



# Your defined contribution pension

A look back at the last scheme year

1 October 2023 – 30 September 2024



# Contents

Welcome	03
A safe pair of hands	04
Protecting your money	05
Making the most of your pensions savings	06
Investment performance	08
Supporting our members	12





Welcome to your annual defined contribution (DC) update. This is a snapshot of what we've been doing to help you save and prepare for a better retirement over the last pension scheme year.

Our mission is to make pension schemes perform better for everyone. We want to give you the service, tools and experience you need to actively engage with your pension and make the most of your pension savings.

Our focus over the last year has been the delivery of our digital transformation project, and we've made significant strides towards a successful launch in mid-2025. The benefits to you will include a brand-new member portal and app, designed to make it much easier and more convenient to manage your pension. We're also enhancing our member support and introducing new tools so that we can point you to relevant, personalised information at every stage of your pension savings journey.

Alongside the improvements we're making to our digital services, we've been developing new ways to retire with TPT. This includes a first-of-its-kind 'managed for life' option to allow you to keep your pension savings invested with us when you retire, without needing to make investment decisions or carry out complex calculations. Our new retirement options and full details of how they work will be available from mid-2025.

If you'd like more detail on anything in this report, please see our full [DC Chair's Statement](#). If you have any feedback or questions for us, please get in touch using the details at the end of this update.



**Joanna Matthews,**  
Chair of the Trustee Board

## Our DC schemes, at a glance



**DC members: 359,143\***



**DC assets: £3.6bn\***



**30+ years' experience  
managing DC schemes**



**Sustainable approach  
to investing**

\*Figures as at 30 September 2024



# A safe pair of hands

TPT is a leading workplace pension provider with over 75 years' experience of providing pensions and £11.1 billion of assets under management\*.

TPT is one of 33 DC Master Trusts authorised by The Pensions Regulator (TPR).

Each year, we're required to submit a report to TPR to make sure that we continue to meet ongoing regulatory requirements and demonstrate our commitment to providing you with the best possible outcome at retirement.

