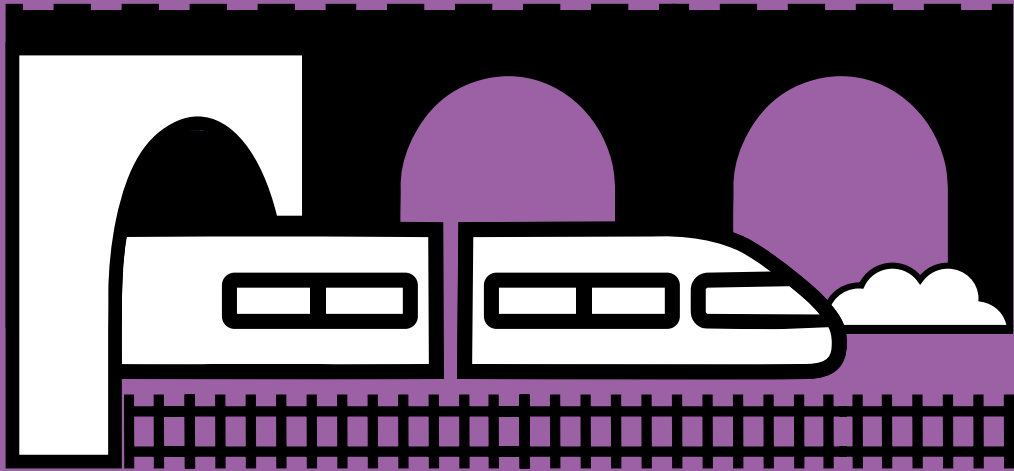


November 2025



Choices

The newsletter for members of the Network Rail Defined Contribution Pension Scheme (NRDC)

Welcome

Welcome to your 2025 issue of *Choices*, the newsletter for members of the Network Rail Defined Contribution Pension Scheme (NRDC).

Membership of the Scheme continues to grow. During the year to 31 December 2024, we welcomed another 3,295 new members. The Scheme is a tax-efficient way to save for your retirement, and you also benefit from valuable Company contributions. See page 5 for more details.

There have been no changes on the Trustee board during the year. As you know, the Trustee board includes Directors who've been appointed by Network Rail, Directors nominated by the Trade Unions and Directors nominated by the Scheme's members. In this issue, you can read more about Paul Norris, nominated by the RMT Union. See page 15 for more details.

Pension scams continue to be a danger to members, particularly if you're thinking about transferring your benefits out of the Scheme or you're approaching retirement.



Scammers are unscrupulous and no pension pot is too small to be a target. The Pensions Regulator has produced a video which tells the story of an NHS nurse who was scammed out of her pension – find out more on page 11.

I hope you enjoy reading this issue of *Choices* and find it useful. If you have any questions or there's a topic you'd like to see covered in a future issue, please get in touch using the contact details on the back page.

Samantha Pitt
Chair of the Trustee

Scheme essentials

We know when you're busy, it's hard to remember to keep an eye on your pension. Here's a checklist of key things to help you stay up to date:



Log in to your account and check your personal details



Complete or update your expression of wish



Pick a target retirement age, if you're using the lifestyle investment option



Review your contributions – could you save a bit more? (active members)



Look inside

Noticeboard	4
Membership	6
Report and accounts	7
Pension news	8
Useful links	12
Looking after the Scheme	13
Keep in touch	16

Log in to your account

You can manage your account online by logging in at epa.towerswatson.com/accounts/nwr

If you've lost or forgotten your login details, call WTW on 01737 230487 or email NetworkRailPensions@wtwco.com





Noticeboard

Do we know your wishes?

Please make sure that you've completed an online expression of wish and that you keep it up to date by reconfirming your wishes every couple of years and whenever your personal circumstances change. This is particularly important if you get married or divorced, enter or leave a civil partnership, or become a parent.

An up-to-date expression of wish tells the Trustee who you would like to receive your pension benefits in the event of your death. It helps us pay the right people without additional delay to your loved ones.

For active members, your expression of wish also applies to the death-in-service lump sum that would be paid to your beneficiaries. This is four times your pensionable earnings, so it's important to make sure we know your wishes.



You can update your expression of wish by logging in to your account at epa.towerswatson.com/accounts/nwr



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Paying contributions

Contribution rates are based on a percentage of your pensionable earnings. Make sure you're making the most of the contributions available from the Company. The more you pay, the more the Company pays, up to a maximum 7% Company contribution.

You pay	The Company pays	Total
0%	3%	3%
1%	4%	5%
2%	5%	7%
3%	6%	9%
4%	7% (max)	11%

Auto re-enrolment into the Scheme

Every three years, legislation requires us to automatically enrol any employees who aren't already in the Scheme and who meet the following criteria:

- earning more than £10,000 a year (£768 every four weeks)
- are aged 22 or over
- are under State pension age.

