



## Notice for the visually impaired

Copies of this newsletter in large type and in a text only format are available from the Fund Office. Please write to TfL Pension Fund, 4th Floor, 200 Buckingham Palace Road, London SW1W 9TJ, or email the Fund Office at [helpdesk@tflpensions.co.uk](mailto:helpdesk@tflpensions.co.uk)

## FROM THE CHAIR

I am pleased to present my review as Chair for the year ended 31 March 2023. This has been a busy year for the Trustee, with a significant focus on investments, the Trustee has undertaken work to reduce risk in the Fund's assets and increase hedging ratios against both interest rates and inflation hedging in line with the new investment strategy agreed in consultation with TfL. This is expected to lock in some of the expected gains in funding levels related to an increase in the UK long term real rates, one of the key determinants in the valuation of the Fund's liabilities. You will be aware of the market turmoil following the Government's mini budget in September 2022, I am pleased to confirm that as a direct result of the Trustee's investment strategy the Fund was not adversely impacted by this.

The Trustee has over the course of the year considered their investment beliefs and once again held a strategy day at which investment beliefs were considered further along with the Pensions Regulator's new code of practice which is expected to be published later this year.

For TfL the principal employer, recovery of ridership and revenue following the pandemic and the consequential impact on finances has been an area of considerable focus for the Trustee Directors who have continually monitored the strength of employer covenant over this period.

As a condition of the Government's funding agreements, TfL was asked to carry out an independent review of their pension arrangements with the final report from Sir Brendan Barber submitted to Government in March 2022. The current Funding deal with Government agreed in August 2022 required TfL to respond to the final report, including a number of specified actions by specific dates. TfL subsequently engaged with Government and TfL's latest response on 17 March 2023 explained that they required further information and assurances before any further progress can be made. A special meeting of the Trustee was held on 28 March with TfL representatives to receive an update on progress, next steps and for the Trustee to provide direct feedback on the review.

With a membership of over 84,000, the day-to-day administration of the Fund is a significant undertaking. Over the course of the year we have seen a significant increase in the volume of workload, over 82,000 tasks were completed by the Fund Office during the year and they managed to achieve service level agreement targets of 97.8% for the year. The Trustee has looked at ways to enhance our member offering and are currently developing a new stand-alone Fund website as well as looking at other opportunities to enhance the service provided to members.

Over the year, assets have reduced by £263.8m to £14,176.64m as at 31 March 2023. The Trustee receives regular updates on the Funding level using appropriate models. I am pleased to report that the Fund remains over 100% funded despite the volatility in investment markets. The importance of employer support and the Trustee's attention on both the Fund's asset and liability components remain crucial in seeking to ensure the security of member benefits and the Fund's independent covenant reviewer has continued to monitor developments with respect to TfL, as the Principal Employer.

Both the Alternatives and Liability Hedging Committee and the Investment Committee, working with our investment advisers, WTW and the Fund Office continue to actively manage the Fund's investments in order to optimise the risk/return profile through identifying new opportunities and in responding promptly to developments. Augment Brazil I, LP was the only new manager appointed during the year.

This year's investment performance was (0.6%), 11.9% above the benchmark return of (12.5%), while over the longer period of three years the return was 10.4% per year, above the benchmark by 4.2%. Over five years returns were 6.6% per year, 2.8% above the benchmark.

Environmental, Social and Governance ("ESG") matters remain a key area of focus with it being a matter many of our members are passionate about; the Trustee published their fifth Sustainability Report in December 2022.



The Fund is aiming to achieve a 100% reduction in its carbon emissions no later than 2045; with an interim target reduction of 55% of carbon emissions for 2030 at the latest. These targets are set based on the comparison with the 2016 baseline, when the Paris Agreement came into effect. The targets will be measured using the weighted average carbon intensity ("WACI") metric, which is the same metric used to measure the Fund's carbon footprint.