**MONEYAge**  
AWARDS  
2023

**WINNER**

PENSION PROVIDER OF THE YEAR

Winner, Pensions Provider of the Year  
MoneyAge Awards 2023

RETIREMENT  
LIVING  
STANDARDS  
AWARDS 2023

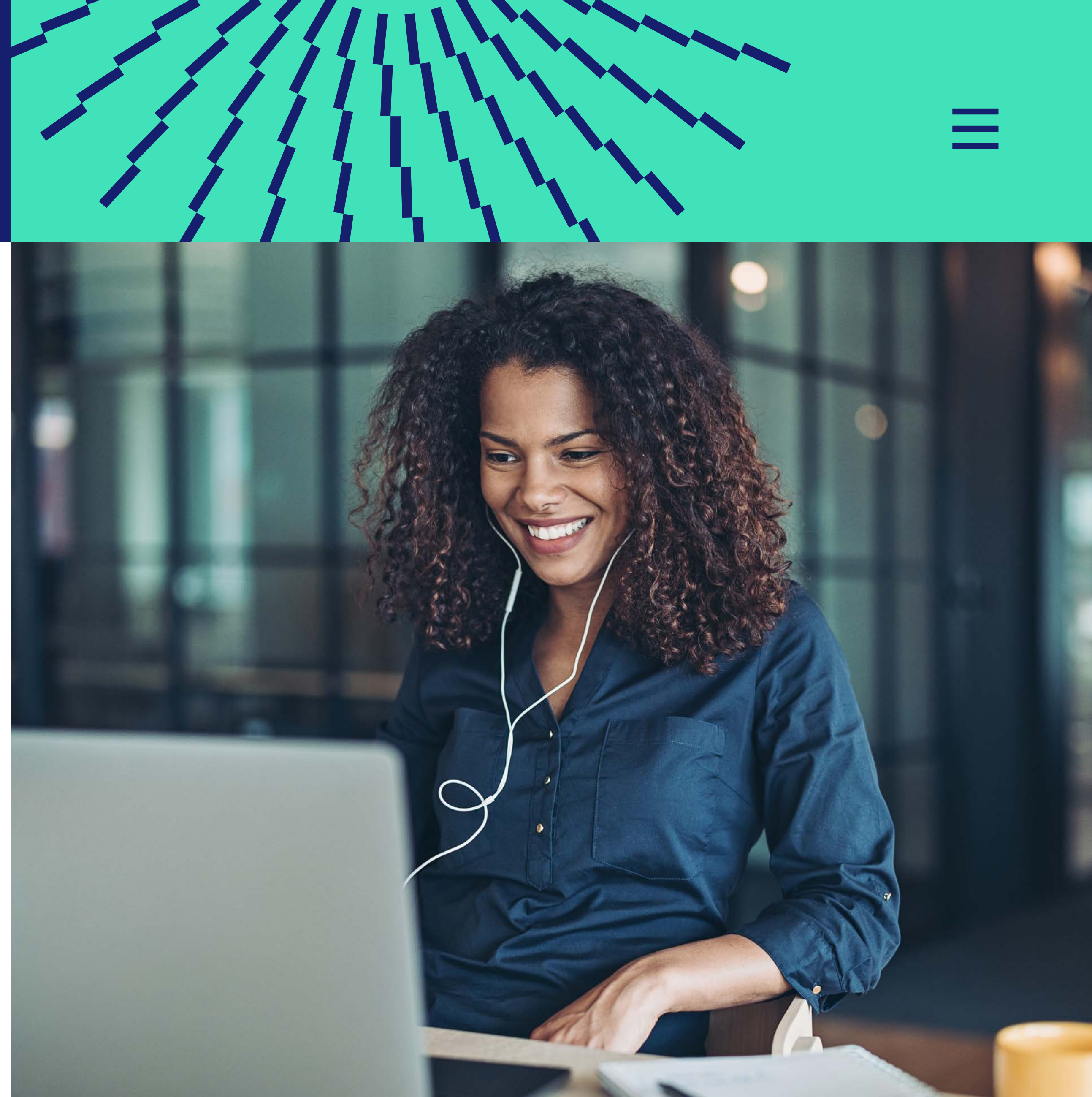
PENSIONS AND  
LIFETIME SAVINGS  
ASSOCIATION

**RETIREMENT LIVING STANDARDS AWARDS 2023**  
**WINNER**

Winner, Saver Engagement Award  
PLSA Retirement Living Standards Awards

"TPT's award entry was exemplary, and it continues to be a shining light in the pensions space, putting members at the heart of its developments and seeking their feedback to help shape its services. Well done to all at the firm for a richly deserved award." **MoneyAge Winners Supplement, November 2023**

\*As at September 2024.





