

EDF GROUP OF THE ESPS (EDFG)

Group Update

October 2022



WELCOME TO YOUR GROUP UPDATE

Message from the Chair

Welcome to our update from the EDF Group of the Electricity Supply Pension Scheme (EDFG).

I recognise this is a period of uncertainty for all of us with the cost of living crisis and, since our last update, we've seen a change in Prime Minister and, with the passing of Her Majesty Queen Elizabeth II, a new Monarch in King Charles III.

You will also no doubt have seen lots of noise and speculation in the media about the health of pension schemes generally and I know many of you are asking questions on how your scheme is faring in these turbulent times.

I want to give you a brief update and, hopefully, allay some concerns you might have.

The Trustees have had a series of meetings with our advisers including an update at the full quarterly Board meeting held last week. We have taken rapid and robust action to ensure our investment strategy remains on track. The funding position of the EDF Group remains strong and healthy. The market challenges do seem to have stabilised somewhat after the Bank of England action.

I can give you assurance that we have in place contingency plans together with a very robust "back up" in the form of our covenant from the Company. The Trustees, the Company and our advisers continue to monitor the market developments.

Collectively, we will judge if and when it's necessary for me to touch base with you again.

In the meantime, in this update, we share with you a financial update in a summary of the Group's Report and Accounts.

Following careful planning, we've now started the formal exercise of the Statutory Valuation for EDFG as at 31 March 2022. The valuation is carried out at least every three years where we review the financial position of the Group. Over the coming months, with the help of our advisers, we'll look closely at how liabilities are valued. We'll share the outcome with you in due course.

I'm delighted to share some background on our new Trustee Board – I'm sure you'll agree with me that, with such a variety of backgrounds and experience amongst them all, this can only improve our effectiveness as a Trustee Board.

Please also remember to check our online channels on a regular basis. These are key tools for the Trustees to issue information and updates to members. Please see how to access these in the 'Communicating with You' section.

The ongoing rise to the cost of living in the UK may leave pension savers more vulnerable to scammers. Please take some time to read the article on how to protect yourself, including what to look out for, to help keep your pensions savings safe.

Finally, please remember to update your nominated beneficiaries if your circumstances have changed. Details of how to do so can be found on page 7.

Andy Spurr
Trustee Chair
EDFG

YOUR EDFG TRUSTEE BOARD

The EDFG Trustee Board is made up of four Company Appointed Trustee (CAT) Directors, together with six Member Nominated Directors (MND). You can find out a bit about each of the Trustee Directors below.



Pictured Left to Right: Andy Spurr, Rebecca Ferris, Richard Grant, Louise Murray, Kate Hardingham, Carol McArthur, Andy McKinnell, Tanya Kerr, Julia Adler, Alex Mackie, Richard Hawksby

Alex Mackie – EDFG Trustee Director

Alex worked for Scottish Nuclear, British Energy and subsequently EDF for 29 years before retiring in 2021. He is a chartered mechanical engineer with professional qualifications in engineering and business administration and spent several years in Aerospace industry before joining Scottish Nuclear and subsequent companies, undertaking a number of engineering and station roles. Alex has a BSc (Hons) Degree in Mechanical Engineering and a Master in Business Administration. Alex has been a Trustee for over 5 years and is a member of the Investment Committee.

Andy McKinnell – EDFG Trustee Director and Professional Trustee

Andy is a professional pension scheme trustee. He has had a career in the pensions industry spanning more than 35 years, previously advising trustee boards on actuarial and investment matters. He also chairs the EDFG Investment Committee.

Dr Andy Spurr – EDFG Trustee Director and Chair of EDFG

Andy joined the Electricity industry in 1975 at Marchwood Engineering Laboratories, working on various mechanical engineering issues, before transferring to Barnwood where he worked in the generation design and construction division. He served with Hartlepool as an Engineering Manager and as a Station Manager of Dungeness A. Andy became Station Director at Dungeness B in 1995 and in 2001 he became Engineering Director based at Barnwood. He held a number of positions, finally becoming MD of Nuclear Generation until retiring at the end of 2013. Since then, he has held a number of Non-Executive roles on different Boards. He was awarded an OBE in 2014.

Carol McArthur – EDFG Trustee Director

Carol is the Chief People Officer and a member of the Executive Team of EDF. She is a Company Appointed Trustee and Chairs the Member Services Committee of the Trustee Board. As well as contributing to the success of the Trustee Board and EDF, Carol's passions include improving diversity and inclusion within EDF and mental health. Her simple aim is to ensure that everyone feels welcome in an environment that enables them and the business to succeed.