The diligent work carried out by the other Committees (Actuarial Valuation, Audit & Risk, Operations and Appeals) and the Trustee Board itself in carrying out their respective responsibilities has also contributed greatly to supporting good governance in all the Fund's activities.

During the year we welcomed John Leach, Chris Reader, Julian Thirlby and James Terry to the Trustee Board and at the year end the Board was at full strength. Alongside the Trustee Directors' continued attendance at regular training sessions throughout the year, there has been focus on effectiveness, the conduct of meetings and setting of priorities as well as re-establishing the investment beliefs of the Board.

Finally, on your behalf, I would like to record my thanks to all involved with the continued operations and development of the Fund: the Trustee Directors, Fund Actuary, Investment and Legal Advisers, Investment Managers, Custodian, and not least the Fund Office who despite many challenges continues to deliver for our members and the Fund Secretary for their support

*M. Antoniou*

**Maria Antoniou**  
Chair of the TfL Pension Fund Trustees



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## MEMBERSHIP REVIEW

The chart below compares the membership numbers between the 2022 and 2023 Fund years

### 2022 – Total 84,715 members

Contributing members 25,659	Deferred pensioners 16,499	Pensioners 32,319	Dependants & children 10,238
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### 2023 – Total 84,447 members

Contributing members 25,489	Deferred pensioners 16,426	Pensioners 32,299	Dependants & children 10,233
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The 25,489 contributing members are spread across the Participating Employers

	As at 31 March 2023	As at 31 March 2022
Transport for London	25,469	25,637
Other employers*	20	22

\* These sections are closed to new members.

## FUND IN NUMBERS



FUND VALUE  
**£14.177**  
BILLION



**84,447**  
MEMBERS



**33**  
INVESTMENT  
MANAGERS

## YEAR AT A GLANCE

As at 31 March 2023, the value of the Fund was £14,176.6m. This is a reduction of £263.8m on the value at the end of the previous Fund year.

The table below shows the money coming into and going out of the Fund during the year.

### £13,101.9m – Fund value as at 31 March 2021

Plus income of...		Minus expenditure of...	
Employers' contributions.....	£373.3m	Pensions and other benefits paid.....	£422.8m
Investment income .....	£119.7m	Investment management.....	£27.5m
Members' contributions.....	£71.6m	Other payments .....	£5.6m
Transfers in from other pension schemes .....	£1.1m	Administration .....	£4.7m
		Payments in respect of leavers .....	£4.4m
		Pension levies.....	£16.0m
<b>Total income.....</b>	<b>£565.7m</b>	<b>Total outgoing.....</b>	<b>£481.0m</b>

Change in value of investments  
£1,253.8m

### £14,440.4m – Fund value as at 31 March 2022

Plus income of...		Minus expenditure of...	
Employers' contributions.....	£307.7m	Pensions and other benefits paid.....	£433.4m
Investment income .....	£177.7m	Investment management.....	£29.7m
Members' contributions.....	£73.9m	Other payments .....	£5.5m
Transfers in from other pension schemes .....	£1.4m	Administration .....	£4.0m
		Payments in respect of leavers .....	£2.6m
		Pension levies.....	£16.1m
<b>Total income.....</b>	<b>£560.7m</b>	<b>Total outgoing.....</b>	<b>£491.3m</b>

Change in value of investments  
-£333.2m

### £14,176.6m – Fund value as at 31 March 2023

The Fund's accounts are audited each year by independent auditors RSM UK Audit LLP, who have confirmed that:

- ♦ The Fund's accounts show a true and fair view of the financial transactions during the year ending 31 March 2023 and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Fund year
- ♦ Contributions were paid to the Fund in accordance with the schedules of contributions in force during the year.

## HOW THE FUND IS INVESTED

The Trustee are ultimately responsible for deciding how to invest the money building up in the Fund in relation to members' benefits. They appoint specialised investment managers, who are given specific instructions and benchmarks to follow by the Trustee. The following pie chart shows the target allocation of the Fund's assets between investment managers.