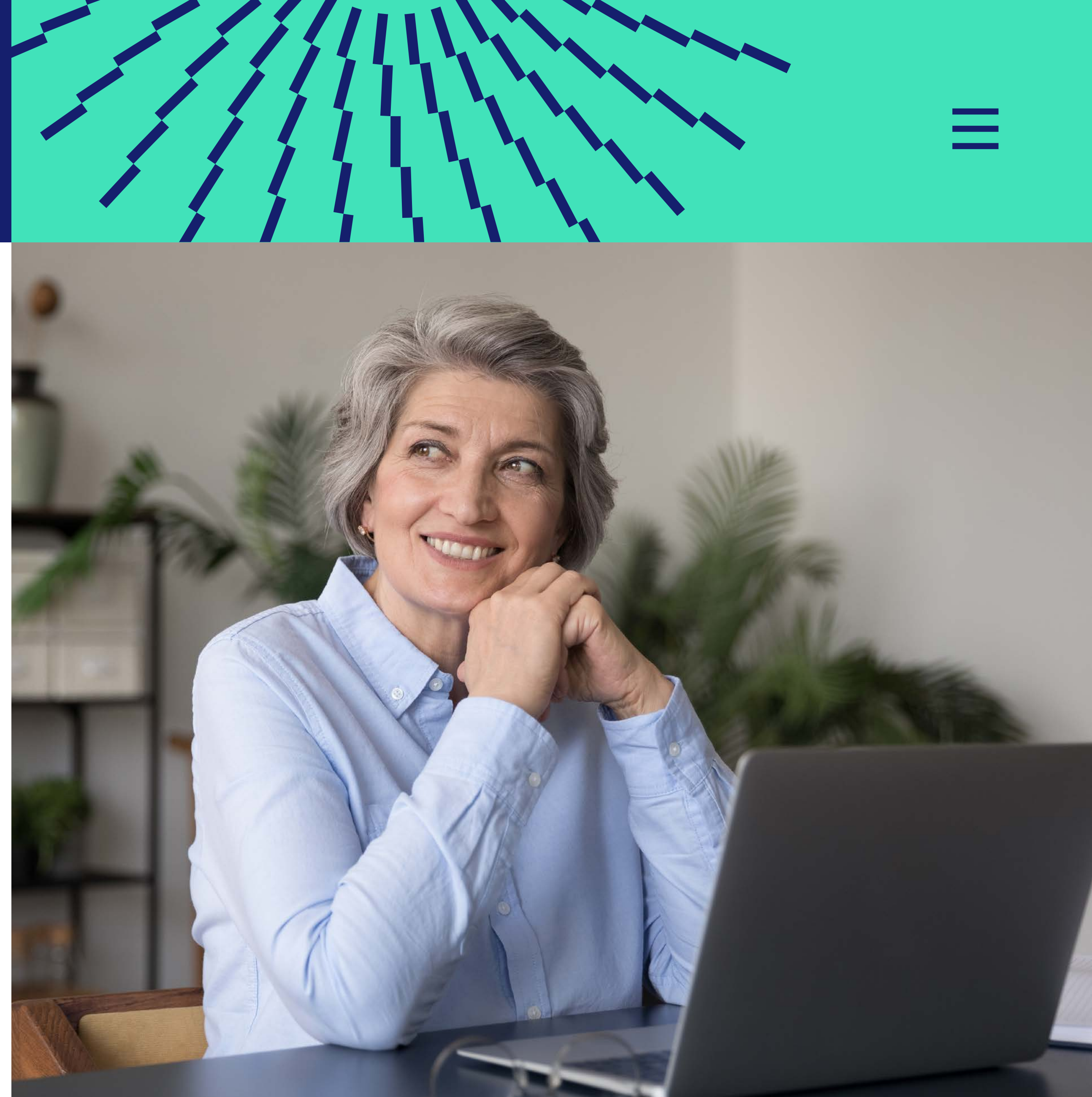
# Protecting your money

Your pension scheme is looked after by a corporate trustee called Verity Trustees Ltd (VTL).

## The Trustee's primary role is to ensure that:

- we invest in ways that meet your needs
- your savings are secure
- you can access your savings when you retire

The Trustee Board is chaired by Joanna Matthews – a professional independent trustee with extensive experience of chairing large and high-profile pension schemes. Members of the Trustee Board, known as Trustee Directors, are appointed through a rigorous selection process to make sure they have the skills, knowledge and experience required to properly manage your pension with TPT. You can find out more about them and meet the directors who were recruited during the scheme year, [here](#).





