

**EDF Group of the
ESPS Member Update**

May 2024



Hello and welcome to your Spring 2024 Update

Welcome to your first update in 2024 from the EDF Group of the Electricity Supply Pension Scheme (EDFG) – the Group.

Please do take some time to read this update from the Trustees, it contains important information about the Group and messages from the Trustees.

2024 is going to be another very busy year. A key priority for the Trustees is the move of the administration from Mercer Administration (recently purchased by Aptia) to Trafalgar House Pensions Administration (Trafalgar House).

My thanks to the team at Mercer Administration who have, despite many challenges, worked hard to look after our members. We wish them well for the future and hope that their acquisition by Aptia is a success.

Going forward, the Trustees are looking forward to working with a new partner, Trafalgar House, to deliver first class pensions administration to members, with many improvements to look forward to, including how members access their information and self-serve. Our planned go-live date is 1 July 2024. Look out for a welcome pack from Trafalgar House shortly after this date, which will include new contact and sign in details.

I would like to thank everyone who has worked so hard on this project. This will be the culmination of a good deal of work, over the last 18 months, by the Trustees, Pensions Management Team, Mercer and Trafalgar House. More information is provided in this update.

Whilst the Government is expected to call a General Election in 2024, a key project for 2024 is the election and appointment of three EDFG Member Nominated Directors to the Trustee Company that looks after the Group. The deadline for nominations has now passed and we're now asking members to vote for their preferred candidate(s).

Please do look out for communications from UK Engage and participate in the voting. We've been keen to encourage nominations from candidates from wide and diverse communities to ensure we have a Trustee Board that is representative of all of our members and can bring new and fresh perspectives.

Lastly, I'd like to remind everyone to stay alert to fraudsters and scammers. More information is included in this update on how you can help to protect yourself and others from criminals. Please take time to read this and follow the links to the Government websites for more information.

We will be in touch again later in the year with the results of the Trustee elections and other news from the Group. In the meantime, I'd like to thank my fellow Trustees, our advisers and the Pensions Management Team for their dedication and all their hard work to support the Group and its members so well.

My best wishes to you all.

Joanna Matthews
Chair of the Trustees
EDFG



Changes to the calculation of tax-free lump sums

As part of a routine annual review, and after taking advice from the Group Actuary, the Trustees decided to change the commutation factors used to convert pension at retirement into a tax-free cash lump sum. The new factors were implemented with effect from 12 February 2024.

Why did the Trustees decide to make this change?

The new commutation factors reflect changes to the underlying assumptions used to calculate the factors, e.g. mortality assumptions - which are used to provide an indication of how much pension, over a member's lifetime, is being given up for cash and the impact of recent market conditions.

These changes prevent the Group from experiencing funding strains whenever a member retires and chooses to take a lump sum.

What does this mean to me?

The change has resulted in a reduction in the commutation factors, meaning more pension will need to be given up to be converted into a tax-free lump sum at retirement.

What are the new factors?

The new commutation factors can be found on OneView and on the EDFG section of the pensions page on eNZO.

What if I was in the process of retiring?

Recognising the immediate impact to members planning for retirement, transitional arrangements were:

- Where a member had received a retirement quotation prior to 12 February 2024 based on a retirement date on or before 31 March 2024, provided the member had returned completed forms prior to 31 March 2024 - the previous commutation factors were honoured.

Have any other factors changed?

No changes were made to any other factors at this time.

Are anymore changes planned?

The Trustees will continue to regularly review the actuarial factors used to calculate EDFG benefits and will keep members updated, as and when changes are made in the future.

Getting a State Pension forecast

Did you know that if you are more than a month away from your state pension age, then you can easily get a state pension forecast from the Government to help with your retirement planning.

Where can I get my State Pension forecast?

The quickest and simplest way is to use the Government's online state pension forecast tool. You'll need to prove your identity online using the Government Gateway, which you can register for, if you've not used it before. Go to [Check your State Pension forecast - GOV.UK \(www.gov.uk\)](https://www.gov.uk) to begin the process.

Alternatively, you can fill in form BR19 found here [BR19 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) and the Department for Work and Pensions will send your forecast to you in the post.

You can also call them on:

Telephone: 0800 731 0175

Telephone from outside the UK: +44 (0)191 218 3600

Member Nominated Director vacancies update

In March 2024, we invited eligible members of the Group to nominate themselves as candidates to join the Trustee Board. We are delighted to confirm that 16 eligible members have put themselves forward.

The nomination process has now closed and it's time to cast your vote!

We're keen to get Member Nominated Directors from a diverse range of our pension scheme membership and are, therefore, encouraging all eligible members to vote for their preferred candidates.

Eligible members will have received a communication from UK Engage on, or around the 30 April, informing you of how to cast your vote. Voting closes on 21 May so there is still plenty of time to make your vote count!

