THE EE PENSION SCHEME

DEFINED BENEFIT SECTION

THE EE PENSION SCHEME UNFOLDED

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NOVEMBER 2026

From the Annual Report and Financial Statements

This section contains information from the latest Annual Report and Financial Statements.

	Year ending 31 December	
	2025 £'000	2024 £'000
Contributions and benefits		
Employer contributions	11,667	20,000
Benefits paid	(16,447)	(12,834)
Payments to and on account of leavers	(816)	(954)
Administration expenses	(69)	(57)
Net contributions and benefits	**(5,665)**	**6,155**
Return on investments		
Investment income	19,766	24,341
Change in market value of investments	181	(62,073)
Investment management expenses	(572)	(712)
Net returns on investments	**19,375**	**(38,444)**
Net change in the fund during the year	**13,710**	**(32,289)**
Interfund transfer	**49**	**81**
Net assets at the start of the year	**754,887**	**787,095**
Net assets at the end of the year	**768,646**	**754,887**

Membership

The table below shows how the Scheme's membership changed over the year to 31 December 2025.

	31 December 2025	31 December 2024
Deferred members	6,795	6,985
Pensioners	1,598	1,433
Total	**8,393**	**8,418**

Further reading

If you would like more details about the Scheme's development, there is extra information in our document library at **https://pensioninformation.aon.com/ee/documents.aspx**. These include:

- The full Annual Report and Financial Statements
- The Statement of Investment Principles, which explains the investment strategy we have in place for the Scheme's assets

If you require a hard copy of any of these documents, please contact the Scheme administrator – see page 7.

Summary Funding Statement

Each year the Trustee is required by law to provide you with a Summary Funding Statement, which describes the level of funding that supports your pension. The Trustee works closely with the Company to ensure your benefits are adequately funded, secured and governed.

The Scheme Actuary carries out a formal actuarial valuation of the Scheme at least once every three years. This is an in-depth look at the Scheme's finances where the value of all members' benefits built up under the Scheme (liabilities) is compared to the value of the funds (assets). In addition, the Scheme Actuary provides the Trustee with interim valuations – which are annual updates of the Scheme's financial position. Interim valuations are not as detailed as the formal actuarial valuation but give a reasonable assessment of the latest position.

Scheme funding update

31 December 2025 interim valuation

The most recent interim valuation, at 31 December 2025, has been completed and showed a funding position of 112%. This means that the Scheme's assets covered 112% of its liabilities.

The table below shows how the funding position has developed since 31 December 2024 (the date of the most recent formal actuarial valuation.

	2025 interim valuation	2024 formal actuarial valuation
Assets* (£ million)	758*	746*
Liabilities (£ million)	677	673
Surplus/(Shortfall)	81	73
Funding level	**112%**	**111%**

*The asset values exclude AVC investments

The Scheme is currently in a strong funding position. At the most recent interim valuation (31 December 2025), the Scheme was in surplus, with assets covering around 112% of its liabilities. The funding level has improved slightly from 111% as at the last full actuarial valuation dated 31 December 2024. This means that, at those dates, the Scheme held more assets than were needed to pay members' benefits based on the assumptions used. The value of the Scheme's assets has increased over the year to 31 December 2025 by more than the value of the liabilities, primarily due to the contributions made by the Company up to 31 July 2025.

However, it is important to note that the funding level can change and is dependent on a number of factors, including investment performance, market conditions and changes in assumptions about future inflation, interest rates and life expectancy.

The Trustee monitors the funding position on a regular basis, supported by the Scheme Actuary. The Scheme's investment advisers also work with the Trustee to ensure that the assets are invested in a way that is appropriate for the Scheme's circumstances, with the aim of managing risks arising from market volatility while supporting the long-term security of members' benefits.

As part of this statement, we must tell you if there have been any payments to the Company out of the Scheme since the last Summary Funding Statement. There have not.

Summary Funding Statement continued

What protection is there for members?

The Trustee is required to provide you with an indication of what the funding position would be if the Scheme had terminated and been wound up as at the date of the last valuation. The information is purely for legislative purposes – the Company has no plans to wind up the Scheme.