# Making the most of your pensions savings

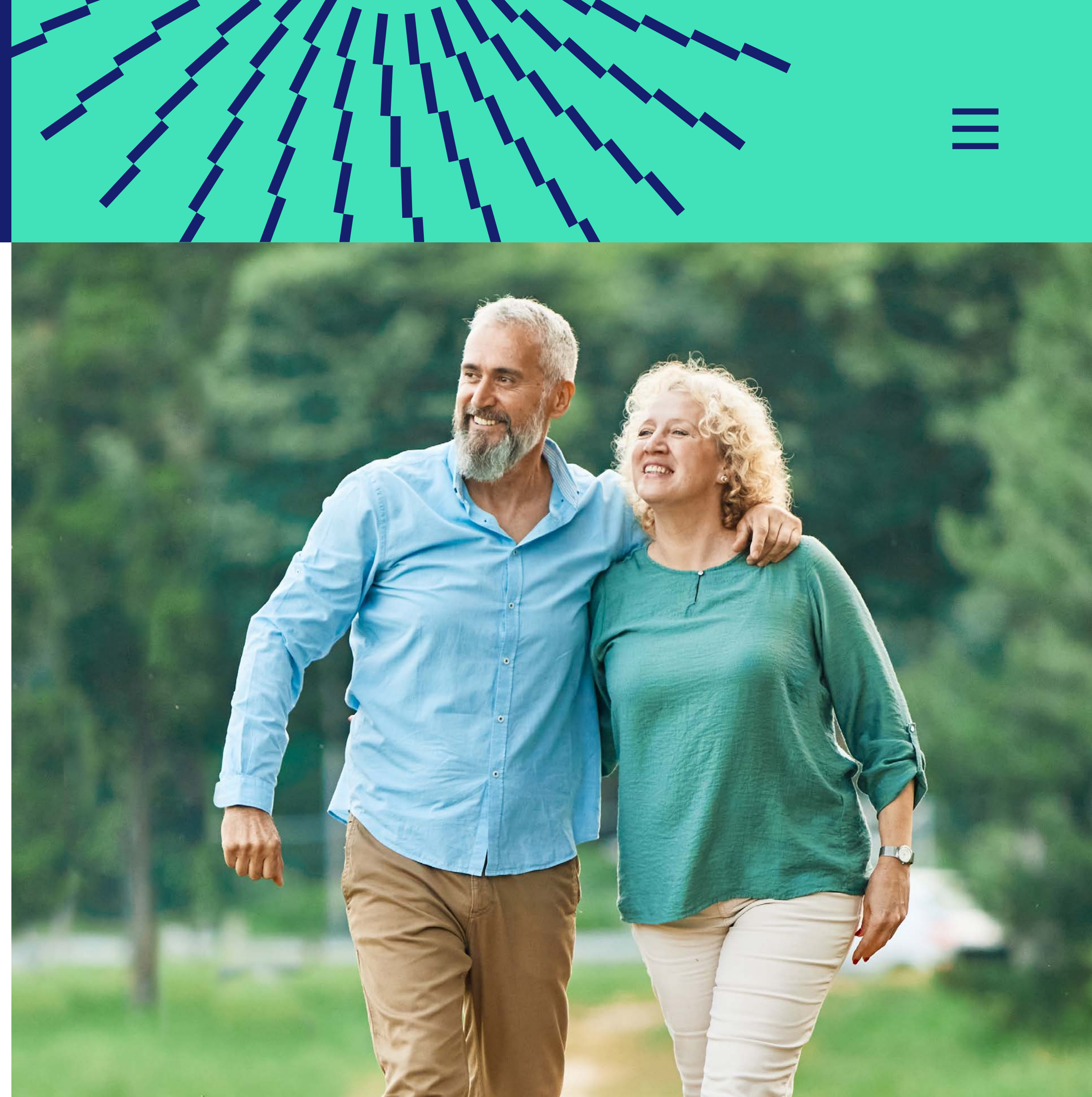
## Your investment options

The money that you and your employer pay into your pension is invested with the aim of growing a savings pot for your future. Because members join us at all stages of life and may have different priorities, we provide a number of investment options. While every option aims to grow your savings, they do it in different ways.

When you first join us, your savings are invested in a default fund. We call this a target date fund (TDF). On 30 September 2024, over 90% of members were invested in one of our TDFs (including ethical TDFs (ETDFs)).

A TDF does most of the work for you by choosing where your savings are placed and moving them into more cautious investment funds as you get closer to the date that you've told us you want to retire. This fund is a suitable option for many members.

You can view your investment options on our [website](#)





# Making the most of your pensions savings continued



## Our investment approach

The way we invest your savings is influenced by a wide range of factors. Our **Statement of Investment Principles (SIP)** outlines the aims, policies and objectives that shape our default investment strategy, and considers the environment, our impact on society, and the level of risk and reward.

## The most suitable funds

We regularly review the way your savings are invested, to check how they're performing and ensure they're meeting their aims and objectives. The Trustee's formal, triennial review took place during 2023/24, and looked at the performance and the strategy of our default investment option, the TDF.

The review, carried out by VTL's investment adviser, TPT Investment Management, concluded that:

- our investment manager, AllianceBernstein, remains a 'best-in-class' manager;
- the default TDFs have achieved strong investment returns for members; and
- due to the above-average chances of outperformance, the risk budget of the ethical TDFs and TDFs should be aligned to better match current member needs.

The changes to risk budget have been made and are expected to increase the investment return of the TDFs.

Risk is a measure of how much the size of a pot can change over a set period of time. A risk budget is the level of risk a fund might be exposed to in order to target a certain investment return.

# Investment performance

When you join our DC scheme, your pension savings are placed in a target date fund (TDF). You can stay in this fund or choose from a range of self-select funds if you wish to be more involved with how your savings are invested or want to invest in line with specific ethical goals.

The table opposite shows how the default fund option has performed over the past one, three and five years. You can see the performance of our self-select funds within our [fund factsheets](#).

## Default investment arrangements

Target Date Fund	Age of member in 2024 (years)	1 year (2024)	3 years (p.a.) (2021 to 2024)	5 years (p.a.) (2019 to 2024)
2044-2046 to 2077-2079	e.g. age 16 to 45	22.4%	7.2%	8.9%
2041-2043	e.g. age 47	22.3%	7.1%	8.9%
2038-2040	e.g. age 50	21.8%	6.6%	8.6%
2035-2037	e.g. age 53	19.0%	5.2%	7.2%
2032-2034	e.g. age 56	16.6%	4.5%	5.9%
2029-2031	e.g. age 59	14.8%	4.0%	5.1%
2026-2028	e.g. age 62	13.6%	3.7%	4.5%
2023-2025	e.g. age 65	12.6%	3.6%	3.8%
2020-2022	e.g. age 68	12.1%	3.6%	3.6%
2017-2019	e.g. age 71	11.7%	3.4%	3.4%
2014-2016	e.g. age 74	11.4%	3.4%	3.4%
2011-2013	e.g. age 77	11.2%	3.3%	3.3%

Please note that we have included an illustrative age of member against each TDF, but the actual relevant TDF will be determined by the member’s target retirement age.



# Investment performance

## continued



All of our standard and ethical TDFs delivered positive growth for members and outperformed their CPI+ benchmarks over the year to 30 September 2024. The young TDFs performed particularly well, driven by their higher equity allocations. Global equity markets rose significantly over the same period, led by the surge in US stocks, and reached record levels in the third quarter as central banks continued their interest rate-cutting cycles. Performance over a five-year period fell below the CPI+ benchmarks for all ethical TDFs and standard TDFs for older age groups, as the higher inflationary environment during this period increased the corresponding CPI+ benchmarks. Standard TDFs for younger age groups have continued to outperform their benchmarks.

CPI-linked targets aim to generate returns above the rate of inflation, ranging from 0% (above inflation rate) for funds close to the member's target retirement date, to 4% (above inflation rate) for funds with more than 18 years until retirement.

The majority of the TDFs continue to outperform their CPI+ benchmarks since inception. We believe that our diverse portfolio, proactive investment strategy and long-term investment objectives remain aligned with members' needs. We continue to regularly review our strategies to ensure they remain suitable for our members' requirements.