BlackRock (Index tracking and liability matching assets) **24.4%**

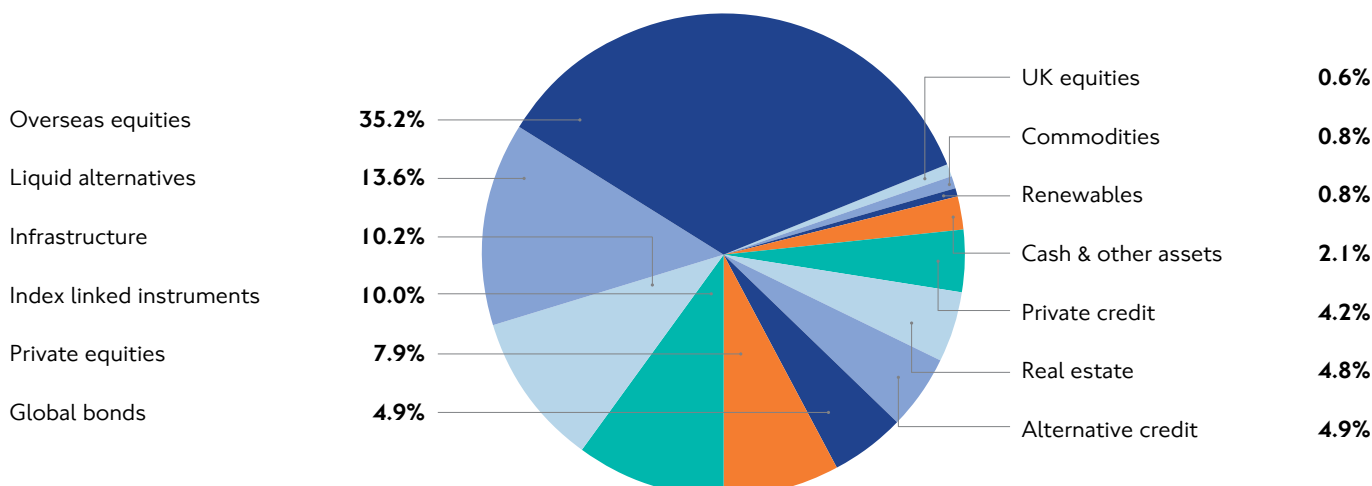
### Active Specialist

Goldman Sachs (Global bonds)	5.0%	Paradice (Global Small Cap equities)	1.7%
Pzena (Global equities)	4.4%	JP Morgan (Emerging Market debt)	1.4%
JO Hambro (Global equities)	3.8%	Russell (Global Emerging Market equities)	1.3%
Veritas (Global equities)	3.1%	Coronation (Global Emerging Market equities)	1.0%
Oak Hill (Alternative credit)	2.8%	JO Hambro (Asia (ex Japan) equities)	0.9%
Ardevora (Global equities)	2.7%	Wellington (Alternative credit)	0.7%
Nomura (Pacific Basin equities)	1.7%	Russell (Currency overlay)	0.6%

