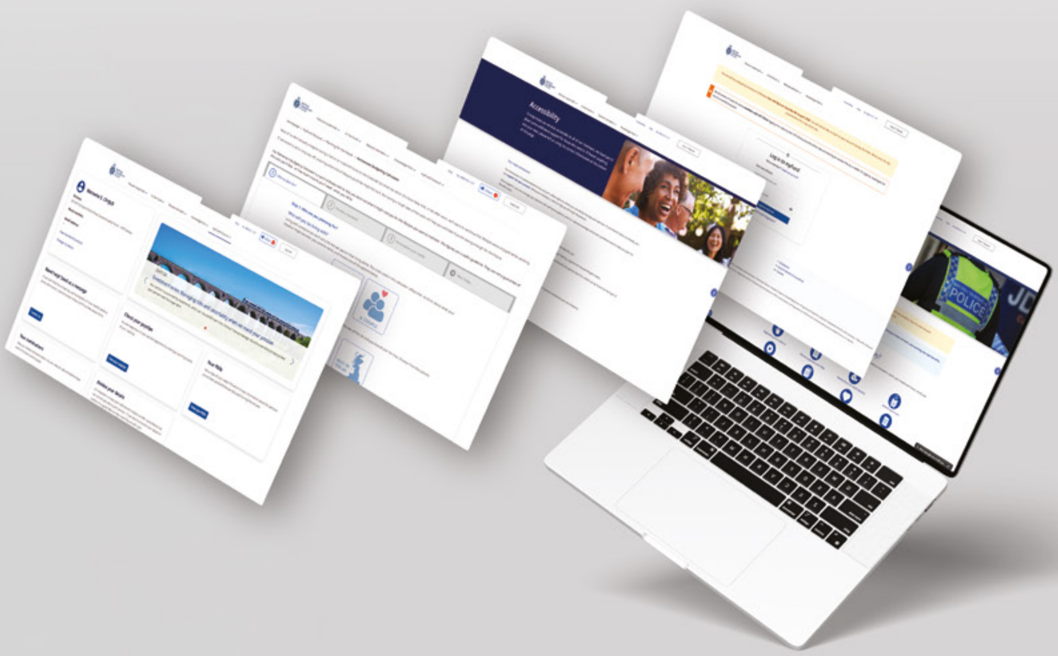
Tailored news and updates
By registering for a myFund account, you'll get regular e-bulletins via email, featuring important information about the Fund, tips for making the most of your pension, and wider pension news.

Get started now!

Here are three quick things you can do today to make the most of your account:

1. Check your details
2. Make your nominations
3. Use the pension planner

Login
(or register) now



Your pension, your way

How to take your pension is a big decision. Even if retirement feels a long way off, it's important to understand your options and what they could mean for you.

Option 1

Take part lump sum/ part pension

Generally, you can take up to 25% of your benefits as a tax-free cash lump sum (subject to an overall limit of £268,275 across all lump sum payments you receive).

Applies to: 1970 Section, 2007 Section & CARE Section

Option 2

Take it all as pension

You can take all your benefits as regular pension payments, with no lump sum. However, there may be restrictions if you've paid Additional Voluntary Contributions (AVCs).

Applies to: 1970 Section, 2007 Section & CARE Section

Option 3

Take it all as a cash lump sum

Taking it all as cash is only possible in very limited circumstances, for example if all your pension benefits are worth less than £30,000.

Applies to: 1970 Section, 2007 Section & CARE Section

Option 4

Transfer to an alternative provider

In some cases, you may be able to transfer your DB benefits to another pension arrangement. By law, you may need to get financial advice before you can transfer.

Applies to: 1970 Section, 2007 Section & CARE Section

Option 5

Get extra pension for your dependants

You can give up part of your pension to give extra pension to your spouse or dependants. This is in addition to any regular dependant's pension paid when you die.

Applies to: 1970 Section

Option 6

The flexible pension

If you want to take your Fund pension before you claim your State Pension, you can choose a lower pension that increases at State Pension age, or a higher pension that then reduces at State Pension age.

Applies to: 1970 Section.

NEED TO KNOW

Already made your decision?

If you're ready to retire, visit the '<u>Applying for my pension</u>' page on the member website for details of how to apply.

FIND OUT MORE

Maximum Pension Age

Based on rank, this is the age when you would normally stop building up pension in the Fund. It's separate to the maximum membership rule that applies to some members.

<u>Find out more</u>

Understanding your options

You can find more details about these options on the <u>member website</u> and in your Member Guide.

When you ask for an estimate or retirement quote, we'll confirm what options apply to you and provide the relevant figures. We can't tell you which option to choose and you may want to get independent financial advice.

You can request an estimate at any time in your <u>myFund account</u>. You may also be able to use the Pension Planner to explore what your pension could be worth and how different options could affect it.

If you have a Protected Pension Age (PPA)

Your options and when you can take them may be different. Please check the <u>website</u> or contact us for details.