# Investment performance

continued



## Responsible investment

We are a responsible investor and, as such, have a robust [Responsible Investment Framework](#) to guide our efforts. We incorporate a wide range of environmental, social and governance (ESG) factors into our strategy, including climate change, corporate governance, human rights, bribery and corruption, as well as labour and environmental standards.

We also review and regularly update our [Climate Change Plan](#). During 2023/24, we did so to clarify our stance on fossil fuel investments and formalise our expectations for investment managers.

As part of our dedication to making a positive impact, we actively engage with industry initiatives that foster responsible investing practices.

We integrate responsible investment into our TDFs, with 5-10% of each member's pension pot allocated to impact investments over the long term, and offer ethical target date funds (ETDFs) that track the performance of the FTSE4Good and MSCI Socially Responsible Investment Indices.

You also have the option of investing in a wide range of self-select funds which provide access to socially-responsible investment strategies, like low-carbon-emitting or positive-impact investing, that may better reflect your beliefs, financial objectives and risk preferences.

We have committed to achieving net zero emissions by 2050 and have already met our first interim target – a 25% reduction in the carbon intensity of our portfolio by 2025.



Paris Aligned  
Investment Initiative

Paris Aligned  
Asset Owners Group





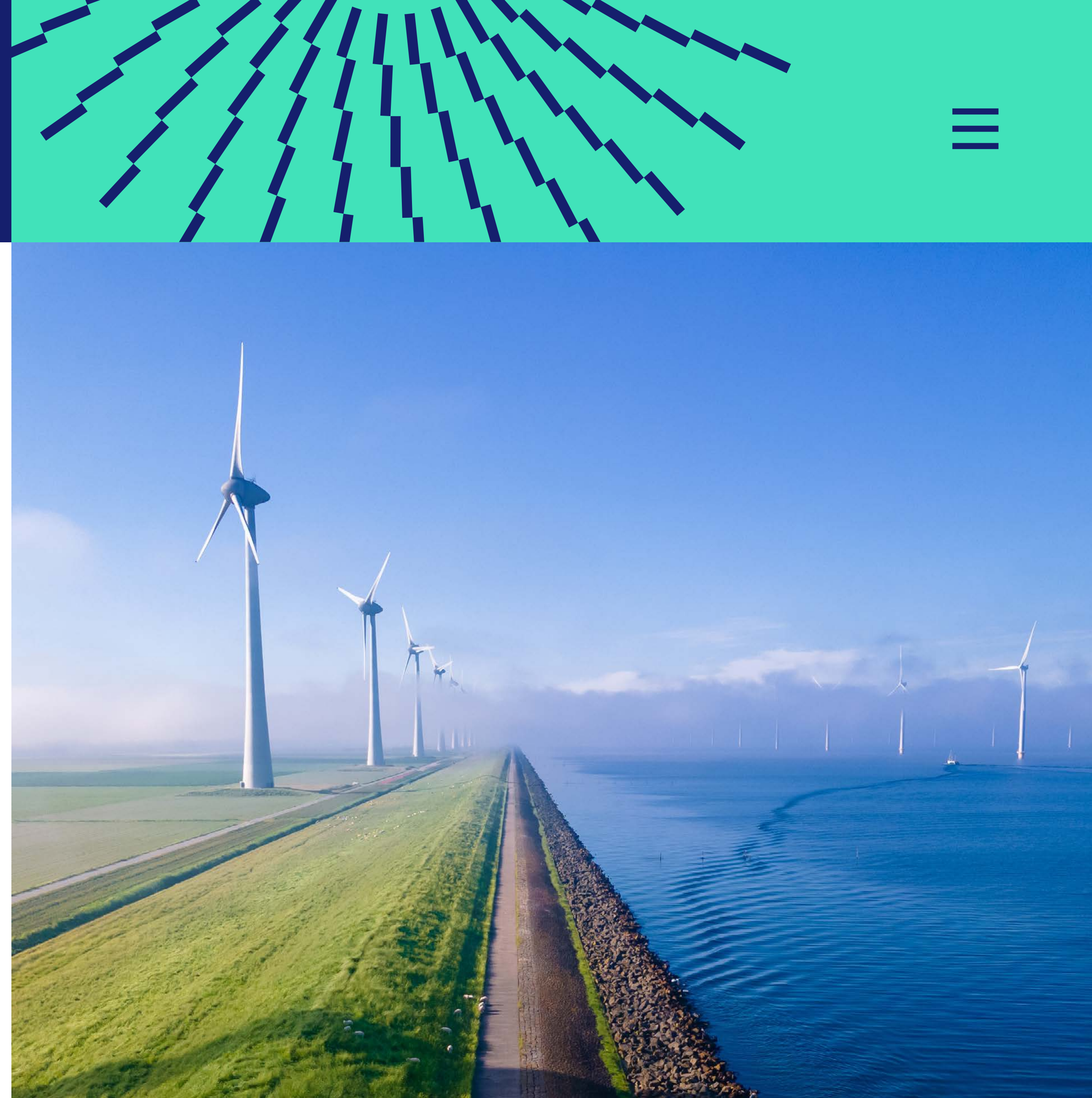
## What's next?