Our re-enrolment date was in April 2025. This means that even if you've opted out of the Scheme previously, we'll have had to re-enrol you at that time.

It also means that if you're in the Scheme but you previously opted to pay less than the minimum contribution rate of 5% of your qualifying earnings, your contributions were automatically increased from 20 April 2025, with the payment deducted from your May 2025 pay. The Company also pays a contribution of 3% of your qualifying earnings.



Qualifying earnings

This is the amount of your gross pay between a lower and upper limit which is reviewed annually by the UK government. In 2025/2026 tax year this will be your gross annual pay between £6,240 and £50,270. This means that only earnings between the two bands are used to calculate pension contributions.

Navigating market volatility: staying focused on the long term

Recent developments under the Trump presidency, including proposed US tariffs, have reignited concerns about global trade tensions and contributed to short-term market volatility. While such headlines can be unsettling, it's important to remember that the Scheme's investment options are designed for the long term. Reacting to market movements with ad-hoc decisions can risk locking in losses or missing out on future recoveries.

Encouragingly, the new default investment strategy (implemented in August 2023) continues to perform well. Two of its key components – the NRDC Global Growth Fund and the NRDC Global Diversified Retirement Fund – returned 15.8 % and 10.4 % (net of fees) respectively, over the year to 30 September 2025. Over the three years to the same date, they delivered 15.6 % p.a. and 9.7 % p.a. (net of fees).

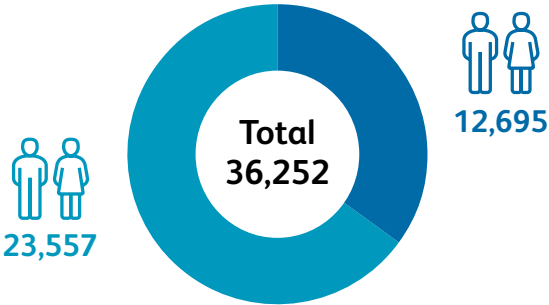
These funds are designed to support long-term retirement outcomes and incorporate a strong focus on environmental, social and governance (ESG) principles, helping to align your pension savings with sustainable and responsible investing. For most members, staying invested and focused on long-term goals is often the most effective way to navigate market uncertainty.

Membership

You are one of 36,252 members in the Scheme.
The chart shows a breakdown of the membership as at 31 December 2024.

- **Active members**
are those currently building up benefits in the Scheme.
- **Deferred members**
are former employees or opted-out members who have not yet taken their Scheme benefits.

	31 Dec 2024	31 Dec 2023
Active members	12,695	12,380
Deferred members	23,557	21,667



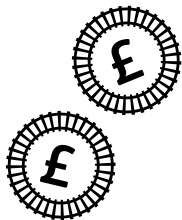
Report and accounts

The information on these pages is a summary taken from the Scheme's audited report and accounts for the 12 months to 31 December 2024. If you'd like to see a copy of the full report, you can find it on the Scheme website.



	31 Dec 2024	31 Dec 2023
	£'000	£'000
Financial highlights		
Net assets at the start of the year	558,225	488,638
Money in less money out	20,167	25,146
Net return on investments	88,049	44,441
Net assets at the end of the year	666,441	558,225

During the year, the fund increased in value by £108.2 million (2023: increase of £69.6 million).



	31 Dec 2024	31 Dec 2023
	£'000	£'000
Money in		
Members' normal contributions	1,551	1,646
Members' AVCs	3,546	2,592
SMART contributions	18,945	18,591
Employer's normal contributions	19,410	18,881
Employer's special contributions	258	371
Other income	2,348	3,345
Individual transfers in	962	614
Total	47,020	46,040

Money out		
Benefits paid to members	(13,981)	(11,936)
Transfers out	(12,850)	(8,944)
Administration expenses	(22)	(14)
Total	(26,853)	(20,894)

Pension news

Inheritance tax changes

The government is proceeding with plans to bring pensions into the scope of inheritance tax. From 6 April 2027, unused pension pots and lump-sum death benefits can no longer be automatically passed on tax free to your beneficiaries; instead, they'll be included in the value of your estate (your property, money, possessions, etc.) when working out if any inheritance tax is due.

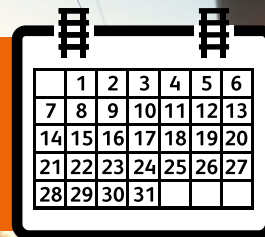
For many people, the change will have no impact. Inheritance tax won't be due if you leave your entire estate, regardless of its value, to your spouse (or civil partner) in the UK.

