

Making a difference today and tomorrow

Reflecting on the successes of 2021/22



Our story

For over 75 years we've been delivering our mission to make membership worthwhile. Our pension services for both DB and DC pensions are continuously evolving, as part of our efforts to deliver an outstanding service to our customers.

We've consistently won awards for more than 25 years, since industry awards were first introduced, across innovation, DB and DC, administration and investment. The breadth of awards and continued success reflects our unwavering commitment to continuous improvement and delivering fair, cost-effective workplace pensions.

An enabler to this longstanding success is not having any shareholders to satisfy – we operate only for the benefit of our customers.

Despite the recent challenges on the world stage, we've kept our customers at the heart of TPT – delivering exceptional service and managing our investments responsibly.

Looking ahead, we have ambitious plans and will continue to provide innovative and flexible solutions to meet the changing needs of our customers. The future holds more change and challenge, but our innovation means we will continue to deliver better results for our customers.



How we performed

55%

of schemes saw a rise in funding level (using the Long-Term Funding Target)

£350.2m

in benefits paid or payable in 2021/22

6.6%

year on year increase in membership*

Over **97%** of cases achieved service level standards

Almost **100%** of investments aligned with Responsible Investing credentials

New **£20.8m** scheme brought into 'Pension Trust 2016'

*as at 30th Sept 2022

Over 97% of cases achieved service level standards in 2021/2022, beating our 95% target, based on 280,423 customer interactions.

The amount of DC members who activated their online accounts more than doubled this year and we saw a 9.9% increase in DB Online account activations.

As part of our commitment to strive for exceptional customer service, we achieved an independently-assessed customer satisfaction score of 81.76%



112,721*
DB MEMBERS



312,684*
DC MEMBERS



£10.3BN*
AUM

Award Wins

- UK Pensions Awards 2021 - DB Master Trust / Consolidator of the Year
- Money Age Awards 2021 - Pension Provider of the Year
- Pensions Age Awards 2022 - Administration Award
- European Pensions Awards 2022 - Master Trust Offering of the Year

Highly commended accolades include

- IPE Awards 2021 - Country Award, Innovation and DC & Hybrid Strategies
- UK Pensions Awards 2022 - DB Master Trust / Consolidator of the Year and Pensions Communication Initiative of the Year
- Investment Marketing Innovation Awards 2022 - Best use of video

Putting customers at the heart of our business

Continuous improvement

As a member-focused organisation, we've been putting our customers at the heart of everything we do for over 75 years – and 2021/22 was no different. We worked tirelessly to make improvements to our service, to ensure we provided value for money.

In 2021/22, we modernised our DB service and built strong foundations for ongoing DC growth. Although DC is now the dominant retirement savings vehicle, there are millions of members in the UK relying on DB pension schemes to provide them with an income, which need an effective and reliable solution.

Both our employers and members are integral to how we design and deliver our schemes and services. We listen to them to find out what they value and where they would like to see us improve.

This year, our key priorities were to:

- Continue to build long-term resilience
- Keep on improving our service
- Ensure our digital services deliver a great experience with a human touch when needed

Membership numbers

2020 membership
381,759

2021 membership
399,059

2022 membership
425,405

Building long-term resilience

When employers choose us as the home for their pension, they benefit from our experience in pension management, excellence in governance and risk management, in-house investment expertise and, importantly, our commitment to members.

Improving our service level delivery

**Over
97%
Service
Level
Standards**

We're proud of the fact that we hit our customer service level standards in over 97% of cases in 2021/22 (with a target of 95%), a key achievement enabled by the positive use of digitalisation to help more of our customers, more efficiently.

Changes to our communications and operations were accelerated throughout both the 2020 and 2021 lockdowns. We've continued to build on the opportunities presented by these challenges by delivering a step change to the engagement journey we have with both employers and members. This has successfully achieved engagement from across generations, sectors and knowledge levels, while improving our service response times.

Delivering digital excellence

In our technology-led world we all want the right information at the right time and, quite rightly, this extends to pensions.