In 2025, we will be launching a new range of ESG reports, designed to provide you with information about the ESG characteristics of the funds we invest in – such as their carbon footprint, Board independence and associated human rights policies. They'll be available for many TDFs, ETDFs and self-select funds in the Spring.

We will also be carrying out a comprehensive review of our climate strategy to:

- see how we're progressing against our targets;
- evaluate the effectiveness of our action plan; and
- refine our approach to achieving net zero.

The review will also identify lessons learned, highlight areas for improvement, and make sure that the work we're doing is still aligned with evolving regulatory requirements and best practices. The findings of this review will help us to identify our next steps, reinforcing the Trustee's commitment to delivering long-term, sustainable outcomes.





# Supporting our members



## Member satisfaction

We're always interested to hear what you think about our service and what we can do better. So we capture your feedback through monthly member surveys and use the outcomes to measure, modify and improve our service to you.

Your feedback is shared throughout our business and with our Trustee Board. Our average monthly satisfaction scores from October 2023 to September 2024 are shown below.

Knowing who to contact	7.0/10
Staff taking ownership of your request	7.5/10
Staff understanding your requirements	7.8/10
Staff being able to answer your questions	7.7/10
Staff making it clear what is going to happen next	7.8/10
The speed of service	6.8/10
Clarity of the information you received	7.5/10
Being kept informed of anything that affects you	7.0/10

## Value for money

A small proportion of your pension savings is deducted each year to cover the cost of key services like scheme governance, investment management, administration and communications. This deduction is called the annual management charge (AMC) and you can see these below.

Based on an independent value-for-member assessment carried out during 2023/24, the Trustee concluded that the charges paid by members for the services provided are reasonable and provide value for money.

## Target date find (TDF) charges

- TDFs: The AMC is 0.5% a year
- ETDFs: The AMC is 0.63% a year

ETDF charges are slightly higher because of the extra screening needed to ensure they meet certain ethical standards. The only exclusion is members who joined the Ethical Fund before 1999, who pay a lower AMC of 0.5% because they paid a fixed price when they joined.

## Self-select charges

The AMC for TPT's self-select options varies from 0.3% to 1%. Our fund factsheets include an overview of the charges.



