November 2026



Choices

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

Welcome

Welcome to your 2026 issue of *Choices*, the newsletter for members of the Network Rail Defined Contribution (NRDC) Pension Scheme.

It was another strong year for the Scheme, with total membership increasing from 36,252 at the start of 2025 to 38,136 at 31 December 2025. During the same period, the Scheme's total fund value increased from £666m to £790m. You can read more about this in the report and accounts section on page 8.

As communicated to Scheme members and Network Rail employees in September 2026, the Trustee and other parties have agreed 'in principle' to a proposal from Network Rail to transfer the NRDC Scheme into the Railways Pension Scheme (RPS) Industry Wide Defined Contribution (IWDC) Master Trust. Work has now commenced to implement the transfer, which is scheduled to complete later in 2027. You can find out more about this important development for the Scheme and our members on page 6.

There have also been a number of developments in the wider pensions landscape over the past 12 months. Our pensions news section brings together some of these updates and explains what they could mean for you. You can find this on pages 9 to 11.

Finally, there has been a change to the Trustee board following the recent member-nominated Trustee ballot process. Nick Chadwick has been appointed to the board, replacing Ian Iceton, who resigned in December 2025. You can find out more about Nick on page 14.

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 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)**



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**

SCAN ME

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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.

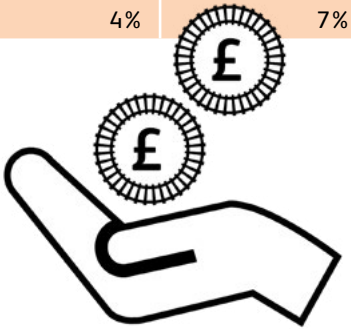
You can update your expression of wish by logging in to your account at **epa.towerswatson.com/accounts/nwr**

SCAN ME

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 next re-enrolment date is April 2028. This means that even if you've opted out of the Scheme previously, we will have 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 will automatically increase to make sure the minimum level of contributions are being deducted.

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 the 2026/2027 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.

Investment market update

The recent conflict in the Middle East and global trade tensions have contributed to 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.

The default investment strategy continues to perform well. Two of its key components – the NRDC Global Growth Fund and the NRDC Global Diversified Retirement Fund – returned 17.1% and 11.5% (net of fees) respectively, over the year to 31 March 2026. Over the three years to the same date, they delivered 12.7% p.a. and 8.1% 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.

Scheme transfer

NRDC to move into the RPS IWDC

Over the past two years, Network Rail has undertaken a strategic review of its pension schemes to assess whether they continue to provide strong benefits for members, are being administered effectively and represent good value for members and the Company.

Following the review, Network Rail has obtained the required approvals to transfer the Network Rail Defined Contribution Pension Scheme (NRDC) into the Railways Pension Scheme Industry-Wide Defined Contribution Master Trust (RPS IWDC). The NRDC will remain open to members.

Alongside the NRDC transfer, the Network Rail CARE Pension Scheme (NR CARE) will also transfer into the Network Rail Section of the Railways Pension Scheme.

Importantly, you will see no change to your NRDC benefits as a result of the transfer. Any NRDC pension benefits you have already built up will be transferred over into the RPS IWDC. If you're an active member, you will continue to build up NRDC benefits as normal.