What's a nomination, and why does it matter?

If you die before taking your pension (or within five years of taking it), the Trustee will decide who to pay a cash lump sum to. By making a nomination, you can make your wishes known.

While a nomination is not legally binding, it can help the Trustee make a decision more quickly and in a way that reflects what you would have wanted.

You can not only tell the Trustee who you'd like the lump sum to be paid to, but also how you'd like it to be split. For example, you could nominate your spouse to receive 80% and a charity to get the other 20%.

What if I already have a will?

The lump sum from your pension is usually considered separately from your estate. This means it isn't covered by your will, so a nomination is the best way to record your wishes.

If you haven't made a nomination, or it's out of date, the Trustee will decide who the lump sum will go to, based on the information available to them, but it may take longer to be paid and might not be as you'd have chosen.

How do I make a nomination?

You can make a nomination at any time in your myFund account. You can also download a paper form from the member website and return it by email or post. It's worth reviewing your nominations regularly, especially after major life events such as marriage, divorce or the birth of a child.

ACTION NEEDED

Log in to your myFund account to make, check, or change your nominations today.

It only takes a few minutes, and it can make a real difference for the people you care about – while also helping to reduce delays and questions later on.

Keep your digital accounts secure

Improving your digital security is one of the best ways to protect yourself from the growing threat of pension scams. Here are a few ways to do that...

Create unique passwords

Use different passwords for every account you have. If possible, use random words in your passwords — this can make it harder for scammers to crack.

Look out for data breaches

Data breaches can lead to personal details being used by criminals to commit fraud. If one of your accounts has been exposed, change your password straight away and keep an eye out for any misuse.

Be wary of unexpected contact

If you get a message that doesn't seem right, it's best to delete it and not click on any links. If you're worried about any contact about your pension, please let us know as soon as possible.

Use multi-factor authentication/ two-step verification

You'll get a security code via text or email to help confirm it's you when you log in. You can do this in your myFund account.

FIND OUT MORE

In this video from The Pensions Regulator, Pauline shares how scammers stole her £45k pension pot.

Fund performance update

If you're paying Additional Voluntary Contributions (AVCs) into BRASS or AVC Extra, they are invested in one or more funds to help your savings grow over time. Here's a summary of how the funds performed in 2025, and how you can check what that means for your AVC pot.

Equity funds

The Global Equity Fund and Socially Responsible Equity Fund both performed well, returning 20.5% and 6.8% respectively.

The Global Equity Fund performed more strongly because it holds more of the very large, US-based technology companies that performed particularly well last year.

Long Term Growth Fund

The Long Term Growth Fund aims to grow your savings by CPI inflation + 4% a year over the long term. It invests in a broad mix of assets, including equities, bonds, property, and other diversifying assets.

While equities make up the biggest portion, the mix of assets helps reduce the impact of short-term ups and downs in different asset classes.

In 2025, the fund returned 13.3%, almost 6% above its CPI + 4% comparator. This performance was mainly due to strong equity performance.

Bond and deposit funds

The bond funds saw mixed results in 2025 but performed broadly in line with their respective comparators:

- Corporate Bond Fund: 7.0%
- UK Government Fixed-Interest Bond Fund: 4.8%
- UK Government Index-Linked Bond Fund: -0.2%

The Deposit Fund returned 4.1%, again broadly in line with its comparator.

Lifestyle strategy

If you haven't selected AVC investment funds, you'll probably be invested in a Lifestyle strategy, where your pot is managed on your behalf. If you self-manage, you can still choose a Lifestyle strategy if it suits you.

A Lifestyle strategy means your AVC pot is invested in funds based on your Target Retirement Age (TRA). If you have more than 10 years until your TRA, your AVCs will be invested in the Long Term Growth Fund.

Once you are within 10 years of your TRA, your investments will be gradually moved into the lower-risk Corporate Bond and UK Government Fixed-Interest Bond funds, alongside the Long Term Growth Fund. Your exact mix of funds will depend on how close you are to your TRA.

There are three Lifestyle options available, based on what you expect to do with your pot – Target Lump Sum, Target Flexible Drawdown, and Target Annuity.

What it means for you

You can see how much your AVC pot might be worth by requesting an estimate or using the Pension Planner in your myFund account.

You can also find out more about each fund on the BRASS fund choices page of the member website.

If you're new to investing, start with the 'How investments work' page.

ACTION NEEDED

Stay in touch with your AVCs

Review your investments regularly in your myFund account so you can understand how they're performing and whether they still match your plans.

FIND OUT MORE

See the latest fund prices and track recent performance on the member website.

Your views on how we invest your pension

We want you to feel confident that your pension contributions are invested in a way that aims to deliver good financial returns over the long term.

One way we do this is through our sustainable ownership approach. This means we consider a wide range of environmental, social and governance (ESG) issues in our investments, and we think companies that manage these risks well often perform better over time.

