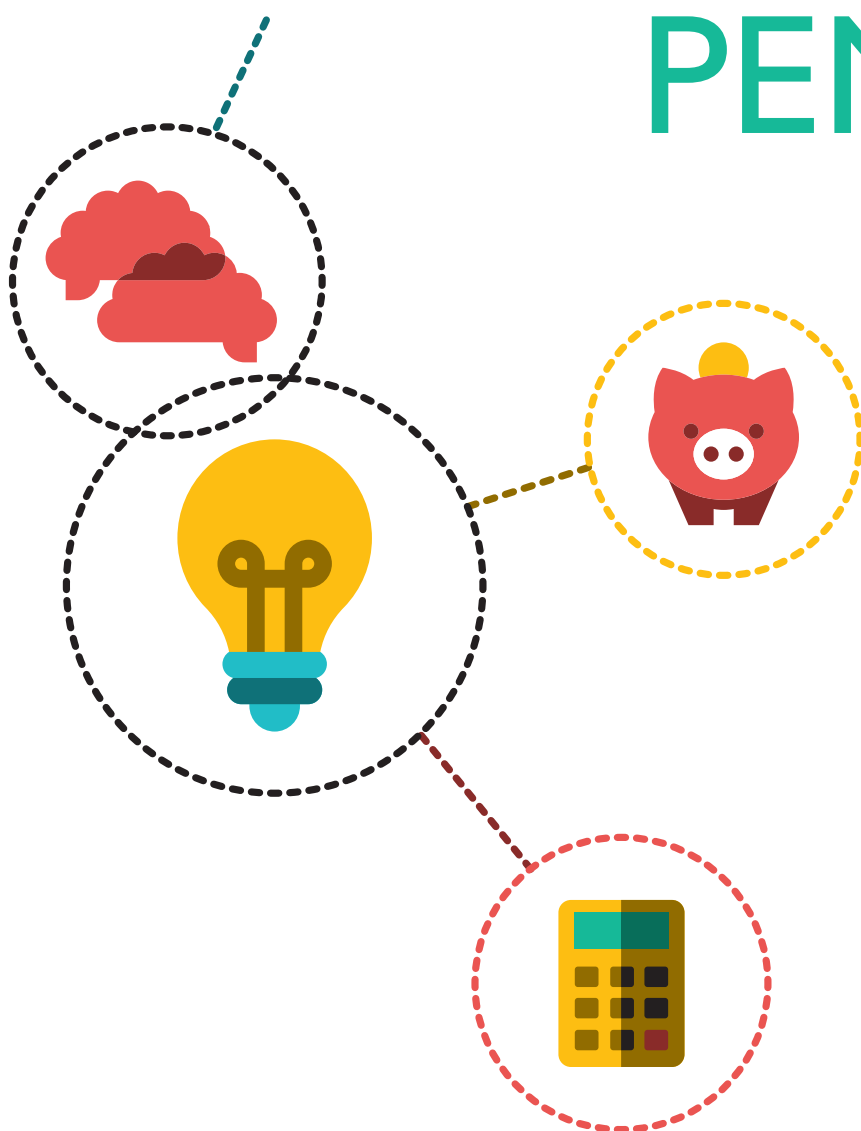


Your newsletter for the
University of Edinburgh Staff
Benefits Scheme

KNOW YOUR PENSION 2025



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IN THE KNOW

Dear Member,

Welcome to the latest edition of the newsletter for your pension scheme, the University of Edinburgh Staff Benefits Scheme. This edition brings you news about the Scheme's finances and investments. It includes a reminder to keep us updated about any big changes in your life that we may need to know about. It also includes information about tools to help you understand your finances and plan for your future, and useful sources of help and support.

It is hard to escape the fact that we are living through uncertain times just now. The economic climate continues to be very unsettled and that has a direct impact on the Scheme. We must be able to respond to changes to the Scheme's investments and liabilities.