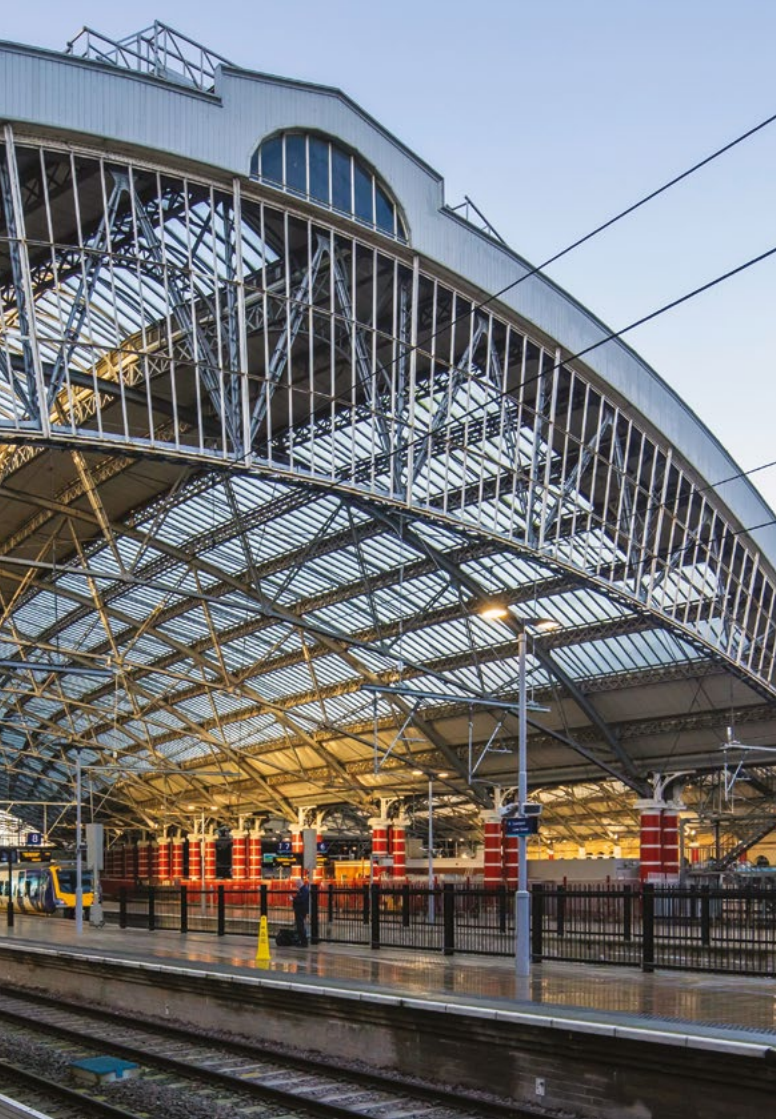
The administration of NRDC will move from the current Scheme administrator, WTW, to Railpen, the RPS Scheme administrator. Once the transfer is complete, you will receive new login details from Railpen, allowing you to view your NRDC benefits and any other Network Rail pension scheme benefits, all in one place through the online RPS member portal.

The current expectation is that the NRDC and NR CARE transfers will both complete in late 2027.

Members will be kept updated with important information throughout the transfer process, and an FAQs document is available at **myNRpension.co.uk**. If you have any questions, you can contact the Network Rail Pensions Team at **PensionsCommunications@networkrail.co.uk**

Who has approved this Scheme transfer?

- Network Rail Executive Leadership Team
- NRDC and NR CARE Trustees (Network Rail Pension Trustee Ltd)
- Trade Unions – RMT, TSSA, Unite
- Department for Transport (DfT)
- HM Treasury
- RPS Trustees (Railways Pension Trustee Company Ltd).



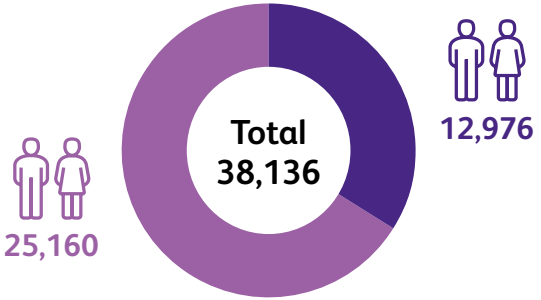
Membership

You are one of 38,136 members in the Scheme. The chart shows a breakdown of the membership as at 31 December 2025.