Julia Adler – EDFG Trustee Director

Julia currently works in the Customers business as Senior Manager of Field Strategy, Planning and Regulation within Smart Metering and EV Installation. She joined EDF on a Customers graduate scheme in 2009 and has since worked in a number of roles across the company including Financial Control, Internal Audit and Smart Metering. Julia is a qualified Management Accountant (CIMA) and also has experience in translation and teaching English prior to joining EDF. Julia understands the importance of the EDFG pension scheme to its members and feels very privileged to take on the Member-Nominated Trustee Director role. Julia is a member of the Audit, Risk and Budgeting Committee.

Rebecca Ferris – EDFG Trustee Director

Rebecca joined EDF in August 2013 following 13 years within the nuclear decommissioning sector working on first of a kind waste management challenges across the UK and internationally. Within EDF, she has undertaken leadership roles across environmental management, engineering and project delivery within the operational portfolio and nuclear decommissioning. Rebecca is currently a programme integration manager, working collaboratively with Magnox to secure a seamless transfer of EDF's AGR sites to the NDA. This builds on the organisational strategy and transformation capability gained within her previous roles. Rebecca has a BEng in Chemical Engineering, a post-graduate certificate in Systems Thinking in Practice and is a Fellow of the Institution of Chemical Engineers. She is a member of the Investment Committee.

Richard Grant – EDFG Trustee Director

Richard is a mechanical engineer, joining CEGB Research Division in 1976, working on steam turbines then AGR fuel assembly matters. He moved to Barnwood in 1990 as part of the privatisation restructuring, working for Nuclear Electric, British Energy and then EDF until retirement in 2017. During that time Richard worked on a variety of plant areas, ranging from AGR refuelling through AGR boiler issues to steam turbine vibrations. Richard was a Trade Union rep from 1989 until he retired, and from 2002 up to date he has been an Elected Trustee, first of the British Energy Generation Group of the Electricity Supply Pension Scheme (ESPS), and now of the EDF Group of ESPS. He's a member of the Investment Committee, and the Member Services Committee – those deal in depth with the topics in their titles, and report to the main Trustee Board. He has seen much change in those years as a trustee, but now he's retired he sees first-hand just how important pensions are for a comfortable retirement.

Richard Hawksby – EDFG Trustee Director

Richard started working for the CEGB in 1985 as a member of the construction team that built Heysham 2. He moved into Generation in 1987 and spent the rest of his career working at the Heysham site in a variety of roles finishing his career in 2018 as the Group Head of Design Engineering on Heysham 1. In retirement Richard became a governor of a local school and run a community choir in the local community centre. Richard is a member of the Audit, Risk and Budgeting Committee.

Tamya Kerr – EDFG Trustee Director

Tamya has been with EDF since December 2010 and is a finance professional with 20+ years of experience. She currently project manages Business, Strategy and Finance executive training for EDF Group's Corporate University based in Paris. She has leadership experience at one of Europe's largest infrastructure projects, EDF's Hinkley Point C as Head of Financial Control and Treasury. Prior to that she was Vice President of Business Banking with Royal Bank of Canada in St. Maarten the Dutch Caribbean and has specialist knowledge in energy trading credit risk having worked in both Amsterdam with Nuon Energy (now Vattenfall) and London with Duke Energy. Tamya chairs the Audit, Risk and Budgeting Committee.

In addition to the Board of Trustees, an Independent Trustee has also been appointed to carry out certain functions. This role is performed by Ross Trustees Services Limited represented by Kate Hardingham.

Kate Hardingham – Independent Trustee

Kate has spent her entire career in pensions. Whilst she is now an accredited professional trustee with the firm; Ross Trustees, she began her career as a pensions lawyer with Eversheds. It is with Eversheds that she first came into contact with the ESPS acting for the Employer body; EPL. Her first ever job was to draft Deeds of Surplus Distributions. Following her move to Pinsent Masons, she stayed with the ESPS but shifted to the trustee-side as the lead adviser to the RWE Npower Group Trustees. Whilst there she also took on the role of Group Administrator for nearly 7 years until she moved to Ross Trustees in 2017. In 2020 the Company appointed Ross Trustees to the role of Independent Trustee to EEGS and her role transferred to the EDF Group in the recent merger. Kate has a varied portfolio of clients alongside the EDF Group and is also Head of Risk and Compliance at Ross Trustees.