### Alternative Assets

Neuberger Berman (Global Private Equity Fund of Funds)	6.6%	Man (Alternative Risk Premium Hedge Fund)	1.1%
Bridgewater (Global Macro Systematic Hedge Fund)	4.2%	Man (Multi Strategy Hedge Fund)	1.0%
CBRE (Private Real Estate Fund of Funds)	3.5%	BlackRock (Commodities)	0.8%
Stonepeak (Infrastructure Private Equity Fund)	3.3%	BlackRock (UK Renewables Private equity)	0.8%
Semperian (Infrastructure assets)	2.6%	GS Mezzanine (Private Mezzanine debt)	0.7%
Brevan Howard (Global Macro Discretionary Hedge Fund)	2.5%	Partners Group (Private Equity Fund of Funds)	0.4%
Harrison Street (Social Infrastructure Fund)	2.2%	Colonial First State (Infrastructure Private Equity Fund)	0.4%
Siguler Guff (Distressed & Structured PE Credit)	2.1%	Brevan Howard (Macro Opportunities Drawdown Fund)	0.4%
Cambridge Associates (Hedge Fund)	2.0%	Anchorage (Multi-Strategy Credit Hedge Fund)	0.3%
Cash	1.6%	Goldman Sachs (Alternative credit)	0.3%
SCM ManCo I Limited (Infrastructure assets)	1.5%	Equilibrium (Agriculture Capital Fund)	0.3%
BlackRock (Real Estate)	1.4%	Goldman Sachs (Private equity)	0.3%
Credit Suisse (Reinsurance Hedge Fund)	1.4%	Augment Brazil (Infrastructure Emerging Market Fund)	0.3%
Industry Funds (Infrastructure debt)	1.2%	IFC (Emerging Market Infrastructure Fund)	0.1%
Goldman Sachs (Beta Trend Hedge Fund)	1.2%		

The Fund is held in a range of different investments (assets) in the UK and overseas.





## TOP 10 SHARES

The Fund has significant holdings in shares (equities) in a number of major quoted companies. The ten largest holdings as at 31 March 2023 out of a total of £14,176.6m were:

	Value £m	Country	Sector
Alphabet	46.7	USA	Communication Services
Microsoft Corp	41.8	USA	Information Technology
Thermo Fisher Scientific	33.9	USA	Health Care
Unitedhealth Group	28.8	USA	Health Care
Charter Communications	28.7	USA	Communication Services
Intercontinental Exchange	28.2	USA	Financials
Taiwan Semiconductor	25.5	Taiwan	Information Technology
Canadian Pacific Railway	24.0	Canada	Industrials
Safran SA	23.6	France	Industrials
Vinci SA	22.9	France	Industrials

## STEWARDSHIP AND ACTIVISM

The Trustee recognises the Fund's responsibility as an active and long term institutional investor to support and encourage good corporate practices in the companies in which it invests. In the stewardship of assets this means paying regard to relevant environmental, social and governance, ("ESG") considerations when considering the purchase, retention or sale of investments. Following the Trustee's review of their investment beliefs that underpin the approach to investment strategy, in addition to the existing belief that active corporate governance can add value, they have included as a new belief that investment return and sustainability are not conflicting objectives.

Analysis of ESG factors may serve to highlight exposures that could harm a company over the longer term while companies which positively engage with ESG issues may achieve better long-term value when compared with those which do not.

Through delegation to their investment managers the Trustee currently communicates with companies and exercises their rights attaching to their investments through shareholder voting.

In order to build on this investor activism, the Fund has become a signatory of the UN Principles of Responsible Investment ("PRI") which require the Fund to:

1. Incorporate ESG issues into investment analysis and decision-making processes.
2. Be an active owner and incorporate ESG issues into ownership policies and practices.
3. Seek appropriate disclosure on ESG issues by the entities in which it invests.
4. Promote acceptance and implementation of the Principles within the investment industry
5. Work together to enhance our effectiveness in implementing the Principles.
6. Report on activities and progress towards implementing the Principles.

Through this association with the PRI the Fund will gain support in developing its engagement with ESG issues and through the PRI reporting framework provide information on its activities and be able to assess progress. Signatories are not expected to achieve instant compliance, but they are required to start to incorporate the PRI into investment decision-making and ownership practices and report on their implementation. The Fund continues to work on its compliance with the PRI using its existing resources and this determines the scale and pace of the Fund's engagement.