Inheritance tax at 40% is due on amounts over a threshold of £325,000 (or £500,000 if you leave your home to a direct descendant). The government has confirmed these levels remain fixed until 2030. The rules are complex and if you're concerned, you should get advice from a tax specialist when making your will.



Minimum pension age is going up

This is a reminder that if you're thinking about early retirement, the normal minimum pension age (NMPA) is rising and it may affect your plans. From April 2028, the earliest you can access your pension is going up from age 55 to 57, unless you're in ill health.



New government plans to combine small pension pots

If you've got any small pension pots from when you've changed jobs over the years, they may be automatically combined in the future. The government plans to introduce a process that aims to make it easier for savers to keep on top of their pension savings and reduce costs.

According to government figures, there are around 13 million small (under £1,000) pension pots. If you move jobs and are automatically enrolled into a new pension scheme, it's easy to forget about your old scheme and lose touch with it. The plans for combining small pots are in development, so we don't yet have details for how it will work, but we'll keep you updated as more information becomes available.

Cyber security

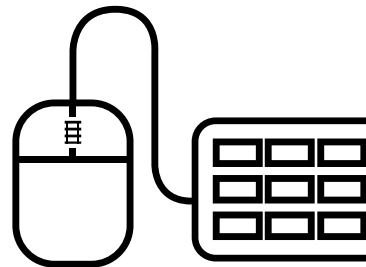
Cyber-attacks continue to be in the news with high-profile retailers Marks & Spencer, the Co-op and Harrods, all being targeted earlier this year. As cyber-attacks can affect individuals, companies and even governments, any organisation holding large amounts of personal data can be a target. The Trustee therefore takes cyber security seriously, including it on its risk register and having a response plan in place in the event a cyber-attack were to affect the Scheme.



Pensions dashboards update

Work on the government's pensions dashboards programme continues. The dashboards are set to transform the way we interact with our pensions and help us all plan for retirement more effectively. When ready, the dashboards will allow you to access information about all your pensions that aren't yet in payment securely online and in one place.

Our Scheme connected to the dashboards' ecosystem in May 2025, but it won't be until autumn 2026 that all the UK's pension schemes are connected, ahead of a public launch. You don't need to do anything or provide any information. Please be aware that scammers may attempt to take advantage of the project as it gains momentum and greater public awareness. At no point will anyone from a pensions dashboard contact you to ask for confirmation of your data.

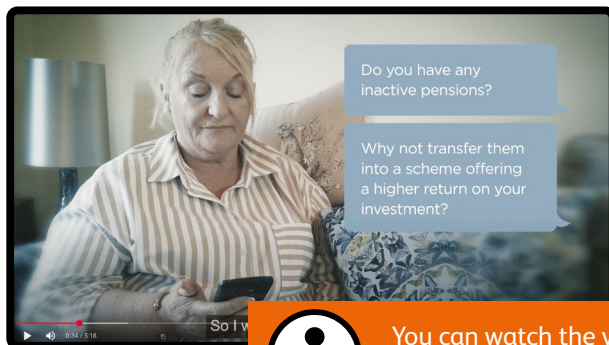


Pension scams – hear Pauline’s story

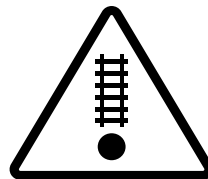
Pauline Padden is an NHS children’s critical care nurse who lost her entire pension savings in a pension scam. The Pensions Regulator has shared a video in which she tells her story and urges others to stop, think and ask themselves if an offer is genuine or too good to be true.

The scammers tricked Pauline out of £45,000, which she won’t be able to get back or have enough time to build up again. As she approaches retirement age, she’ll no longer be able to retire and will have to continue working at a time when she would prefer to be winding down from her career.

Her story highlights how easy it is for scammers to deceive ordinary, hard-working people, proving that you don’t need hundreds of thousands saved in your pension to be targeted by these unscrupulous criminals – they’ll steal anyone’s money. You can watch the video to hear Pauline’s story.



You can watch the video at
<http://bit.ly/466s10J>



SCAN ME



Useful links

There's lots to know about pensions, so if you're looking for more information and guidance, you may find the following organisations useful.

Guidance about money and pensions

MoneyHelper is the government's free financial information and guidance service, offering trusted help for your money and pension choices. With clear and impartial help that's easy to find and use, MoneyHelper also provides links to trusted services if you need more support. Call 0800 011 3797 or go to www.moneyhelper.org.uk

Find out about your State pension

When you're planning your retirement, it's good to have a clear idea about how much State pension you'll get and when you can claim it.