REPORT AND ACCOUNTS SUMMARY

A look at the Group's Report and Financial Statements

Each year we produce a formal Report and Financial Statements for the Group, a copy of which is available to view in the 'Materials & Downloads' section of OneView. A summary of the Group's Report and Financial Statements is shown below.

Financial summary	(£m)
Net Assets as at 1 April 2021	£7,373
+	
Contributions	£2,899
+	
Return on investments	£291
-	
Benefits payments	£335
=	
Net assets as at 31 March 2022	£10,228

£2,776m of the contributions received during the year relate to the bulk transfer arising from the merger of the EDF Energy Generation and Supply Group of the ESPS (EEGS) and the EDF Energy Pension Scheme (EEPS) on 31 December 2021.

Return on Investments

The table below shows the actual and average annual Group returns over the last three years.

	Group (%)	Benchmark (%)
2022	6.7	3.0
2021	13.1	4.9
2020	-1.5	-1.3
Average return over last 3 years (p.a.)	5.8	2.2

The Group delivered a return of 6.7% (net of fees) over the year to 31 March 2022 compared with the Gilts +1.8% benchmark return of 3.0% (measured on a technical provisions basis). The return reflects the returns on the mix of government bonds, corporate bonds, equities, property and other growth assets held by the Group over the year.

Assets of the Group

We regularly monitor the Group's investments, to maintain the correct balance between different asset classes. The funding objective of the Group is to maintain the Group's assets such that in normal market conditions, the market value of the Group's assets together with the future committed contributions, fully covers the Group's accrued liabilities. The Group's primary investment objective is to achieve a return on the Group's assets that is sufficient, over the long term, to meet the funding objectives set out above. At present this target return is 1.8% above the return on an appropriate portfolio of government bonds.

To achieve this investment objective, the Group Trustees have taken advice from the Group's actuaries and investment adviser with a view to investing the Group's assets in a manner that the Group Trustees believe is appropriate to the nature and duration of the Group's liabilities. The Group Trustees' current long-term investment strategy is set out below.

Asset class	Target %	Range %	31 March 2022 %	31 March 2022 £ million
Growth assets (a)	55%	"±-5%"	56%	5,593
Liquid growth assets	<u>38%</u>		<u>39%</u>	<u>3,852</u>
Multi-asset class strategies (non-credit)	11%	"±-3%"	12%	1,190
Credit strategies	17%	"±-3%"	17%	1,660
Equities ^(a)	10% ^(b)	"±-3%"	10%	1,002
Illiquid growth assets	<u>17%</u>	"±-3%"	<u>17%</u>	<u>1,741</u>
Matching assets (Liability-Driven Investment)(b) ^(c)	45%	"±-5%"	44%	4,460
Total Group (a)+ (b) =	100%		100%	10,053

Our Membership

The chart below shows the Group membership as at 31 March 2022 and for comparison at 31 March 2021.

	Active	Deferreds	Pensioners	Dependants	Total
2022	754	16,692	9,736	2,048	29,230
2021	4,983	1,869	6,838	1,894	16,203

Defined Contribution Section

	Active	Deferreds	Total
2022	189	1,475	1,664
2021	952	212	1,164

The considerable changes in the membership numbers largely relate to the transfer of members arising from the merger of the EDF Energy Generation and Supply Group of the ESPS (EEGS) and the EDF Energy Pension Scheme (EEPS) on 31 December 2021 and the closure of the Group to new entrants and future accrual, with the exception of Protected Persons/No Detriment Members, which took place during the year being reported.

EDF paid the administration expenses of the Group (other than those that arose directly from the management of the Group's investments). Our auditors, PricewaterhouseCoopers LLP, audited the accounts and their report was unqualified, meaning there were no matters that needed to be reported to the Pensions Regulator.

TRANSFER OF DEFINED CONTRIBUTION (DC) SAVINGS OR ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS) TO MYRETIREMENT PLAN

We previously advised you that the Trustee, having taken advice from its professional advisers, had decided that it was in the best interests of some members who had Defined Contribution (DC) only benefits in EDFG, to transfer their DC savings to the Company's new DC arrangement, myRetirement Plan, provided by Legal & General. The Trustee also wrote to some members who had DC savings as a result of Additional Voluntary Contributions (AVCs) or DC Top-up, to invite them to participate in the bulk transfer, if they wished.