From 1 October 2021 the Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 introduce new requirements relating to reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. These aim to improve both the quality of governance and the level of action by Trustee in identifying, assessing and managing

climate risk. The TCFD report for 2023 has been published and can be found here:

<https://content.tfl.gov.uk/task-force-on-climate-related-disclosures-june-2023.pdf>

On 6 June 2019, the Government published the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations ('the Regulations'). The Regulations, amongst other things, require that the Directors outline how they have ensured that the policies and objectives relating to voting and engagement policies set out in their Statement of Investment Principles (SIP) have been adhered to over the course of the year.

This document is referred to as the Implementation Statement and its purpose is to:

- ◆ Set out the extent to which, in the opinion of the Trustee, the voting and engagement policy under the Fund's Statement of Investment Principles ('SIP') has been followed during the year.
- ◆ Describe the voting behaviour by, or on behalf of, the Trustee over the year.

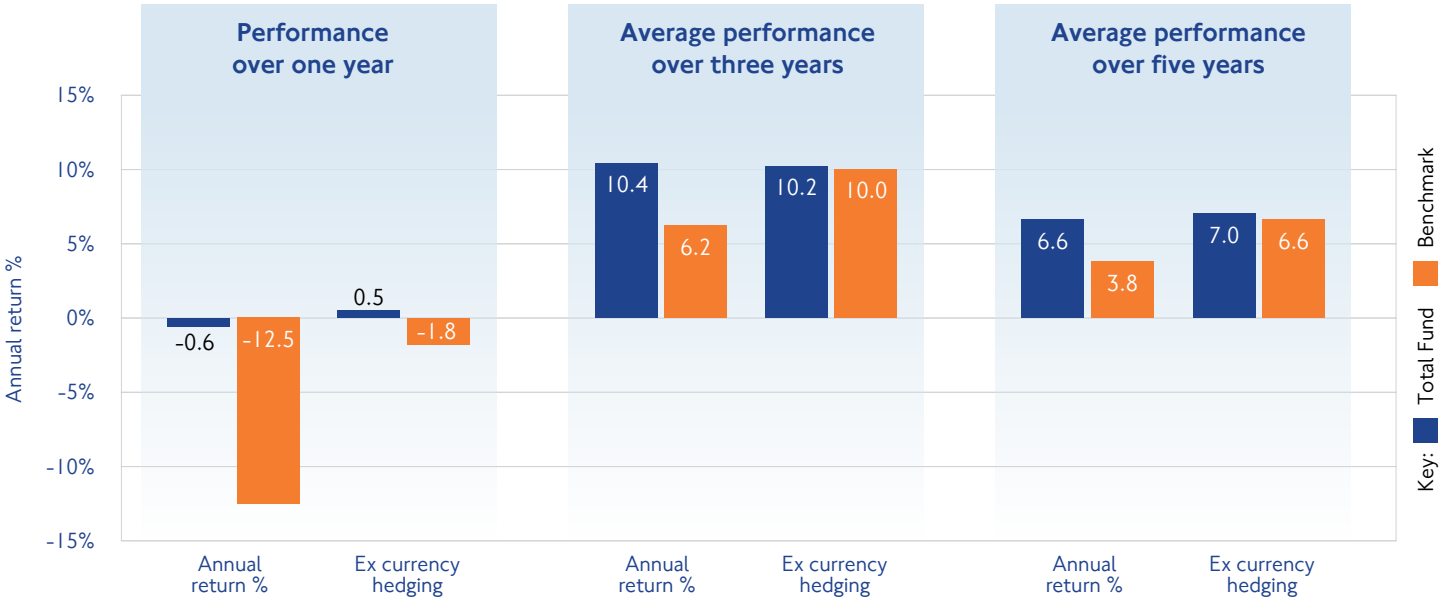
The Implementation Statement for the year ending 31 March 2023 is included in the Trustee's Report & Accounts available on the Fund website.

For companies in which the Fund is invested, details of the number of annual and extraordinary general meetings our investment managers voted at (and where votes were cast against management) are provided in the Annual Report & Accounts.