Technology is an enabler to providing a better service and enhancing our digital solutions, but is not a replacement for real people. Both our DB and DC offerings provide 24/7 online access for members and employers, supported by our growing customer service team.

For DB members, DB Online provides a secure portal where they can see their benefits, ask a question and request transfer values and retirement quotes.

Employers can also access scheme information digitally using our portal, which offers secure 24/7 online access. Key details are displayed in the DB and DC dashboards and employers can see membership details, track work in progress and more.

“Everything is in one place, which is good. It's a very user-friendly portal!”

Employer feedback, 2021

Online services

Employer

- Dashboard
- Scheme information
- Membership details
- Track work in progress
- Admin enhancements
- Funding & investment information

DB Member

- Update personal details
- Review your record
- Submit an enquiry
- Request a quote
- See statements
- See payslips and P60

DC Member

- Retirement / transfer quote
- Financial education
- Interactive annual statements
- Videos



Putting customers at the heart of our business

Listening to feedback

Pensions are incredibly important, but not always straightforward for employers and members alike. Our team of experts are always on hand to help – and our continuously improving digital support helps customers to simplify the process at the touch of a button. Our customer satisfaction reviews mean we’re always listening, adjusting and improving.

Over half of members (56%) score us a 9 or 10 out of ten for the way we communicate and share information with them.

Just under half of members score us a 9 or 10 out of ten for information being easy to understand (47%) and information being relevant to their situation (43%).

“Thank you for your service, support and desire to benefit members and their employers.”

Helping employers educate members about their benefits

When members don’t understand their pension they can miss opportunities or make uninformed decisions. We provide employers with pension information to share with their staff, giving employers one less thing to worry about.

9/10	DC employers would recommend TPT to other organisations	8.2/10	Satisfaction with DC member admin services
79%	of employers score their overall satisfaction 8/10 or above	8.5/10	Satisfaction with communications and employer updates

“The staff are always friendly and polite and they listen to your needs and they help where they can. Consistently and efficiently.”



Investments that make a difference

Our approach

Our primary purpose is to pay the pensions of our members. We bring lots of pension schemes together, giving us the scale to deliver a high-quality solution that:

- Improves administration and governance processes
- Drives efficiencies
- Provides access to otherwise inaccessible investments at a cost that is shared between employers

The more schemes we look after, the greater the value we can deliver.

A holistic view of investing

As stewards with such scale, we have a real opportunity to make a difference to the world. In recent times, each year has brought greater regulatory attention on investments, with an increasing focus on making sure they are thought about more deeply than just generating returns. Looking holistically at investments was embedded into our approach long before any regulatory drive began to enforce it.

We've been integrating responsible investment considerations for the benefit of our members, wider society and the planet since 2004, and now it's integrated into our investment decision-making process.

Actively shaping the investment landscape

- ✓ Our stewardship commitment is aligned with the Paris Aligned Investment Initiative which is part of The Glasgow Financial Alliance for Net Zero (GFANZ).
- ✓ As part of the Pension and Lifetime Savings Association's (PLSA) Stewardship Advisory Group, we advise the PLSA on stewardship matters and propose emerging matters for the Policy Board.
- ✓ We're an active participant of the member engagement group of the Occupational Pensions Stewardship Council.
- ✓ As a key member of The Institutional Investors Group on Climate Change (IIGCC), we're collaborating with other investors on developing a framework for measuring climate solutions investment throughout asset classes at portfolio level.
- ✓ We've developed a human rights approach, supporting the Universal Declaration of Human Rights and the United Nations Guiding Principles.
- ✓ We've been a Principles for Responsible Investment (PRI) member since 2010

Our approach in a nutshell

We believe in making sure we have a resilient portfolio and act as a universal owner. As owners of such a large amount of assets it's important we think about climate, sustainability, human rights and governance. We want our investments to help build a sustainable future and work towards the solution of a lower carbon economy.