In early August, the DC Savings of 886 EDFG members, amounting to £16.73m, was transferred in a bulk exercise from EDFG to myRetirement Plan. This follows a number of communications with impacted individuals who will now be able to view their DC savings in myRetirement Plan, on Legal & General's "Manage Your Account" platform.

2022 VALUATION PROCESS

After careful planning, we've now started the formal Statutory Valuation for EDFG as at 31 March 2022.

This is a formal exercise that is carried out at least every three years where we review the financial position of the Group. Over the coming months, with the help of our advisers, we'll look closely at how liabilities are valued. This includes, amongst other things: examining the discount rate to be used; assessing the demographics of the membership; considering life expectancy of members; and evaluating salary growth expectations for contributing members. During the process we'll have regular discussions with the Company where we'll agree what contributions must be paid in until the next valuation resets this.

We'll also examine, in detail, the financial strength of the Company supporting EDFG and the implications of various factors influencing the strength of the Covenant i.e. the strength of the Company's promise to underpin the Group as necessary.

The valuation process is expected to be completed in the first half of 2023 with results being communicated to members afterwards.

CHAIR'S STATEMENT AND STATEMENT OF INVESTMENT PRINCIPLES

The Annual statement by the Chair of the Trustee for the year to 31 March 2022 is now available within the download centre of edfenergy.com (<https://www.edfenergy.com/download-centre>).

The document also includes the Statement of Investment Principles in Appendix 1, which is intended to affirm the investment principles that govern decisions about the Group's investments.

UPDATED EDFG PRIVACY NOTICE

The Trustee respect your privacy and value the trust you place in us when you share your personal information with us. The EDFG Privacy Notice sets out how we, as data controller, collect and use your personal information, why we use it, with whom we share it and the rights to which you may be entitled. This notice changes from time to time and has recently been updated.

You can find this on the edfenergy.com website <https://www.edfenergy.com/privacy/edfg>.

WORKING TOGETHER WITH MERCER

The Trustee and Company are well aware that the level of service being provided by Mercer remains below expected. We are regularly monitoring the situation and work continues with Mercer to move the administration on to a more modern platform.

This move is expected to deliver a streamlined automation of processes, communications and benefit calculations, which will in turn improve the overall experience for all members. Mercer have provided commitments at the highest levels to make dealing with them an easier and hassle-free experience. We will keep you updated on progress.

As part of the move to a more modern platform, this will include a new version of OneView. The new OneView will show details of a deferred member's accrued pension revalued to the current year, as this will be required for the Pensions Dashboard.

In addition, a deferred member will have access to a retirement modeller which will allow them to get an indication of the benefits they can expect to receive at retirement.

Pensions Dashboard is a tool to enable individuals to access their pensions information online and all in one place. It will bring together any pensions which individuals are currently contributing to and pensions which have previously been paid into.

Further updates will follow in due course as detail becomes available.

REVIEW YOUR NOMINATED BENEFICIARIES

Please remember to update your nominated beneficiaries if your circumstances have changed. It is important to keep this up to date to avoid delays in paying benefits and unnecessary distress to your dependants if anything happens to you. You can complete/update this information on the secure, online Mercer OneView platform.

You can access your record via myPension or myDeferred Pension under myMoney in myBenefits – (<http://www.edfenergy.com/flexbenefits>). Alternatively, you can log onto OneView directly by using the relevant link below:

www.merceroneview.co.uk/BEGGPENSIONS

www.merceroneview.co.uk/EEGSPENSIONS

www.merceroneview.co.uk/EEPSPENSIONS

CLIMATE CHANGE GOVERNANCE

The Group and the ESPS (Scheme) are in scope of the climate change governance and reporting requirements from 1 October 2021. Since both the Group and the Scheme have a year end date of 31 March, the deadline for publishing a TCFD (Task Force on Climate Related Financial Disclosures) report is 31 October 2022.

We took the decision to publish a voluntary report in April 2022 prior to the regulatory deadline, it is the intention that this report will then be updated and published in time for the regulatory deadline of 31 October 2022. We acknowledge that there will be a material amount of overlap between the two reports but has taken the decision to produce a voluntary report prior to the

regulatory deadline to ensure that climate-related risks and opportunities are given due consideration, as we recognise these to be financially material.