If you have any questions about the election process, there is lots of information online - visit <https://hub.ukevote.uk/edfgtrustee>.

The results of this election will be announced in our Autumn 2024 member update.

An update on the move of the administration to Trafalgar House

Following our announcement of the move of the administration of EDFG from Mercer Administration (recently bought by Aptia) to Trafalgar House Pensions Administration (Trafalgar House), we can confirm that this major project is currently on track. Engagement with Trafalgar House has been exceptionally positive and collaborative. The current plan is to go live with Trafalgar House on 1 July 2024. In the meantime, please continue to contact Mercer Administration as usual. Contact details are included at the end of this update.

Moving the administration of EDFG is possibly a cause of concern if you are planning on retiring or requesting information about your EDFG benefits in this period. We issued an Announcement in mid-April that contained important information in relation to the period up to and after the transfer. If you missed this, please check your emails or go to the EDFG website www.edfgpensions.co.uk.

We are also pleased to share with you that Trafalgar House have recently won the Pensions Age "Administration Provider of the Year" 2024 Award for the third time, they have also achieved the prestigious and independent Investor in Customers (ICC) Gold Status for the seventh consecutive year and have also achieved Gold accreditation for Investors in People. More information on Trafalgar House Pensions Administration can be found on their website: <https://trafalgarhouse.co.uk/>.

Defined Contribution (DC) update

Do you have DC/AVC pension investments?

As a reminder, please take the time to update OneView for your target retirement date and your chosen Lifestyle strategy (if relevant). It's important to keep OneView up to date with the correct information so that you have access to accurate data.

If you have DC pension investments, it's essential that OneView reflects your target retirement date, as this date is used to trigger the lifestyling de-risking process that begins 8 years prior to retirement (for some legacy members this process is 5 or 11 years).

Changes following the move to Trafalgar House:

Fund name change

The 'EDFG Inflation-Linked Pre-Retirement Fund' will be re-named the 'EDFG Future World Inflation Linked Annuity Aware Fund'.

Changes to cash lifestyle strategy

Following the transfer of the administration to Trafalgar House, the Trustees will implement a change to the cash lifestyle strategy. This change will see the current allocation to corporate bonds replaced with a more diverse mix of suitable investments.

The objective of this change is to reduce the risk of volatility in investment values during the lead up to retirement.

Do I need to do anything?

The changes will be made in the background and no action is needed by members.

Are alternative options available?

If you wish to look at other DC investment options, please consult the DC Investment Guide available on the EDFG section of the pensions page on eNZO or on OneView.

2024 Pension Increases

In April every year, EDFG pensions in payment are reviewed and increased with reference to the annual rise to the previous September's Retail Prices Index (RPI), which for 2023 was 8.9%.

The actual pension increase awarded may be subject to a cap and the rate of increase that is applicable to you depends on which section of the Group you belong to. You should refer to the relevant Member Guide, which can be found on OneView and the EDFG section of the pensions page on eNZO, for more details.

If you are a pensioner member, you would have received a letter from Mercer Administration, confirming your new rate of pension from 1 April 2024.

There are circumstances where, due to the different benefit components that make up a member's pension, your whole pension is not increased in line with RPI (capped as appropriate) and full details will be included in your pension increase letter.

If you are a deferred pensioner member, the relevant Member Guide confirms how the annual deferred pension increase is determined and applied (please note this could be different to how increases are applied once your pension is in payment).

HMRC Tax code

Pensioner members are reminded that HMRC compiles your tax code from the personal financial details that they have for you, including pensions you may receive and all other income such as employment remuneration, dividends and interest on savings. HMRC then determine the allowance you receive and generate a tax code, instructing Mercer Administration to apply this to your EDFG pension payments.

If you have a query about your tax code, you must direct it to HMRC as they will not share any details with Mercer about how your tax code has been determined.

Review your nominated beneficiaries

Are your wishes up to date?

Nominating your Beneficiaries makes sure the Trustees know who you'd like to receive any cash sum payable when you die. So, it's really important the Trustees know your wishes about who you would like to receive this payment and that this information is kept up to date.

Whilst the Trustees will ultimately decide who will receive any lump sum payment after your death, they can consider paying this money to anyone you have named as your beneficiary.

Because the Trustees have this discretion, the payment won't form part of your estate and so will not attract Inheritance Tax.

What do I need to do?

Log into your OneView account and click on "view details" for your DB benefits and then click on the option "view Beneficiaries". You will then be able to review and make any change for Lump Sum Beneficiaries and Dependants.

How do I log into OneView?