I am pleased to report that we completed the 31 March 2024 Actuarial Valuation of the Scheme just before Christmas 2024. The results, which are summarised in this newsletter, show that the Scheme has done well recently. It has in fact moved slightly into surplus, so is in good shape to meet its obligations. As those of you who are active members will know, this enabled us to agree with the University to bring down the cost of earning future benefits in the Scheme, an outcome which we are really pleased about.

We continue to monitor the Scheme, review our investment strategy and take whatever steps we need to protect that strong funding position. We also increasingly incorporate environmental, social, and governance (ESG) factors in our investment decisions. The long-term health of the Scheme depends not only on financial performance but also on responsible investing.

We want to ensure that you stay up to date about your Scheme. This newsletter is one way of doing that, and there are other ways. Use of online resources is becoming increasingly important, and we encourage you to register for and use the Scheme's web portal, 'PRISM'. It provides easy access to a range of useful documents about the Scheme. Further details can be found on page 8. You can update your expression of wish form through PRISM as well. There's more on the importance of doing that on page 3.

We hope you find something of value and interest to you in this newsletter. We are always keen to hear from you and details about us and our advisers can be found on page 8.

Yours sincerely,

Julia Miller

Trustee Chair

KNOW YOUR TRUSTEE

The assets of the Scheme are held in trust for the benefits of members and are managed by the Trustee, EUSBS Trustees Limited.

University nominated directors

Scottish Pension Trustees Limited
(Independent Chair, represented by Julia Miller)

Doreen Davidson

Ashley Shannon

Kathryn Graham

Member nominated directors

Khushaal Joshi

James Hardacre



KNOW THE LATEST NEWS



COMPLETED YOUR MIDLIFE MOT?

Midlife MOT is an online resource launched by the Government, to help people check the status of their work, health, and money.

It's aimed at people between the ages of 45 and 65 to help you start thinking about the future, but you can use it at any age. Ultimately, it's here to help you with aspects of your personal finance – including retirement planning, savings and investments. It's easy to use and clearly sign posted, but as it's an online tool, you'll need access to the internet to use it.

Information about pensions is in the Money section. You can plan for your future by working out your ideal retirement income, checking your State Pension age, and even get a State Pension forecast. It's a good place to start to build confidence and begin making informed decisions for a secure financial future.

Midlife MOT is hosted on the Government's website at **www.gov.uk**. To find it, type 'Midlife MOT' in the search bar.

KNOW THE SCHEME'S ADVISERS

Scheme Actuary:

Hymans Robertson LLP

Auditor:

RSM UK Audit LLP

Legal Adviser:

Shepherd & Wedderburn LLP

Administrator:

Hymans Robertson LLP

Investment Adviser:

Hymans Robertson LLP

PROTECTING YOUR LOVED ONES

As well as providing you with a retirement income for life, the Scheme may pay lump sum benefits if you die.

These benefits may be tax free if they are paid outside your Estate, and at the discretion of the Trustees. It's therefore important to make sure the Trustees are aware of your wishes in the event of your death. You can do this by completing an Expression of Wish form.

An Expression of Wish form is a formal request to the Trustees, setting out who you'd like to receive any lump sum payable when you die. Those that you nominate are known as beneficiaries. It's quick and easy to do, and you can nominate more than one person if you want to.

It's worth noting that it's not binding on the Trustees, but they will take your wishes into consideration when making their decision.

Simply complete the enclosed form and return it in a sealed envelope to the address shown. Or, you complete your Expression of Wish by logging into your online member portal, PRISM.