For more information on the Group's TCFD report – our identification, assessment and management of climate change risk - please visit <https://www.edfenergy.com/download-centre>

For more information on the Scheme's TCFD report — the Scheme trustee's identification, assessment and management of climate change risk (to be published no later than 31 October 2022) - please visit <https://www.espspensions.co.uk/#useful-documentation>

DATE FOR YOUR DIARY

The Electricity Supply Pension Scheme (ESPS) Annual General Meeting

The Scheme-wide Annual General Meeting (AGM) agenda includes the Scheme Annual Report & Financial Statements and the Auditors' Report, together with the Report of the Scheme Trustees. The AGM is also used for any general business including consideration of any resolutions proposed by members.

The meeting will be held online and will take place at **1.00 pm on Monday 22 November 2022**.

If members wish to attend the Scheme AGM, you will need to register.

- For the Scheme AGM itself please register by using the following link: <https://attendee.gotowebinar.com/register/3878064796830457099>
- For a “test” meeting which will be held on 17 November at 11.00 am for those new to the virtual arrangements please register by using the following link: <https://attendee.gotowebinar.com/register/8826980927499295245>

Members are encouraged to register as soon as possible on the above links. If you would like a copy of the 2021 AGM minutes, you can find a copy on the ESPS website <https://www.espspensions.co.uk/>

As a member, you have up to 28 days beforehand to submit a written resolution the Scheme Secretary. This year's cut-off date is **Tuesday 25 October 2022**. If you are considering the submission of a written resolution please contact: Kevin Groves, Scheme Secretary, either via email kevin.groves@capita.com or by post to ESPS, Capita Pension Solutions Ltd, Hartshead House, 2 Cutlers Gate, Sheffield S4 7TL

Deferred members are welcome to join but under the AGM rules are not able to vote on matters at the AGM.

Please note this is not an EDFG specific AGM.

FREE CYBER BRIEFINGS FROM CYBER GRIFFIN

We are keen to ensure our members are kept safe and cyber security is more important than ever.

Founded by the City of London Police in 2017, Cyber Griffin (<https://cybergriffin.police.uk/>) is an initiative that supports businesses and individuals to protect themselves from cyber crime. They are running a series of online briefings to teach you ways in which you can defend yourself against the most common cyber attacks. The content of the briefings is non-technical so is suitable for everyone. To keep things bite-size, the briefings are divided into two hour long sessions each covering different threats. They are running both briefings (briefing A and briefing B) fortnightly so you can attend each at a time that suits you. To find out more and how to register visit <https://cybergriffin.police.uk/events>

PROTECT YOURSELF FROM PENSION SCAMS

If something seems too good to be true, it usually is. The ongoing rise to the cost of living in the UK may leave pension savers more vulnerable to scammers. More than ever, the temptation of promises, such as early access to a pension or higher investment returns, could lure people in even more than usual given the financial difficulties they are facing. For example, those who are struggling to pay household bills could be sorely tempted by the promise of getting their pension earlier than usual.

Scammers can be convincing and financially knowledgeable, with credible-looking websites, testimonials and materials that are hard to distinguish from the real thing. Scammers are continuing to target pension pots of all sizes therefore you should be very wary of scammers trying to tempt you to transfer out of the Group. Here are some general tips to keep your benefits safe.

Never engage with someone who:

- contacts you unexpectedly (known as a 'cold call') about your pension money by phone, text message, visiting you in person, or in other ways
- says you can access your pension money before 55 and that they can help you with this
- encourages you to take out a large lump sum, or your whole pension pot in one go, and to let them invest it for you
- asks you to transfer your money quickly, even sending documents to you by courier
- uses words like 'pension liberation', 'loan', 'loophole', 'free pension review' or 'one-off investment'
- offers you an investment described as 'unique', 'overseas', 'environmentally friendly', 'ethical' or in a 'new' industry.

REMEMBER:

- Reject unexpected offers – if you're contacted out of the blue, chances are it is high risk or a scam
- Check who you're dealing with - check the Financial Services Register. (<https://register.fca.org.uk/s/>) to make sure that anyone offering you advice or other financial services is FCA-authorized.
- Don't be rushed or pressured – take your time to make all the checks you need. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision or commitment about your pension money.
- Get impartial information and advice
 - MoneyHelper (www.moneyhelper.org.uk) – Provides free independent and impartial information and guidance.
 - Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Find out more – visit <https://www.fca.org.uk/scamsmart>

PENSION STATEMENTS

Annual Pension Benefit Statements

The Trustee provides an Individual Annual Pension Benefits Statement for Continuing members. These are now available on OneView and show the benefits you've built up to 31 March 2022.