	By 2050 TPT investments to be aligned to the 1.5C global warming limit
	Growing our investments in renewable and green technologies
	Joining up with other pension funds and like-minded organisations to seek positive environmental change e.g. challenging business practices from heavy polluters
	Regularly reporting back to our members e.g. on Task Force on Climate-related Financial Disclosures reports
	TPT's offices becoming greener and more energy efficient

Investments that make a difference

Our journey so far



Climate change and responsible investing is an ongoing journey – one that is continuously evolving and that we’re relentlessly working on. Here’s some of the ongoing activity that forms part of our investment activity:

- We’re annually assessed against the Responsible Investment credentials
- We’re committed to not investing in controversial weapons throughout all mandates
- Every year, we seek feedback from members about their views including responsible investment
- We are a Living Wage Accredited employer and we expect our supply chain to adopt similar principles



The quest for knowledge on climate-related risks and opportunities remains crucial for us.

Success built our team

Since 1946, we've continued to adapt to evolving customer needs, a changing pensions landscape and advances in technology. This is a journey we take with our people, empowering them to deliver exceptional service and to play their part in shaping the future of our members' retirement plans. Helping our members achieve their retirement goals is our purpose, and it's this purpose that unites our team. Every colleague plays an important role.

Developing our talent

From graduates to senior leaders, we have programmes in place to support and develop talent:

- ✓ A successful graduate programme that is now on its fourth intake
- ✓ Regular skills enhancement for customer service staff on the emotive aspects of customer service, covering sensitive issues such as helping vulnerable customers and handling enquiries relating to death, serious ill-health or redundancy
- ✓ Supporting staff through advanced professional qualifications
- ✓ Designing quality leadership programmes tailored for roles and experience levels across the business

This commitment to development is reflected in the decade-long retention of our Investors in People Gold accreditation.

Being the best

We believe professional development is an ongoing process and is an embedded part of all roles. For all Board and colleague roles In 2021/22 we've:

- ✓ Delivered workshops to discuss TPT's purpose and how we can deliver even better service for our members
- ✓ Developed an Equality, Diversity & Inclusion programme, ensuring a positive and supportive culture
- ✓ Developed a bespoke Human Centred Leadership programme with best-in-class providers for our senior leaders
- ✓ Delivered pension workshops for all colleagues, so we all understand the importance of pensions and what we do

Case Study

Kirsty Henfrey joined the graduate scheme in July 2021, following previous roles as a primary school teacher.

Background

Kirsty has worked as a primary school teacher and in customer service roles, including the call centre at First Direct.

What Kirsty says

"I was looking for a career change and, although I'd done a lot of relevant maths and data work in my old job, wanted a graduate scheme as you're not expected to know it all. The plans are in place to get you where you need to be.

"I started from absolutely no pension knowledge, and spent a lot of time at first with a professional pensions trainer. You learn in a very logical way, starting with the basics and then learning more as you're gradually integrated into the team. The training's constant with no 'drop off'.

Where's Kirsty now

Kirsty joined our first intake of graduates in July 2021 and successfully completed the programme in December 2022. She's currently working on a Pensions Dashboard project in our Pension Admin Department.



Looking ahead

A great future for DB pensions

We have strengthened our internal teams and built the foundations for a strong future against a challenging backdrop of economic instability for both employers and members.

Our history and experience mean we are in the best possible position to continue to deliver pension solutions. As we look ahead, we see:

- ✓ Excellent service
- ✓ Responsible approach to investing
- ✓ Robust governance and risk management