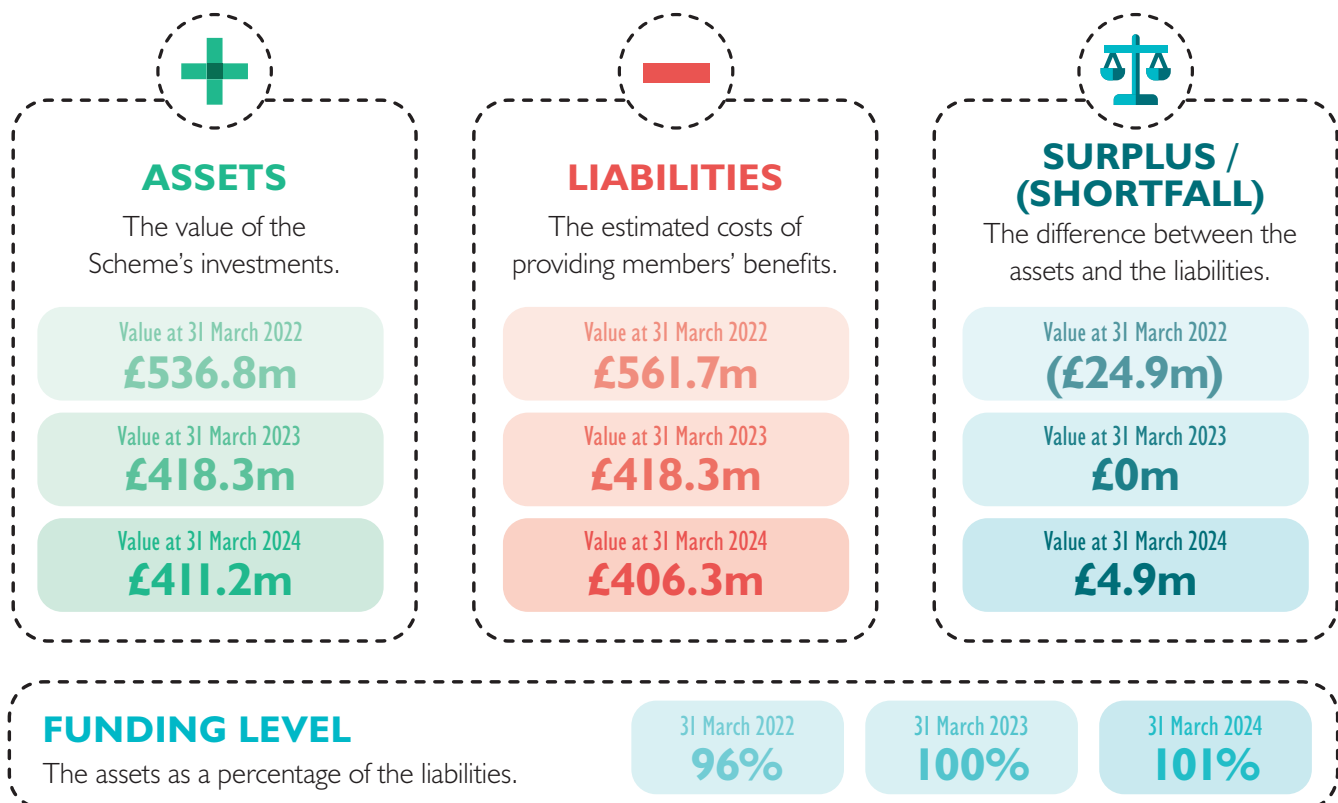
YOUR DATA

If you would like to find out more about how we use your personal data please follow the link to the Hymans Robertson Trust Centre: **www.hymans.co.uk/information/trust-centre/**

KNOW THE FINANCES

HOW IS THE SCHEME DOING?

The Trustees must make sure the Scheme has enough money to pay members' benefits both now and in the future, and so every three years a full valuation of the Scheme is undertaken, with annual checks in between. These calculations are carried out by an Actuary appointed by the Trustees. Here's a summary of the funding position at the last valuation and how this compares with the annual updates.



WHAT DOES THIS MEAN FOR ME?

Since the last summary funding statement, the Scheme has completed a formal Actuarial Valuation. This involves updating membership data and the value of the assets the Scheme holds as well as updating the underlying assumptions.

You may have noticed that the value of the Scheme's assets has fallen. This is not a cause for concern as the value of the Scheme's assets also fell by a very similar amount.

These updates, alongside changes in market conditions over the period, have resulted in a small surplus arising as at 31 March 2024, with 101% of the money it needed to pay benefits now and in the future.