What do I need to do?

If there is a statement for you, you will, by now, have been sent an email letting you know your Annual Pension Benefit statement is ready to view on OneView. You'll then need to do the following:

Continuing members

- Log in to [myBenefits](#)
- Go to Check and click on the 'myPension' tile
- Click on any of the green 'Access OneView' buttons to view your statement

This will take you straight through to your OneView account where you'll be able to see your annual pension benefit statement. This will include your **pension savings statement** setting out your pension's taxation position relating to your EDF pension arrangements.

Make sure you go online to check your statement and decide if you have a tax liability. If you have contributed to any other pension arrangement in the 2021/22 tax year, for example a personal pension, you will also need to factor this in when performing your checks.

What if I have a tax liability?

If you have a tax liability on your pension growth over the last tax year (Pension Input Amount) you'll need to complete a self-assessment tax return and declare any taxable income arising from your pension growth to HMRC.

There is also an opportunity for the pension scheme to pay any tax liability that is in excess of £2,000 on your behalf via Scheme Pays. More information about this and how this is subsequently repaid together with additional guides on the taxation of pension savings can be found online as follows:

Continuing members and Closure members

Log in to [myBenefits](#) and then go to 'Check' and click on 'myPension' or 'myDeferred Pension' as appropriate and then click into myTaxation or visit the pensions page on eNZO.

Pension taxation is a personal matter and you are responsible for assessing whether you need to pay additional tax to HMRC. Please note that EDF, Mercer or the Trustees are unable to provide advice on either tax or pensions.

SMPI statements for all deferred members

The 2022 Statutory Money Purchase Illustrations for all deferred members with defined contribution (including Additional Voluntary Contribution) funds are due to be issued by post by the end of October 2022.

TAXATION OF PENSIONS SAVINGS

The Government restricts the amount of pension savings that can be built up both over a tax year and over your working lifetime without triggering a tax charge. These limits are called the **Annual Allowance (AA)** and **Lifetime Allowance (LTA)**.

What is the Annual Allowance?

The Annual Allowance is a limit to the total amount of contributions that can be paid to defined contribution pension schemes and the capitalised amount of benefits that you can build up in defined benefit pension scheme each year, for tax relief purposes. The Annual Allowance is currently capped at £40,000 although a lower limit of £4,000 may apply if you have already started to flexibly draw-down a pension.

The Annual Allowance applies across all of the schemes you belong to and have been an active, contributor to in the particular tax year; it's not a 'per scheme' limit.

An individual tax liability may be incurred by a pension scheme member where the value of their annual pension savings (their Pension Input Amount) exceeds the Annual Allowance. The tax charge is calculated by applying your marginal rate of income tax to any savings in excess of the Annual Allowance. You are permitted to include any unused Annual Allowance amounts from the previous three years under the Carry Forward mechanism. More information can be found in myTaxation in myBenefits or the eNZO pensions page or under Materials & Downloads in OneView.

Annual Allowance restrictions for high earners

The Tapered Annual Allowance was introduced with effect from 6 April 2016. From 1 April 2020 the Government changed how the Tapered Annual Allowance is calculated. In 2021/22 if your Adjusted Income, as described below, exceeds £240,000 then you must calculate your Tapered Annual Allowance.

To work out your Adjusted Income you first need to determine whether your Threshold Income exceeds £200,000. If, once you have added your Pension Input Amount (PIA) to your Threshold Income, the total (i.e. your Adjusted Income) exceeds £240,000, you will need to calculate what your Tapered Annual Allowance is. More information can be found in myTaxation in myBenefits or the eNZO pensions page or under Materials & Downloads in OneView.

Lifetime Allowance

The Lifetime Allowance is the maximum amount of tax relieved pension savings you can build up over your lifetime (excluding State pension benefits). It is set by Government and reviewed regularly.

The Lifetime Allowance for the 2021/22 tax year is £1.0731 million (and is currently frozen until 2026).

Anyone who has pension benefits with a value in excess of the Lifetime Allowance will be subject to a tax charge on their excess benefits value known as the Lifetime Allowance Charge. The Lifetime Allowance Charge for the Group is calculated as 25% of the excess value over the Lifetime Allowance with the pension equivalent of this tax charge then being deducted from your Group pension.