# Supporting our members

## continued

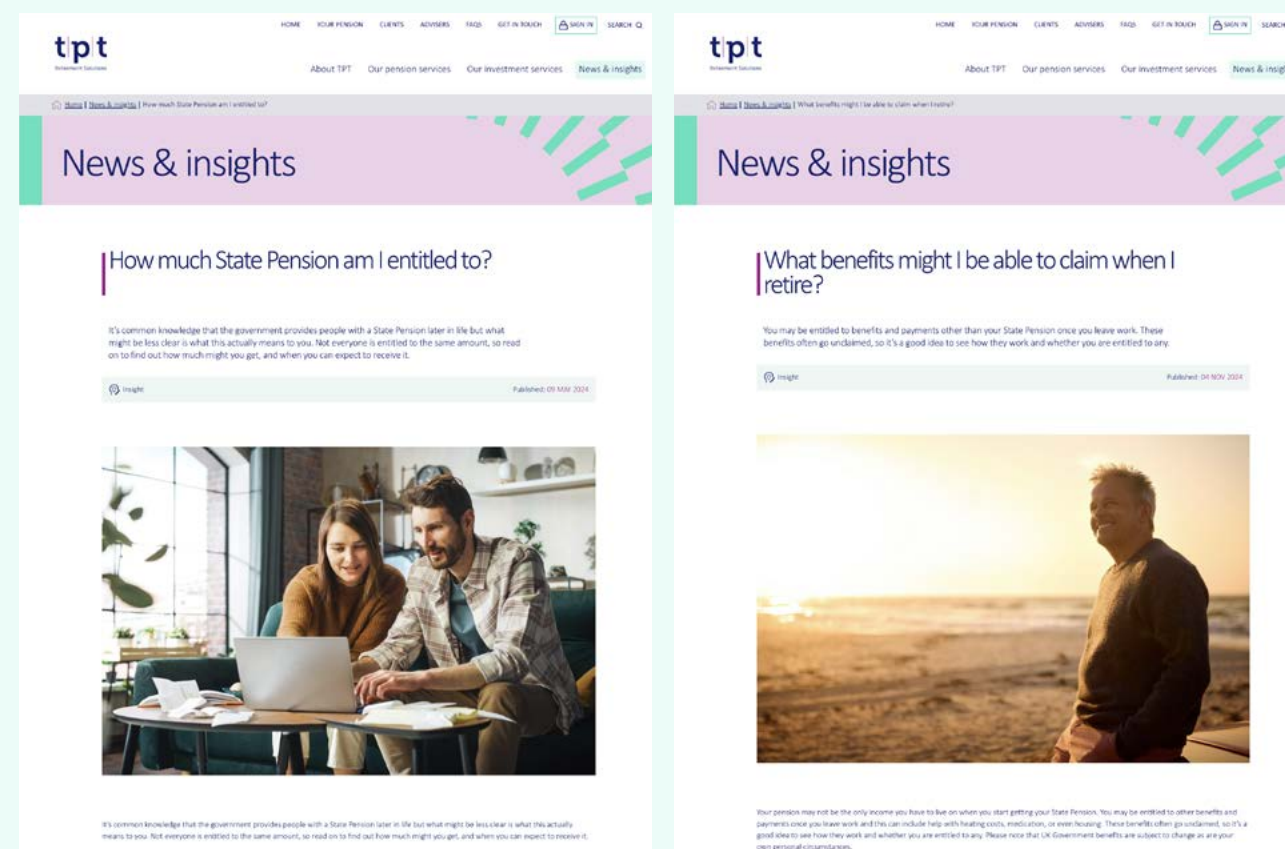


## Member communications

We want you to get the most from your pension savings when you decide to use them. That means providing you with simple, easy-to-access information throughout your journey with us so that you understand your choices and feel prepared for your financial future. During 2023/24, we've continued to focus on your pension saving journey, improving the communications we share with you during your first year of membership, and finding out more about you so that we can identify areas where you need more support.

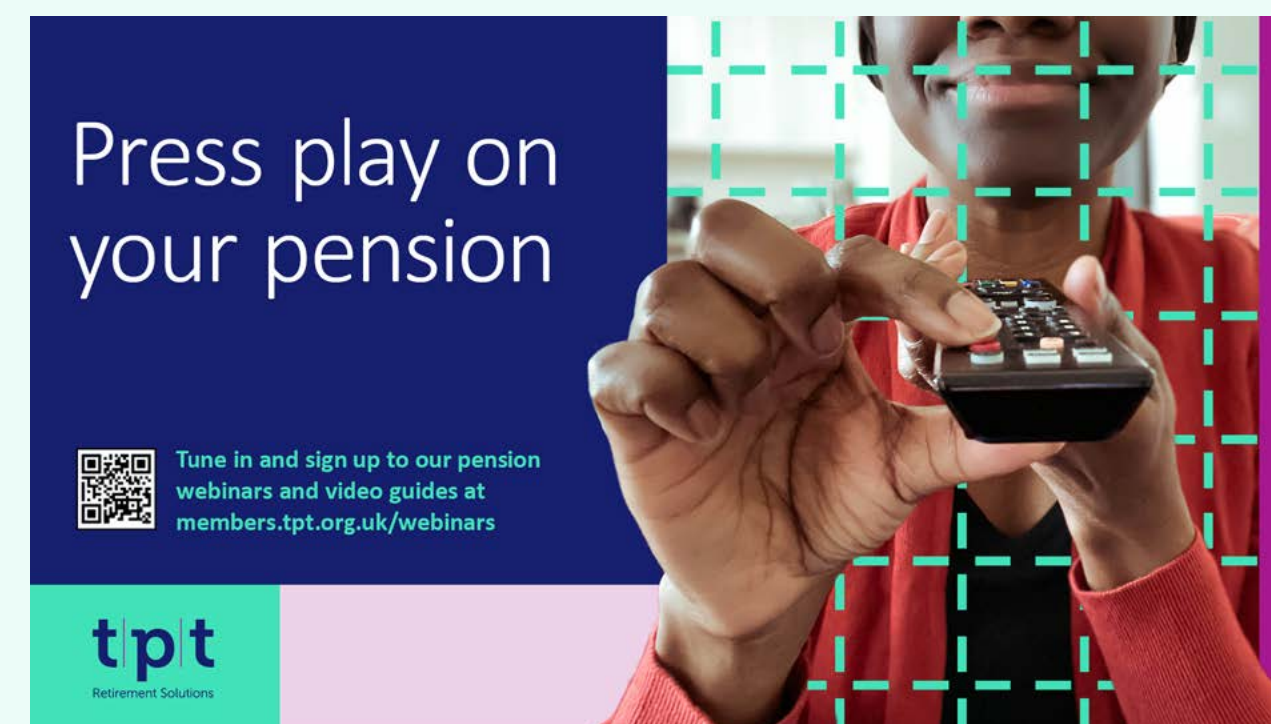
1

We've continually enhanced our DC member hub, adding information and a greater variety of webinars to help you feel more informed on broader financial topics like dealing with debt in retirement and spotting the signs of financial abuse.