These valuations are only a snapshot, and as market conditions change, it's perfectly normal for the funding level to fluctuate over time. If the funding level is 100% or more, that means there was enough money to pay the benefits as and when they are due to be paid.



PROTECTING YOUR BENEFITS

As part of the valuation, the Actuary also works out how much money the Scheme would need if the University could no longer support it, the Scheme were to be wound up and the Trustee secured members' benefits by buying an insurance policy.

Securing benefits in this way is expensive. The estimated cost to ensure that all members' benefits could be paid in full if the Scheme wound up on 31 March 2024 was £518.5m, resulting in a shortfall of £107.3m compared with the value of the assets on the same date. If there is not enough money in the Scheme to buy out all the benefits with an insurance policy, the University would have to make up the shortfall.

For cases where a scheme's sponsor becomes insolvent and doesn't have the money to pay the benefits promised, the Government has set up the Pension Protection Fund (PPF), which can pay compensation to members.

The PPF is not intended to replicate each member's pension, but to ensure that members receive most of their pension. There is an overall cap on pensions, which may apply, and any increases to pensions once in the PPF are less generous than the increases that the Scheme would have provided. You can find out more about the PPF on its website: www.ppf.co.uk.

Please note that the inclusion of this information does not imply that the University or the Trustees are thinking of winding-up the Scheme. It is simply required to form part of our report.

THE LEGAL BIT

Legally, we have to confirm that the University has not taken any surplus payments out of the Scheme in the last 12 months and that there has been no intervention from The Pensions Regulator to use its powers to modify the Scheme, or to impose a direction, or a schedule of contributions.



KEEP US IN THE KNOW

It's really important that you keep us up to date with any changes to your personal circumstances so that we can stay in touch and ensure your pension benefits are paid on time when they're due. If you've recently moved home, experienced a name change, or need to make a change to your expression of wish form, remember to let us know.

Contact your Scheme Administrator using the details on the back page.

KNOW THE FINANCES

We receive regular payments from the University which we invest and use to pay benefits. Here is a summary of the money we received and the payments we made, over the last scheme year.

ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2024

£414,247,530

Value at 31 March 2023



£30,069,226

What came into the Scheme



£32,789,655

What went out of the Scheme



£411,527,101

Value at 31 March 2024



WHAT CAME INTO THE SCHEME

University contributions	£16,512,055
Member contributions	£304,433
Investment income	£12,858,702
Other income	£394,036

WHAT WENT OUT OF THE SCHEME

Pension payments	£20,159,567
Individual transfers out	£96,807
Change in market value of investments	£10,740,454
Investment management expenses	£412,853
Administration and other payments	£1,379,974

SCHEME MEMBERSHIP

2024



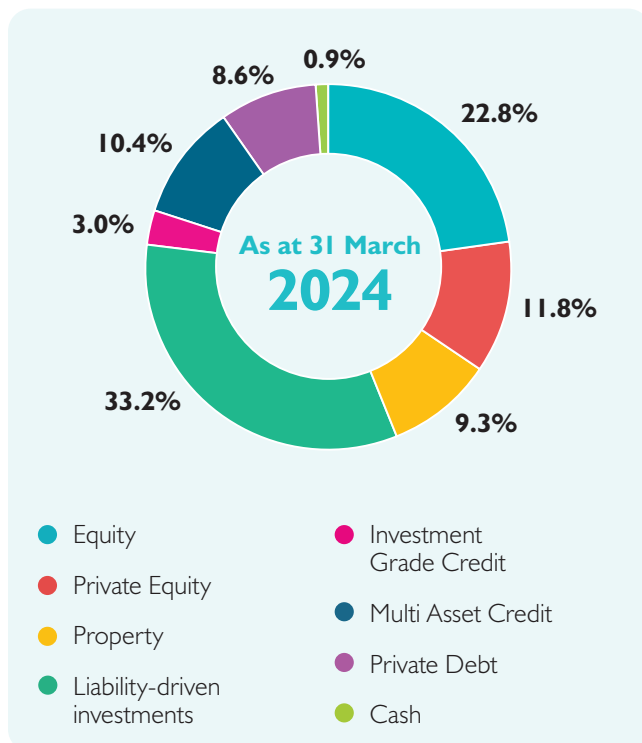
- Members currently paying in
- Members who have left but not retired
- Pensioners