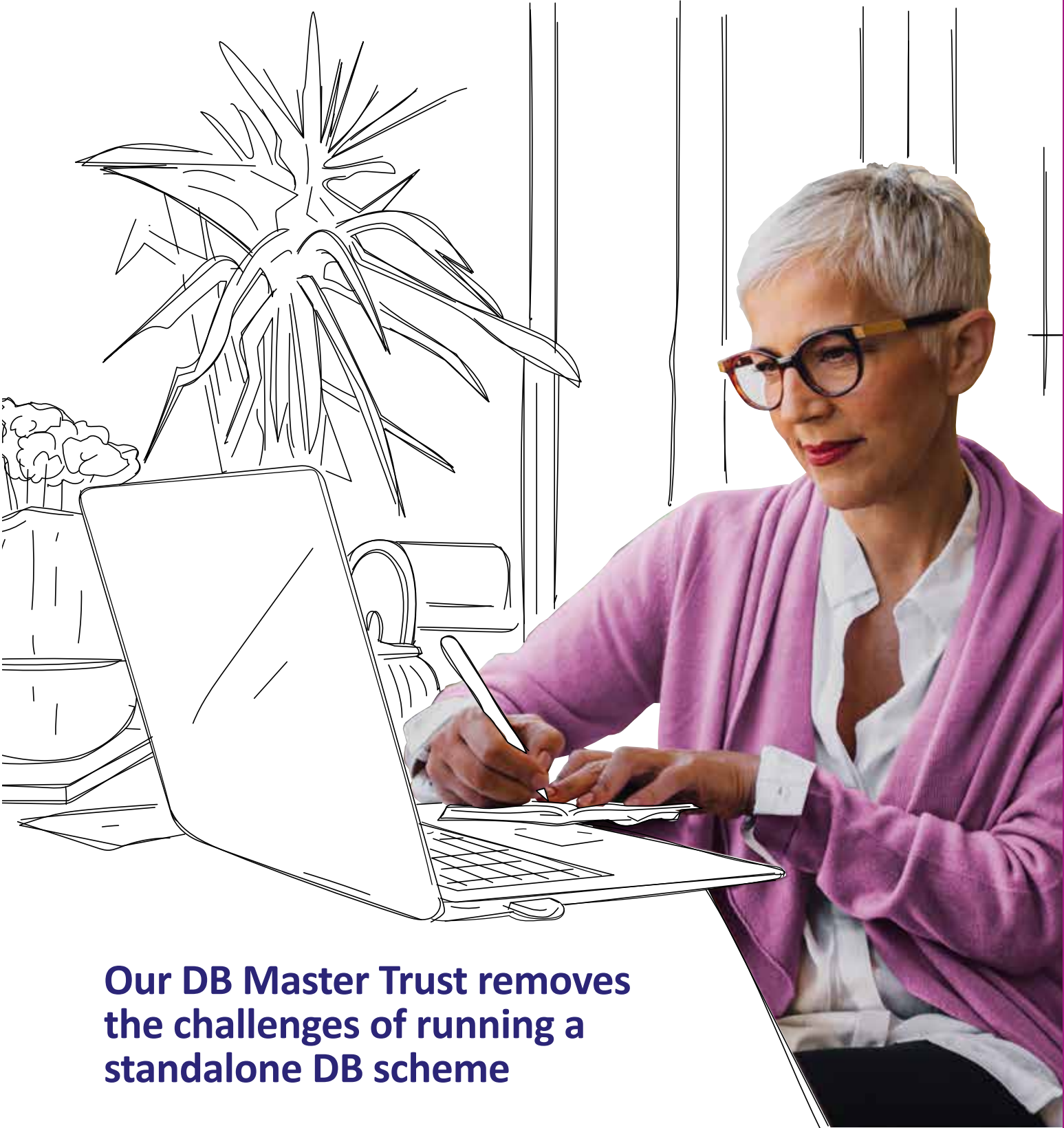
Effective DB scheme management

Our DB Master Trust solution removes the worry of the ongoing operational challenges that come with running a standalone DB scheme. Our DB Master Trust has 58 schemes (2021/22) and provides all the services needed for effective DB scheme management whilst reducing overall running costs.

Each scheme is ring-fenced with a bespoke funding and investment strategy. This innovative solution is an award-winning consolidation option that provides centralised administration, trusteeship, actuarial, legal, covenant, investment, governance and communication services whilst keeping links to the sponsor – giving members the very best of continuity and quality.



We expect more schemes to join us and benefit from the quality and efficiencies that our Master Trust provides.