If the Scheme had wound up on 31 December 2024 (the date of the last formal actuarial valuation), its assets of £746 million would have covered around 84% of the estimated cost of securing the Scheme's benefits with an insurance company. In the unlikely event of the Scheme winding up, the Company would be legally required to finance the shortfall and pay enough into the Scheme to enable benefits to be completely secured by an insurance company.

In the even more unlikely event that the Company becomes insolvent, the Pension Protection Fund (PPF) may be able to take over responsibility for payments if the benefits that could be provided by the Scheme fall below PPF levels of compensation (which are lower than the standard benefits payable from the Scheme).

Visit the PPF website for further details at **https://www.ppf.co.uk/**

In certain circumstances, The Pensions Regulator has powers to intervene in a scheme's funding plan, for instance by setting the level of the funding target, setting the terms of the recovery plan and/or imposing a schedule of contributions. The Pensions Regulator has not used any of these powers in relation to the Scheme.

Task Force on Climate-related Financial Disclosures (TCFD)

Regulations require UK pension schemes to meet climate governance requirements and produce an annual TCFD-aligned report about their climate-related risks.

You can find a copy of the Scheme's TCFD report, which can be read online or downloaded, at **https://pensioninformation.aon.com/ee/documents.aspx**

If you required a hard copy of the TCFD report, please contact the Scheme administrator – see page 7.

In the news

Pension Schemes Bill 2025

One key change is that Trustees of Defined Benefit pension schemes like ours may soon be able to return surplus funds to employers in a wider range of circumstances, subject to strict conditions and promotions. Importantly, this would only happen where scheme funding exceeds a prescribed level and the trustees agree to such a payment.

Pensions Dashboards

Pensions Dashboards is the online framework that will enable savers to keep track of all their pensions online in one place, including your EE pension, and the State Pension. All UK pension schemes must connect to the system by 31 October 2026.

- Since April 2025, over 40 million pension records have been connected – the EE Pension scheme is one of these.
- The date for going live to the public is yet to be confirmed but there will be at least six months' notice. You can expect to see lots of media coverage during this time.
- MoneyHelper's dashboard will be the first to be publicly available. In time, we expect a range of organisations to provide access, from pension providers to banks.

In the meantime, you can get the latest news at **www.pensionsdashboardsprogramme.org.uk**

Pensions and inheritance tax

In last year's Autumn Budget, the Government announced plans to bring some pension-related payments into a person's estate for inheritance tax purposes from 6 April 2027.

Most unused pension funds and death benefits will be brought into scope of inheritance tax from 6 April 2027 if the legislation is passed unchanged

However, certain pension-related payments are expected to remain excluded:

- Lump sums only payable if a member dies in service,
- Pension benefits paid to a dependent as a regular Scheme pension, and
- Payments to a surviving spouse, civil partner or registered charity.

Your Pension and Artificial Intelligence

Artificial intelligence (AI) is increasingly part of everyday life and can be a useful tool when used carefully.

Where AI can help:

- Explaining technical pension terms.
- Summarising different retirement or pension options.
- Helping you prepare questions for a retirement advice session.

However, you should not rely solely on AI-generated information when making decisions about your pension.

Things to watch out for:

- AI does not know you or the specific rules of the EE Pension Scheme.
- Its answers may be based on incorrect assumptions and calculations can be wrong.
- Confident-sounding responses are not always accurate, and AI is not a substitute for regulated financial advice.

You can trust communications issued by the Scheme, which are prepared by experts and approved by the Trustee. If you need advice about your retirement plans, you should speak to a suitably qualified and authorised independent financial adviser. You can also find impartial pensions guidance through MoneyHelper.

In the news continued

Is your financial future on track?

Recent research highlights the issue of financial security in retirement:

- Over half of people are not optimistic about being prepared for retirement (Source: State Street Global Advisers)
- Almost 10% of retired people over 55 are back in work or looking for work due to financial pressures, a lack of pension provision, or a desire for social connection. (Source: Standard Life)

The Retirement Living Standards help you to picture what type of lifestyle you might have in retirement based on what you might need to spend. Example: for a two-person household, you might need to spend **£45,400 a year** to achieve a **moderate** living standard in retirement.