KNOW THE INVESTMENTS



OUR INVESTMENT STRATEGY

The Scheme's investment strategy is set by the Trustees after taking appropriate independent advice. The Scheme's assets were allocated to the following investment types:



The Trustees and their investment adviser have considered environmental, social and governance criteria when setting the investment strategy for 2025/26 and will continue to do so. The Trustees will also consider how they intend to factor climate related risks and opportunities into the Scheme's investment strategies.

More information about our investment strategy is published in our Statement of Investment Principles. Copies of all the Scheme's documents are available upon request from the Scheme administrator.

KNOW THE JARGON

ACTUARIAL VALUATION

An investigation by an actuary into the ability of a defined benefit pension scheme to meet its liabilities. This determines the funding level and the recommended contribution rates.

ASSETS

Investments such as equities, gilts, property and cash.

MULTI-ASSET CREDIT

This invests in a range of bonds and other credit assets, rather than just one type of investment. It gives an element of diversification that you don't get when investing in a single asset class.

PROPERTY

Property funds invest in commercial property e.g., shops and offices rather than in residential property.

EQUITIES

Shares in a company which are bought and sold on a stock exchange.

PRIVATE EQUITY

Shares in companies that are not publicly traded on a stock exchange.

LDI

This is short for liability-driven investments, which addresses interest rate and inflation risks by investing in a range of assets that closely match the behaviour of the pension liabilities.

WANT TO KNOW MORE?

WHERE CAN I GET MORE INFORMATION?

These websites are a useful source of information about pensions and general financial matters.

www.gov.uk for Government information and public services, including workplace pensions and State benefits.

Moneyhelper.org.uk is the new one stop service for Government-backed guidance, bringing together the support offered by The Money Advice Service, Pension Wise and the Pensions Advisory Service.


MoneyHelper aims to make your money and pension choices clearer; to cut through the jargon and complexity, explain what you need to do and how you can do it. It is free to use and provides impartial guidance and can recommend further, trusted support if you need it.


You can also ring MoneyHelper free on **0800 011 3797**, Monday to Friday 9am to 5pm.

TRACKING DOWN LOST PENSIONS

It's worth taking time now to think about how much income you are on target to receive when you retire and whether it will be enough. Of course, your income in retirement may come from a number of sources including previous employers. If you would like to track down a lost pension scheme, the Pension Tracing Service may be able to help you free of charge.

 **www.gov.uk/find-lost-pension**

 **0800 731 0193**

 **0800 731 0176**

When you call, it is a good idea to have some information to hand – such as your National Insurance number, the name of the company you worked for, and the dates you worked there.

SCHEME INFORMATION

If you would like any more detailed information about the Scheme, you can ask the Scheme Administrator for a copy of various documents like the Statement of Investment principles, the trust deed and rules, and the actuarial valuations.

THE SCHEME ADMINISTRATOR IS:

 Hymans Robertson LLP,
2/1 20 Waterloo Street, Glasgow, G2 6DB

 **0141 566 7807**

 **uoe@hymans.co.uk**

 **hymans.co.uk**

THE SCHEME'S SECRETARY IS:

 Mr Andrew Mills,
Hymans Robertson LLP,
20 Waterloo Street, Glasgow G2 6DB

SEE YOUR PENSION ONLINE ANYTIME, ANYWHERE, WITH PRISM

At **www.uoesbspensions.co.uk** You'll find useful information in the home page as well as recent announcements and news about the Scheme. You'll find useful information on the home page, including recent announcements and news about the Scheme, as well as details on how to register for secure member access.