You can find out more in under myTaxation within myBenefits, the eNZO pensions page and in Mercer OneView. General information about pensions taxation can be found at <https://www.gov.uk/tax-on-pension>

COMMUNICATING WITH YOU

Are your details up to date?

Just a reminder, we communicate with you electronically and Group updates are available on Mercer OneView – for current EDF employees, you are able to access Mercer OneView using single sign on via myBenefits. To do so simply visit via the home page on eNZO > myBenefits > myBenefits tile or you can access from any internet ready device by going to **myBenefits** (https://www.therewardhub.com/edf_energy) Once on the home page, go to 'Check' > myPension or myDeferred Pension (depending on your current membership status) > View this Benefit. To access your own individual pension record, click on the green "Access OneView" button (you may need to scroll down).

Alternatively, links to Mercer OneView are shown below. Please make sure your information in the 'Contact Details' section is correct, including your email address – for Continuing members there is no need to update your address information as this is done automatically through HR data. You can view/update your Expression of Wish too. You can also opt in to receive information via hardcopy. To do so, or if you need help with registering for Mercer OneView, please contact Mercer using the details below.

Visit eNZO*

As a Continuing member, [the pension page on eNZO](#) gives you lots of information about your pension benefits and is the first place to visit if you have any questions. From here you can access [myBenefits](#) > myPension too where you can single sign on through to Mercer OneView. Within 'Choose' in myBenefits, you can, if you wish, boost your retirement savings by making Additional Voluntary Contributions (AVCs) or by making contributions to the Defined Contribution section of the Group. You can access myPension in the 'Check' section on [myBenefits](#).

Visit myDeferredPension**

For Closure and Transition members, myDeferred Pension gives you a high level overview of the benefits as a deferred member of the Group with single sign on access through to Mercer OneView. You can also find information on the taxation of pension benefits and up to date Member Guides here too. You can access myDeferred Pension in the 'Check' section on [myBenefits](#).

Visit Mercer OneView

Mercer OneView secure portal gives you access to your own individual pension record for your EDF pension benefits. You can update your Expression of Wishes as well as finding lots of useful Group information including Group updates. You can access Mercer OneView using the links below or if you are a current EDF employee by using the single sign on via myBenefits. If you have any problems with access, please use the contact details shown in 'Contacting Mercer' below.

Contacting Mercer

If you wish to raise a query about your EDFG pension, Mercer have replaced their previous email contact addresses with a secure portal for members, dependants, and third parties. So, your first point of contact should now be online through Contact Mercer Admin <https://contact.mercer.com/blue> referred to as CMA. By using CMA, you can track the progress of your query online and the system allows Mercer to monitor enquiries more effectively and ensure timely responses. If you're not able to get online, you may still telephone Mercer on 0344 209 6594.

Mercer OneView Links

www.merceroneview.co.uk/EEPSPENSIONS
www.merceroneview.co.uk/EEGSPENSIONS
www.merceroneview.co.uk/BEGGPENSIONS

Portal: <https://contact.mercer.com/blue>

Tel: 0344 209 6594

* Continuing employee members who are not impacted by the closure of the Group to future accrual

** Closure and Transition members with deferred benefits in the Group and who are still employed by EDF

Please note that while every effort is made to ensure the information contained in this update, in all cases of dispute, the Trust Deed & Rules and overriding legislation will prevail.

Information about you and your pension benefits held by the Trustee, or by the Pensions Administration Team who acts on its behalf, is kept secure and is only disclosed in limited circumstances. The Trustee is the "data controller" for the purposes of the Data Protection Act 2018, which came into force in May 2018. All the information requested is necessary for your membership of the Group. The Trustee uses the information with the purpose of ensuring that the Group is run in accordance with the Scheme Rules, Group Schedule and regulations. For example, the data may be passed to insurance companies (when necessary), to the Scheme Actuary, to the auditor and to other third parties. David Eteen, the Scheme Actuary, is now also a joint data controller in relation to the Group member personal data. Previously it was just the Trustee who was considered to be the data controllers and the Scheme Actuary was considered the data processor. If you want to know what this means, please see the ICO's website (<https://ico.org.uk/for-the-public>) for more information. The legislation requires this data to be kept confidential and only used for the prescribed purposes.