Your investment priorities

Every year, members are given the chance to tell us what ESG issues are most important to them, and how they want to be communicated with about our work.

For 2026, more than 1,500 members responded to our survey, representing a wide range of backgrounds, ages, roles and levels of investment knowledge. Thank you to everyone who took part.

These members told us that:

42% want us to consider 'social' issues such as how well a company treats its workforce and whether it pays them fairly

33% are concerned about governance including whether companies are run by the right people, have reliable and accurate company reporting and make sure company boards are held to account

26% value the environmental impact particularly in relation to climate change

84% think it's important we try to influence the companies we invest in to do better on these ESG issues too.

How we're acting on your feedback

We listen carefully to what you tell us. For example, 76% of people who replied to this year's survey said they hadn't seen any communications about sustainable ownership, and 58% weren't familiar with the term at all.

That's why we'll be sharing more examples of how sustainable ownership supports your long-term financial goals, and making sure you get clearer, easy-to-find updates on how we invest on your behalf.

Our main purpose is to pay pensions, so we won't take action that we think might negatively affect members.

You can visit the Knowledge Hub on the member website, where you'll find:

- a dedicated sustainable ownership page offering an at-a-glance overview of what it is and why it matters
- videos on a variety of sustainable ownership topics
- the latest investment reports, including the Stewardship Report and Sustainable Ownership Member Review, which take a closer look at member priorities and how we include financially relevant sustainability and governance considerations in the investments we manage on your behalf.

If you want to explore how Railpen manages the effects of climate change on your investments, you can read the latest Taskforce on Climate-Related Financial Disclosures (TCFD) Report at btppensions.co.uk/tcfd-report. It explains the actions taken by the Trustee to identify, assess and manage climate-related risks and opportunities. The 2025 report will be available there from summer 2026.

Have your say

If you'd like to help shape our sustainable ownership priorities in future, email us at so@railpen.com. You can also keep an eye out for future surveys.

Pension news round up

The Pension Schemes Act 2026

The Pension Schemes Act 2026 (formerly the Pension Schemes Bill 2025) became law in April. It will introduce changes to the pension system gradually over the coming years.

For well-funded defined benefit (DB) schemes, the Act is designed to give more flexibility, while keeping strong protections in place for members. These changes will not affect your benefits in the Fund, and you do not need to take any action at this stage.

The scheme's administrator, Railpen, worked on behalf of the Trustee to help make sure members' interests were represented as the Bill moved through Parliament.

Inheritance Tax on pensions from 6 April 2027

Inheritance Tax (IHT) may be due if the value of someone's estate (their money, property and possessions) is more than the Inheritance Tax threshold (currently £325,000) when they die. Anything left to a spouse, civil partner or charity is usually exempt from IHT.

At the moment, pensions don't normally count towards the value of an estate. From 6 April 2027, this will change, and unused pension funds and certain death benefits will be included.

This will not affect death in service lump sums, defined benefit (DB) pensions or dependants' pensions.

New limits on Salary Sacrifice contributions from 2029

Many pension savers use "salary sacrifice" where you give up a part of your pay and your employer pays that amount directly into your pension instead.

Because your salary is then lower, you usually pay less National Insurance (NI). This means your take-home pay can actually go up when compared to ordinary pension contributions. Your employer may save on NI too.

From April 2029, the government will apply a new £2,000 annual tax threshold to salary sacrifice pension contributions. You and your employer will have to pay NI on anything above that £2,000 limit. However, employee pension contributions will still get income tax relief (as long as they are within Annual Allowance limits), whether they are made through salary sacrifice or not.

Salary sacrifice can still be used for contributions above £2,000 a year, but any amount over the limit will be treated in the same way as normal pension contributions for NI purposes.

Your news, your way

If you've enjoyed this issue of Focus, or have ideas for how we can improve it, please let us know by completing this short survey: www.surveymonkey.com/r/focus26

The next edition will be in summer 2027.

If you're registered for a myFund account, you'll also get news straight to your inbox through e-bulletins sent throughout the year.

If you get Focus by post and need a copy in large print, please email **format@railpen.com**.

You can also tell us how you'd prefer to get the newsletter in future at btppensions.co.uk/my-communication-preferences

Stay in touch

You can find lots more information about your pension on the member website, btppensions.co.uk, and in your secure myFund account.

If you can't find the answer you need there, please contact us directly and we'd be happy to help.

You can reach us by:

- sending a message in your myFund account
- emailing csu@railpen.com
- calling the Helpline on **0800 012 117** (UK) or **+44 1325 342 800** (international)

Our offices are open Monday to Friday, 8am to 5pm, excluding Bank Holidays.

Please remember to include some security information so we can identify you, such as your:

- full name
- full address
- Pension Reference Number or NI number
- date of birth

Follow us on YouTube

Check out our YouTube channel to watch videos from the basics of your pension, to understanding complex topics. Go to youtube.com and search: @BTPPensionFund