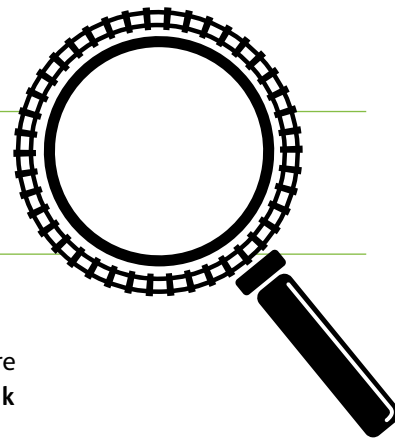
You can check your State pension age at www.gov.uk/state-pension-age and get a forecast at www.gov.uk/check-state-pension

Need a financial adviser?

The Unbiased and VouchedFor websites are useful if you're looking to find an authorised financial adviser in your area. Go to: www.unbiased.co.uk or www.vouchedfor.co.uk

Check who you're dealing with

The Financial Conduct Authority (FCA) regulates financial markets and companies providing financial services in the UK. You can use its register to check that the company or adviser you're dealing with is listed and authorised to provide specific financial services. Go to www.fca.org.uk



Looking after the Scheme

The Network Rail NRDC Pension Scheme, is run by a trustee company called Network Rail Pension Trustee Limited.

Your Trustee Directors

Independent chair



Samantha Pitt
Law Debenture Pension
Trust Corporation Ltd

Appointed by Network Rail



Tim Craddock
HR Director, Group
Reward, Pensions &
Benefits, Network Rail



Lisa Leeds
Finance Director,
Corporate Functions,
Network Rail



Louise Kavanagh
Finance Director,
Corporate Functions,
NRIL

Nominated by the Trade Unions



Paul Norris
Rail, Maritime and
Transport Union (RMT)



Gary Adams
Transport Salaried Staffs'
Association (TSSA)



Ian Waters
Unite Union

Member nominated



Ian Icton

Advisers to the Trustee

Auditor

RSM UK Audit Ltd

Investment adviser

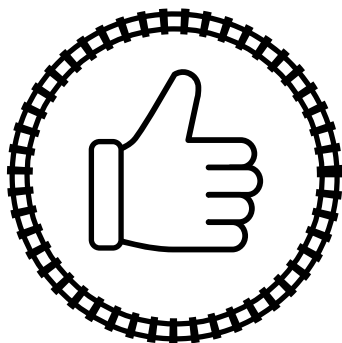
Schroders Solutions

Legal adviser

Mayer Brown International LLP

Secretary to the Trustee

Claire McCarthy
Pensions Trustee Governance Manager, Network Rail



Meet the Trustee Director: Paul Norris



Paul Norris is the Trustee Director nominated by the National Union of Rail, Maritime and Transport Workers (RMT), joining the board in 2018. During this time, he's served on both the Audit & Risk and Investment subcommittees of the Scheme.

Paul's journey into pension activism began in 1994 while working at FIAT, formerly Ford Motor Company. In the wake of the Maxwell scandal and the introduction of member-nominated trustees (MNTs), Paul was appointed by the workplace shop stewards' committee to serve as the MNT on the employer's pension scheme, a role which he held until 2010.

In 2010, Paul completed a Master's degree in employment law. Following graduation, he successfully applied for the role of RMT Pension Officer and has been employed by the union ever since.

Although Paul doesn't come from a rail industry background, his deep understanding of pensions and Trade-Union structures has equipped him to represent

workers across the rail, maritime and wider transport sectors. He firmly believes that the challenges workers face in securing adequate occupational pension provision and saving for retirement are consistent across all industries.

While pensions are often viewed as a dry subject – especially by those not nearing retirement – Paul stresses the importance of proactive engagement. He believes trustees, employers and Trade Unions must do more to involve workers in pension-related conversations.

This is particularly relevant at Network Rail, which operates multiple pension arrangements. Although stakeholders are not permitted to offer financial advice, Paul feels that the Trustee does a good job of explaining the Scheme's benefits. Still, he acknowledges that there's always room for improvement!

In addition to his current roles, Paul has served as a trustee on the Merchant Navy Ratings Pension Fund and continues to contribute as an MNT and Secretary for the RMT Pension Scheme.

Keep in touch

If you have a question about the Scheme or your benefits, please get in touch with the administrator, WTW, or the Network Rail in-house pensions team.

Email:

NetworkRailPensions@wtwco.com
or Pensions@networkrail.co.uk

Call us:

01737 230487

Write to us:

WTW
Network Rail
Sunderland
SR43 4JU

Website:

www.mynrpension.co.uk

Go online:

Log in to your account using the member portal at
epa.towerswatson.com/accounts/nwr



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