Our DB Master Trust removes the challenges of running a standalone DB scheme

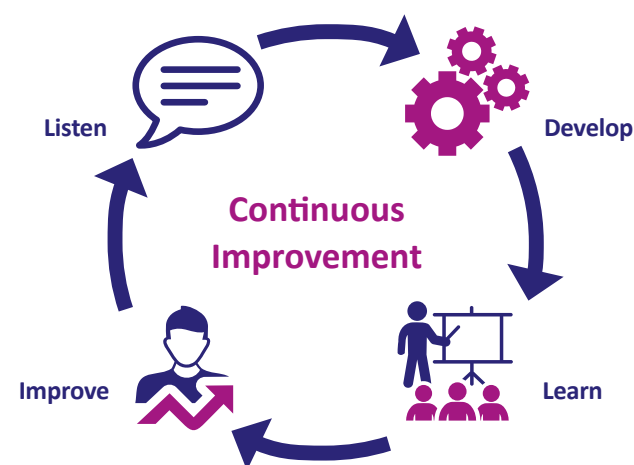
Looking ahead

A great future for DC pensions

Pensions built for the future

And it's not just in the DB world that we're continually driving improvements. Through auto-enrolment every working individual can save for their own retirement and, as DC pensions become the dominant retirement savings vehicle, we'll continue to evolve a sustainable home for members' savings.

Our DC members have different needs to our DB members, so we've been listening to those needs to build a pension that works for them. We'll continue to innovate in partnership with members – asking, testing, and adjusting for their needs every step of the way.



Engaging with our DC members

Our ongoing DC engagement initiative has delivered a 25% increase in 2021/22 in the number of members activating their online retirement savings account. Here members can check, track and manage their pension savings and utilise secure, online document uploads. But that's not all – we've also:

- ✓ Delivered personalised video benefit statements to all active DC members – with an average member rating of 4.4 out of 5
- ✓ Developed interactive and educational content to support the four phases of a member's journey: save, grow, plan, spend
- ✓ Reduced the annual management charge on our DC ethical Target Date Funds from 0.70% to 0.63%
- ✓ Improved the diversification of our Target Date Funds investment allocation to include private equity

Strong foundations

We're at the core of the UK pension industry and have been helping members with their retirement for more than three quarters of a century. We understand:

- ✓ Pensions and the wider market
- ✓ Regulatory requirements and drivers
- ✓ What members need to make good, informed decisions
- ✓ Where communications can make a real difference to understanding
- ✓ How technology can make a difference to members and employers
- ✓ That how and where we invest can make a difference to people, wider society and the planet

We'll continue to build on this knowledge and deliver a retirement solution that offers the very best in the way of service, communications, investment options and sustainability.

To the future

We're excited about continuing to make a difference with our investments, delivering more retirement saving innovation, striving for exceptional service for our customers and focusing on developing our people.



Financial statements

The combined Fund Account and Net Asset tables show the financial performance of our DC and DB trusts in the year to 30 September 2022.

New scheme

In March 2022, a new Scheme was brought in to The Pensions Trust 2016 – Cambridge Building Society Retirement Plan (£20.8m).