# INVESTMENT PERFORMANCE

The table below shows that the investment return was 11.9 per cent above the Fund's performance benchmark (the comparator set by the Trustee) for the year to 31 March 2023. Over the longer periods, investment performance was 4.2 and 2.8 per cent above the benchmark over three years and five years respectively.



While the Fund's pension liabilities are sterling based, it holds assets in a number of currencies. In order to mitigate the impact of currency movements, the Fund carries out a limited program of hedging. This means that when sterling rises this provides some protection against the fall in value of those assets in other currencies.

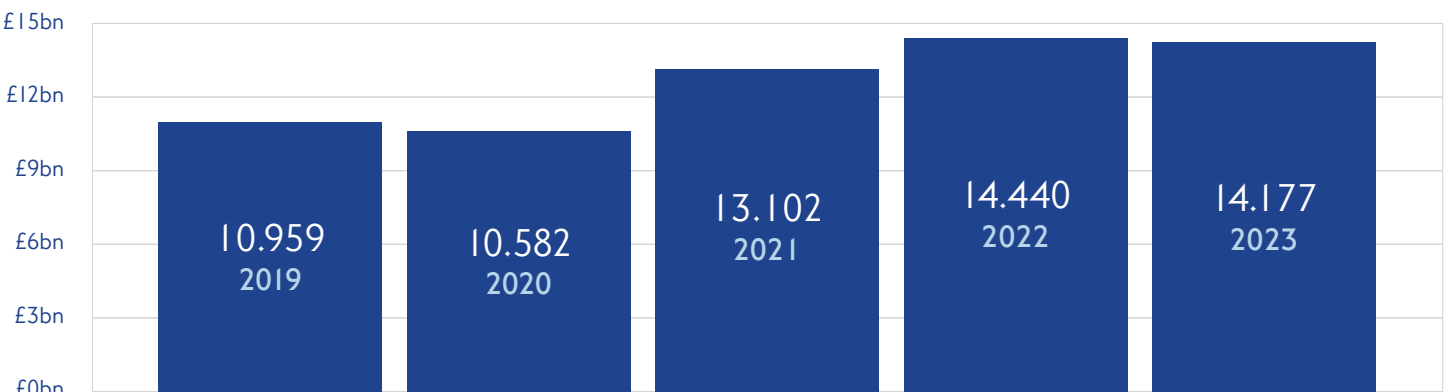
## THE FUND'S ASSETS

The Fund's assets total **£14,176.6m**, of which £126.7m are Additional Voluntary Contributions (AVCs). The amount held by each section on 31 March 2023 is shown here.

SECTION	£m
Public Sector	14,162.6
Composite Section	14.0

## VALUE OF THE FUND

Over the year to 31 March 2023, the total value of the Fund's assets reduced by £263.8m to £14,176.6m. The chart below shows how the Fund's assets have changed over the last five years.





# THE FUND'S TRUSTEE DIRECTORS

The Fund is managed by a board of directors, known as the Trustee. Individual Trustee Directors are nominated by TfL (the Principal Employer), the trades unions and the TfL Pension Consultative Council (PCC), which is itself elected by and from the membership.

The Trustee Directors are responsible for all aspects of Fund management, both financial and administrative. As this is a complex process for a scheme as large as the TfL Pension Fund, there are six sub-committees: operations, investment, alternatives & liability hedging, audit & risk, actuarial valuation and appeals, each of which deals with a specific aspect of Fund management.

The current Trustee Directors are as listed below, grouped by the nominating bodies.