- **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 2025	31 Dec 2024
Active members	12,976	12,695
Deferred members	25,160	23,557



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 2025. If you'd like to see a copy of the full report, you can find it on the Scheme website: myNRpension.co.uk

Financial highlights	31 Dec 2025 £'000	31 Dec 2024 £'000
Net assets at the start of the year	**666,441**	**558,225**
Money in less money out	25,132	20,167
Net return on investments	98,061	88,049
Net assets at the end of the year	**789,634**	**666,441**

During the year, the fund increased in value by £123.2 million (2024: increase of £108.2 million).



Money in	31 Dec 2025 £'000	31 Dec 2024 £'000
Members' normal contributions	1,510	1,551
Members' AVCs	3,984	3,546
SMART contributions	20,291	18,945
Employer's normal contributions	20,627	19,410
Employer's special contributions	118	258
Other income	2,060	2,348
Individual transfers in	850	962
Total	**49,440**	**47,020**
Money out		
Benefits paid to members	(11,593)	(13,981)
Transfers out	(12,693)	(12,850)
Administration expenses	(22)	(22)
Total	**(24,308)**	**(26,853)**

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Pension news

Inheritance tax on pensions

You may have seen in the news that changes are being made to the way inheritance tax (IHT) applies to pensions. From 6 April 2027, certain unused pension savings and death benefits will be brought within the scope of IHT.

Following consultation on the draft legislation, the government has confirmed that death-in-service benefits will remain outside the scope of these changes.

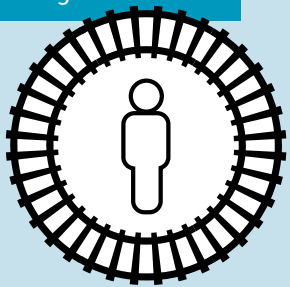
If IHT is due on pension benefits following a member's death, the member's Personal Representatives (PRs) will be responsible for reporting and paying any IHT due. Pension schemes will need to provide the PRs with information about any relevant benefits that need to be included when calculating the value of the member's estate.

In certain circumstances, PRs will be able to ask pension scheme administrators to withhold a percentage of taxable benefits and use this to pay any IHT due in respect of the death benefits on their behalf. HMRC will be publishing guidance for PRs on how the new regime will work.

You may wish to take independent financial advice on the potential implications of the IHT changes for your financial planning. You may also wish to review your expression of wish (see page 4).

Don't forget: minimum pension age is rising

If you're thinking about early retirement, the normal minimum pension age (NMPA) is rising and it may affect your plans. From 6 April 2028, the earliest you can access your pension is going up from age 55 to age 57, unless you're in ill health or have a protected pension age.



Tax treatment of salary sacrifice pension contributions

Changes announced in the 2025 autumn budget will affect the National Insurance (NI) treatment of pension contributions made through salary sacrifice arrangements, known as SMART at Network Rail.

Currently, there is no limit on the amount of salary sacrifice contributions that can be made without paying NI, but from 6 April 2029 this will change. The first £2,000 of salary sacrifice pension contributions each year will continue to be exempt from NI, but any contributions above £2,000 will be subject to NI.

An update on pensions dashboards

Pensions dashboards are designed to make it easier for you to see information about your workplace, personal and State pension entitlements securely online, all in one place. They aim to help you understand your retirement savings, reconnect with lost pension pots and plan for retirement.

Our Scheme connected to the pensions dashboards ecosystem in May 2025. While legislation sets a single statutory connection deadline of 31 October 2026, pension schemes and providers are expected to connect in line with a staged timetable set by the Department for Work and Pensions (DWP).

As the pensions dashboards project gains momentum and becomes more widely known, it's important to be aware that scammers may try to take advantage of the project. At no point will anyone from a pensions dashboard contact you to confirm any of your personal information.



Cyber security

Cyber-attacks continue to evolve, with new technologies, such as artificial intelligence (AI), creating additional opportunities for criminals to target individuals and organisations. Pension schemes can be attractive targets because they hold personal and financial information, so keeping this information secure is a key priority for the Trustee.