	DB Schemes (£m)	DC Schemes (£m)	Expenses Reserve Account (£m)	Total 2022 (£m)	Total 2021 (£m)
Employer Contributions	349.2	247.3	-	596.5	563.9
Employee Contributions	13.1	116.4	-	129.5	127.6
Total Contributions	362.3	363.7	-	726.0	691.5
Transfers In	22.0	9.6	-	31.6	26.5
Other Income	8.0	9.1	-	17.1	14.8
	392.3	382.4	-	774.7	732.8
Benefits Paid or Payable	(302.0)	(48.2)	-	(350.2)	(309.1)
Payments to and on account of leavers	(0.3)	(2.3)	-	(2.6)	(1.9)
Transfers out to Other Schemes	(50.0)	(51.7)	-	(101.7)	(153.2)
Other Payments	(6.7)	-	-	(6.7)	(6.4)
Administrative Expenses	(22.0)	(4.7)	-	(26.7)	(23.5)
	(381.0)	(106.9)	-	(487.9)	(494.0)
Net additions / (withdrawals) from dealings with Members	11.3	275.5	-	286.8	238.8
Net Returns on Investments					
Investment Income	186.7	12.5	-	199.2	220.3
Change In Market Value of Investments	(4,094.0)	(209.5)	-	(4,303.5)	713.1
Investment Management Expenses	(48.8)	(4.0)	-	(52.8)	(55.5)
	(3,956.1)	(201.0)	-	(4,157.1)	877.9
Net (Decrease) / Increase in the Trust	(3,944.8)	74.5	0.0	(3,870.3)	1,116.7
Opening Net Assets	11,858.1	2,356.9	24.1	14,239.1	13,122.4
Transfers between sections	2.9	(3.8)	0.9	-	-
Closing Net Assets (available for benefits)	7,916.2	2,427.6	25.0	10,368.8	14,239.1

Contributions

During the year, contributions have increased £34.4m (5%). A large proportion of this relates to an increase in DC contributions, which are up by £29.9m, coinciding with an increase in DC membership.

Benefits

Benefit payments continue to increase, with a movement of 13.3% in the year to 30 September 2022. This is a result of annual pension increases, a rise in the number of pensioners, as well as the onboarding of the Cambridge Building Society Retirement Plan.

Visit our [Annual Report](#) for full details.

	Defined Benefit Schemes (£m)	Defined Contribution Schemes (£m)	Expenses Reserve Account (£m)	Total 2021 (£m)	Total 2020 (£m)
Investment Assets					
Equities	115.3	-	0.3	115.6	933.6
Bonds	330.2	-	-	330.2	1,035.0
Property	228.6	-	-	228.6	184.9
Pooled Investment Vehicles	7,107.8	2,395.5	-	9,503.3	11,544.1
Derivatives	7.0	-	-	7.0	10.6
Insurance Policies	140.6	-	-	140.6	192.9
AVC Investments	1.4	-	-	1.4	1.5
Cash and Cash Equivalents	125.6	-	-	125.6	286.6
Other Investment Balances	276.6	-	-	276.6	62.5
	8,333.1	2,395.5	0.3	10,728.9	14,251.6

Investment Liabilities					
Derivatives	(141.0)	-	-	(141.0)	(47.4)
Cash and Cash Equivalents	(33.7)	-	-	(33.7)	(13.2)
Other Investment Balances	(284.0)	-	-	(284.0)	(49.3)
	(458.7)	-	-	(458.7)	(109.9)

Total Net Investments	7,874.3	2,395.5	0.3	10,270.1	14,141.8
Fixed Assets	7.7	-	1	8.2	8.3
Current Assets	49.3	37.7	39.3	126.3	129.6
Current Liabilities	(15.2)	(5.6)	(15.1)	(35.9)	(40.6)
Total Net Assets (available for benefits)	7,916.2	2,427.6	25.0	10,368.8	14,239.1

An award-winning service

The way TPT works and the service we provide has earned us a number of awards, recognising our administration and in-house expertise in particular.



UK Pensions Awards 2021
DB Master Trust / Consolidator of the Year



Money Age Awards 2021
Pension Provider of the Year



Pensions Age Awards 2022
Administration Award



European Pensions Awards 2022
Master Trust Offering of the Year



IPE Awards 2021
Country Award, Innovation and DC & Hybrid Strategies



UK Pensions Awards 2022
DB Master Trust / Consolidator of the Year and
Pensions Communication Initiative of the Year



Investment Marketing Innovation Awards 2022
Best use of video

To find out more



0113 234 5500



enquiries@tpt.org.uk



Twitter: [@TPTRetirement](https://twitter.com/TPTRetirement)



LinkedIn: [TPT Retirement Solutions](https://www.linkedin.com/company/tpt-retirement-solutions)



www.tpt.org.uk



TPT Retirement Solutions, Verity House,
6 Canal Wharf, Leeds, LS11 5BQ