2

We developed more communication tools, like posters and intranet banners, that your employer can share with you to raise awareness of initiatives like Pensions Awareness Week. We can also create microsites for some of our larger employers, if they want one, to help you access key information about your pension.

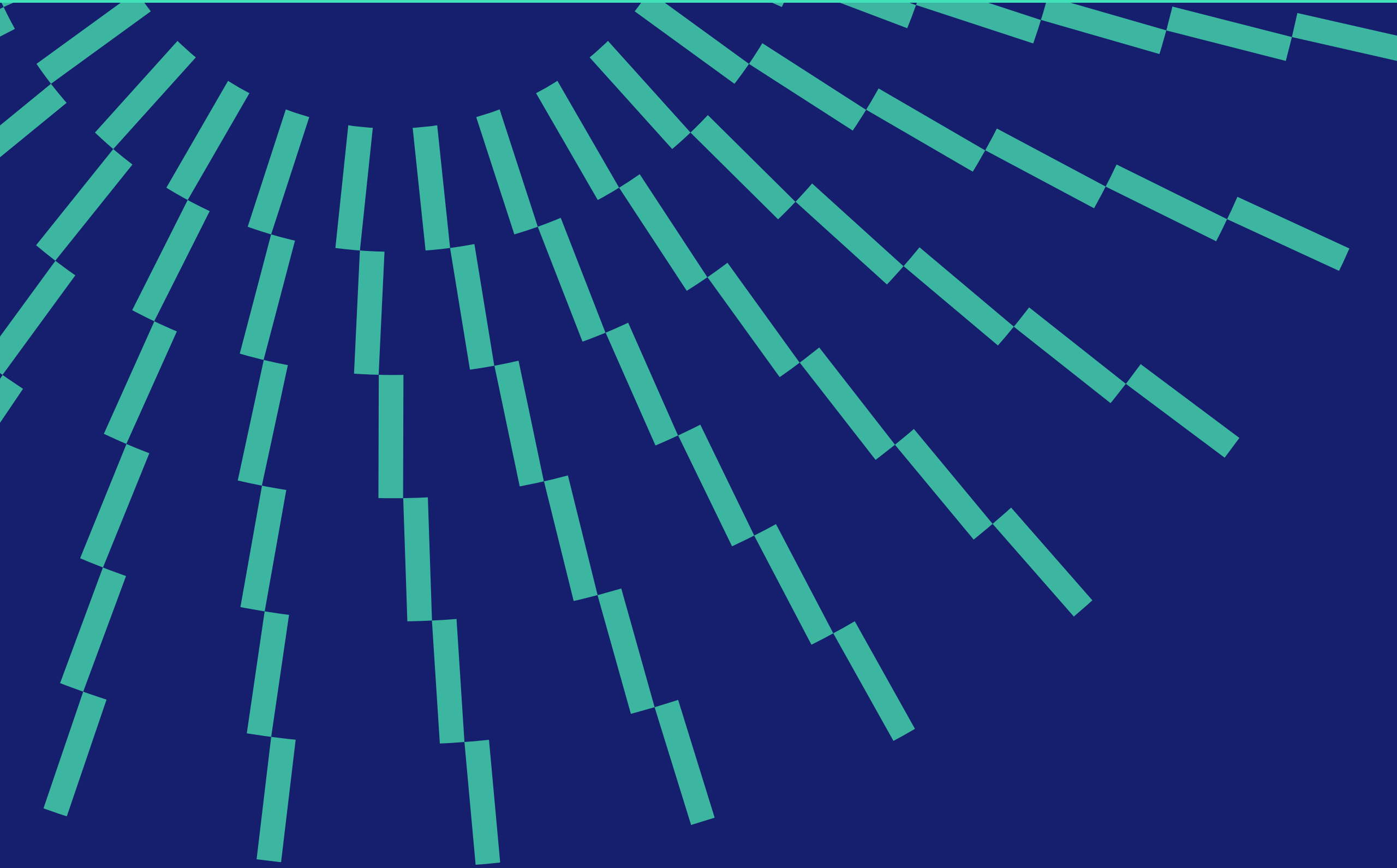


3

We commissioned some independent research to find out more about your circumstances and how we can best support you. Our January 2024 survey found that the work we've done to provide more information and guidance is making you feel more confident about your pension savings, but there's still more we can do to help you understand and actively manage them.

- Almost half (49%) of our members aged 50-59 aren't yet sure how they'll access their pension savings in retirement
- Women tend to review their pensions less regularly than men (35% vs 45% respectively)
- Half (51%) of you were unsure or unaware that the default amount you pay into your pension might not be enough to fund the lifestyle you're aiming for in later life. The findings are used to shape our future services and support.





[www.tpt.org.uk](http://www.tpt.org.uk)



[TPT Retirement Solutions](#)

TPT Retirement Solutions is registered in England and Wales under company number 00744017 and our registered office is at Verity House, 6 Canal Wharf, Leeds, LS11 5BQ