All members:

All members can log in to OneView directly, visit <https://www.merceroneview.co.uk/EDFG>

Employee members:

Employee members can also single sign on to OneView via the 'myBenefits' tile, which can be found in Quick Links on the home page on eNZO - visit <https://edfenergynnb.sharepoint.com/sites/Intranet> then:

- Click on the 'myBenefits' tile (you may need to enter your email address and click 'next')
- Click 'Check' (on Left Hand Side) > myPension > View this Benefit
- Click on any of the "Access OneView" links.

Employee deferred members:

Employee deferred members can, click on the 'myBenefits' tile, which can be found in Quick Links on the home page on eNZO - visit <https://edfenergynnb.sharepoint.com/sites/Intranet> then:

- Click on the 'myBenefits' tile (you may need to enter your email address and click 'next')
- Click 'Check' (on Left Hand Side) > myDeferred Pension > View this Benefit
- scroll down and click on the "Access OneView" link.

Employee members and employee deferred members should also consider if their beneficiary details are updated for their EDF Life Assurance benefit and myRetirement Plan.

Links to both can be found in myBenefits by clicking on the "Life Assurance" tile and updating your beneficiary details and by clicking on "myRetirement Plan" and then following the links to "Manage Your Account" and updating your details on the Legal & General website.

Remember to nominate your beneficiaries!

Please remember to review/update your nominated beneficiaries via OneView to avoid delays in paying benefits and unnecessary distress to your dependants, if anything happens to you.

All members can log in to OneView directly, visit <https://www.merceroneview.co.uk/EDFG>

Stop! Think Fraud

Fraudsters aren't fussy; they'll pick on anyone!

The Government has recently launched a major campaign against fraudsters; Stop! Think Fraud.

Fraud ruins lives and accounts for 40% of all crime in the UK, with an estimated 3.2 million offences last year alone. In Scotland, instances of fraud have more than doubled in nine years.

Nobody is immune from fraud. The criminals behind it use a wide range of tactics and methods to target people online and in their homes, often emotionally manipulating their victims before stealing money and/or personal data. New scams are constantly emerging as fraudsters find new methods and channels to catch their victims.

By staying vigilant and always taking a moment to stop, think and check whenever you're approached, you can help to protect yourself and others from fraud.

There's lots of useful information on the Government's website [Stop! Think Fraud - How to stay safe from scams \(stopthinkfraud.campaign.gov.uk\)](https://www.stopthinkfraud.gov.uk) including how to spot fraud and what actions you can take to help safeguard yourself.

Staying safe against Scammers

Pension scams can be hard to spot. 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 your pension benefits out of the Group.

The Financial Conduct Authority (FCA) is aware that scammers are also targeting people who are searching for investments online, in particular through search engines like Google and Bing. Although some scammers offer high returns to tempt you into investing, they may also offer realistic returns to make their offer appear more legitimate. Those offering or promoting products or investment opportunities found through search engines are not necessarily authorised or regulated by the FCA. You can check the FCA Warning List for firms to avoid here [ScamSmart - Avoid investment and pension scams | FCA](https://www.fca.org.uk/scamsmart)

What can I do?

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 age 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:

- Never be rushed into making a decision or commitment about your pension money
- Always check the background of the person you are dealing with
- Always remember that if it sounds too good it probably is

For more help visit <https://www.fca.org.uk/scamsmart>

COMMUNICATING WITH YOU

Are your details up to date?

Just a reminder, we communicate with you electronically and Group updates are available on OneView – for current EDF employees, you are able to access OneView using single sign on via myBenefits. To do so simply visit OneView via the home page on eNZO > myBenefits > myBenefits tile or you can access from any internet ready device by going to [myBenefits \(https://www.therewardhub.com/edf_energy\)](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 any of the "Access OneView" links (you may need to scroll down).

Alternatively, links to 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 Nomination of Beneficiaries too. You can also opt in to receive information via hardcopy. To do so, or if you need help with registering for OneView, please contact Mercer using the details below.

Visit EDFG

You'll find the latest news about EDFG, a document library and lots of other information on our website <https://www.edfgpensions.co.uk>

Visit eNZO*

As a Continuing member, [the pensions 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 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 myDeferred Pension**

For Closure and Transition members, myDeferred Pension gives you single sign on access through to OneView or to the pension pages on eNZO where you can find information on the taxation of pension benefits and up to date Member Guides. You can access myDeferred Pension in the 'Check' section on [myBenefits](#).

Visit OneView

OneView secure portal gives you access to your own individual pension record for your EDF pension benefits. You can update your Nomination of Beneficiaries as well as finding lots of useful Group information including Group updates. You can access 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 Administration

If you wish to raise a query about your EDFG pension, Mercer Administration 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 the administration team to monitor enquiries more effectively and ensure timely responses. If you're not able to get online, you may still telephone Mercer Administration on 0344 209 6594.

Mercer inks

OneView: <http://www.merceroneview.co.uk/EDFG>

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.