- **Minimum** – covers all your needs, with some left over for fun
- **Moderate** – more financial security and flexibility
- **Comfortable** – more financial freedom and some luxuries

The underlying research is regularly updated to ensure that standards reflect changing spending habits. The latest updates are a rise in the cost of the moderate and comfortable standards largely due to inflation across many spending categories, and a reduction in the minimum standard mainly because of lower energy costs.

For more information, visit
https://www.retirementlivingstandards.org.uk/

Stay alert – Beware of Fraud

Criminals are constantly trying to develop new ways to tempt you into giving or providing access to your personal information. As far as pension savings are concerned, you are at most risk if you're aged 50 to 69.

In 2024, over £17.5 million was lost to pension fraud while the average loss per person was more than £33,000. (Source: Action Fraud)

One current scam tactic is to impersonate a trusted organisation such as a bank or leading retailer. **Never disclose any personal information or financial details from any unexpected contact – be it over the phone or by email.**

It's equally important that you use strong passwords for all your personal accounts. And never click on a link in an unexpected email, text message or social media post.

Read more about the warning signs and how you can protect yourself:
www.thepensionsregulator.gov.uk/en/pension-scams

If you suspect fraud, report it to Action Fraud:
https://www.reportfraud.police.uk/

Running the Scheme

The EE Pension Scheme assets are held in one common trust and are completely separate from the assets of EE. The trust is operated by EE Pension Trustee Ltd.

Your current Trustee directors are:

Company appointed Directors:
Jonathan Clarke (independent chairman)
Roger Waymouth
Mitesh Kholia

Member Nominated Directors:
Antony Gara
Joseph Ward
Christopher Gray

Helping you to manage your Scheme benefits

Using the online pension portal!

Visit **https://portal.hartlinkonline.co.uk/ee** to register your details today to gain access to all sorts of information about your pension, including a summary of your pension benefits. You'll also be able to update your personal and beneficiary details quickly.

All you need to do is set up a username and password and provide some personal details - including your date of birth, email address and NI number - which will allow us to verify that you are a Scheme member. Please have this information at hand when you register.

If you cannot find the information you need online, or if you have a question about your benefits, please contact the Scheme administrator.

Write to: **Capita**
PO BOX 555
Stead House
Darlington
DL1 9YT

Telephone: **0800 169 2085**

Email: **ee.helpline@capita.co.uk**

Remember that our document library contains extra information about the Scheme. This includes general Scheme documents (such as those listed on page 2) and previous newsletters. Go to **https://pensioninformation.aon.com/ee/documents.aspx**

Other information

The Trustee work hard to make sure your benefits are managed and administered as efficiently as possible. Occasionally, though, things do not go as smoothly as planned.

If you have a complaint concerning your workplace pension arrangements, you should first make a formal complaint to us. You can access our full complaints procedure by contacting the Scheme administrator. If we are unable to resolve the complaint with you, then you can refer your complaint to The Pensions Ombudsman.

The Pensions Ombudsman can be contacted at:

Tel: **0800 917 4487**

Email: **Enquiries@pensions-ombudsman.org.uk**

Website: **www.pensions-ombudsman.org.uk**

For more general information on pensions and saving for retirement, the following websites are useful resources

https://www.moneyhelper.org.uk/

MoneyHelper is a Government-backed service that provides free, impartial guidance on any aspect of your finances – including pensions.

http://www.retirementlivingstandards.org.uk/

The retirement living standards show you what life in retirement looks like at three different levels, and what a range of common goods and services would cost for each level

www.yourpension.gov.uk

The site has a tool that can quickly generate you a retirement checklist to help you assess where you are with your planning. It also has useful links to a pension calculator, a State Pension calculator and more.

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser.

You can find an adviser in your area by searching the MoneyHelper directory at **https://www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser**

Before you appoint anyone, you should check that the adviser is suitably qualified and authorised. You can do this online at **https://register.fca.org.uk/s/** or by phoning the Financial Conduct Authority helpline, **0800 111 6768**.

If you need a large print version of this update, please call the administrators (Capita) on **0800 169 2085**

SBxxxx