Cyber security is included on the Trustee's risk register and is regularly monitored. The Trustee also has a response plan in place to help ensure that, should a cyber-attack affect the Scheme, appropriate action can be taken quickly to protect members and their information.



Pension scams

Pension scams continue to be a risk to members, particularly if you're approaching retirement or considering transferring your pension benefits. Scammers can target anyone and no pension amount is too small.

The Pensions Regulator (TPR) has guidance to help you spot the warning signs of a pension scam and protect yourself. You can find out more on TPR's website at **thepensionsregulator.gov.uk/pension-scams**

Always remember to be cautious if someone:

- contacts you unexpectedly about your pension
- promises guaranteed or unusually high returns
- pressures you to make a quick decision
- asks you to transfer your pension before you've had time to consider your options.



Looking after the Scheme

The Network Rail NRDC Scheme is a trust-based scheme, which is run by a trustee company called Network Rail Pension Trustee Ltd.

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

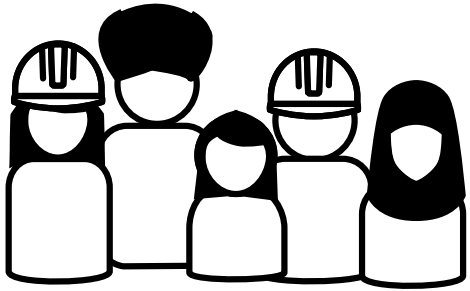
Member nominated



Nick Chadwick

Advisers to the Trustee

Auditor
RSM UK Audit LLP
Investment Adviser
Schroders Solutions
Legal Adviser
Mayer Brown International LLP
Secretary to the Trustee
Claire McCarthy Pensions Trustee Governance Manager, Network Rail







Meet your new member-nominated Trustee: Nick Chadwick

Following the recent member-nominated Trustee (MNT) ballot process, Nick Chadwick was appointed to the Trustee board, replacing Ian Iceton.

Nick currently works for Network Rail as a Signaller, and has worked in the railways industry since 1989, spending time at British Rail, Railtrack and Jarvis. The first half of Nick's career was spent working in Tickets Offices, Train Planning and in Operations as Scotland Level Crossing Manager, before moving into Project Management at Jarvis.

Nick has spent the last 20 years as a Signaller and is currently on the Operations Area Council for Scotland. Being an experienced staff representative means Nick always puts the interests of staff members at the forefront and is happy to provide challenge when needed.

When not at work, Nick is heavily involved at his local rugby club, where he has coached youth rugby for over 20 years, and still, very occasionally, pulls his boots on to play.

Otherwise, he can be found in the garden or planning an adventure abroad.



Useful links

There's lots of information available to help you understand your pension and plan for the future. The organisations below offer useful guidance, information and tools that you may find helpful.

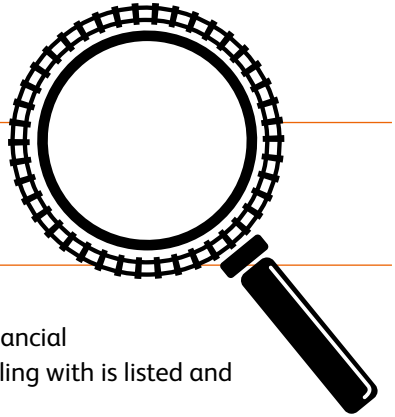
Guidance about money and pensions

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 **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 **gov.uk/state-pension-age** and get a State pension forecast at **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 **unbiased.co.uk** or **vouchedfor.co.uk**

Check who you're dealing with

The **Financial Conduct Authority** 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 **fca.org.uk**

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
Pensions@networkrail.co.uk

Call
01737 230487

Write to
WTW
Network Rail
Sunderland
SR43 4JU

Website
myNRpension.co.uk

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

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