## TRANSPORT FOR LONDON

### **Mercillina Adesida**

*Senior Trains Delivery Manager*  
Transport for London

### **Maria Antoniou** (Chair)

*External Appointment*  
Transport for London

### **Tricia Ashton**

*Director of Rail and Sponsored Services*  
Transport for London

### **Tom Cunnington**

*Head of Buses Business Development*  
Transport for London

### **Mark Evers**

*Chief Customer Officer*  
Transport for London

### **Rebecca O'Donnell**

*Senior Treasury Accounting Manager*  
Transport for London

### **Chris Reader**

*Head of Commercial Media*  
Transport for London

### **James Terry**

*Head of SHE Business Partnering*  
Transport for London

### **Julian Thirlby**

*Corporate Finance Senior Manager*  
Transport for London

## ASSOCIATED SOCIETY OF LOCOMOTIVE ENGINEERS AND FIREMEN

### **Finn Brennan**

*District Organiser*  
ASLEF

## UNITE THE UNION (T&GWU)

### **Lewis Brown**

*Service Performance Manager*  
Transport for London

## TRANSPORT SALARIED STAFFS' ASSOCIATION

### **Stephen Ellaby**

*Assistant SHE Assurance Manager*  
Transport for London

## UNION OF RAIL, MARITIME AND TRANSPORT WORKERS

### **John Leach**

*Assistant General Secretary*  
RMT

## UNITE THE UNION (AMICUS)

### **John Timbrell**

*Senior Manufacturing Engineer*  
London Underground Limited

## TFL PENSION CONSULTATIVE COUNCIL

### **Sonja Folarin**

*Internal Auditor*  
Transport for London

### **Paul Kilius-Smith**

*Pensioner*

### **Chris Miller**

*Pensioner*

### **Paul Murphy**

*Train Instructor*  
London Underground Limited



# TRUSTEE ADVISERS AND MANAGERS

The Trustee have appointed the following professional advisers and managers to assist with the running of the Fund.

## INVESTMENT MANAGERS

Anchorage Capital Group LLC  
Ardevora Asset Management LLP  
Augment Brazil I, LP  
BlackRock Investment Management (UK) Limited  
Blue Mountain Capital Partners LLC  
Brevan Howard Asset Management LLP  
Bridgewater Associates, Inc  
Cambridge Associates LLC  
CBRE Global Collective Investors UK Limited  
Colonial First State Global Asset Management  
Coronation International Limited  
Credit Suisse AG  
Equilibrium Capital Group LLC  
Goldman Sachs Asset Management  
Harrison Street Real Estate Capital LLC  
IFC Asset Management Company LLC  
Industry Funds Management Pty Limited  
JO Hambro Capital Management Ltd  
JP Morgan Asset Management  
Man Asset Management Ltd  
Neuberger Berman Alternatives Advisers LLC  
Nomura Asset Management UK Ltd  
Oak Hill Advisors LP  
Paradice Investment Management Pty Limited  
Partners Group (UK) Limited  
Pzena Investment Management LLC  
Russell Implementation Services Limited  
Semperian PPP Investment Partners Holdings Ltd  
SCM ManCo I Limited  
Siguler Guff & Company LP  
Stonepeak Associates III LLC  
Veritas Asset Management LLP  
Wellington Management Company LLP

## CUSTODIAN

JP Morgan Investor Services

## ADMINISTRATION SERVICES

Transport for London

## INVESTMENT ADVISER

Willis Towers Watson

## SCHEME ACTUARY

Gareth Oxtoby, Willis Towers Watson

## LEGAL ADVISERS

Sacker & Partners LLP

## AUDITOR

RSM UK Audit LLP

## BANKERS

The Royal Bank of Scotland plc

## INVESTMENT PERFORMANCE MONITORING

JP Morgan Investor Services

## TRANSITION MANAGER

Citigroup Global Markets Limited

## COMMUNICATIONS

Hughes Communications

## INDEPENDENT MEDICAL ADVISER

Dr Simon Sheard

## SCHEME EMPLOYER COVENANT REVIEWER

Penfida Limited

## AVC PROVIDERS

Clerical Medical, Legal & General, Standard Life

## SECRETARY TO THE TRUSTEE

Stephen Field, FPMI

## ADDITIONAL HELP OR INFORMATION

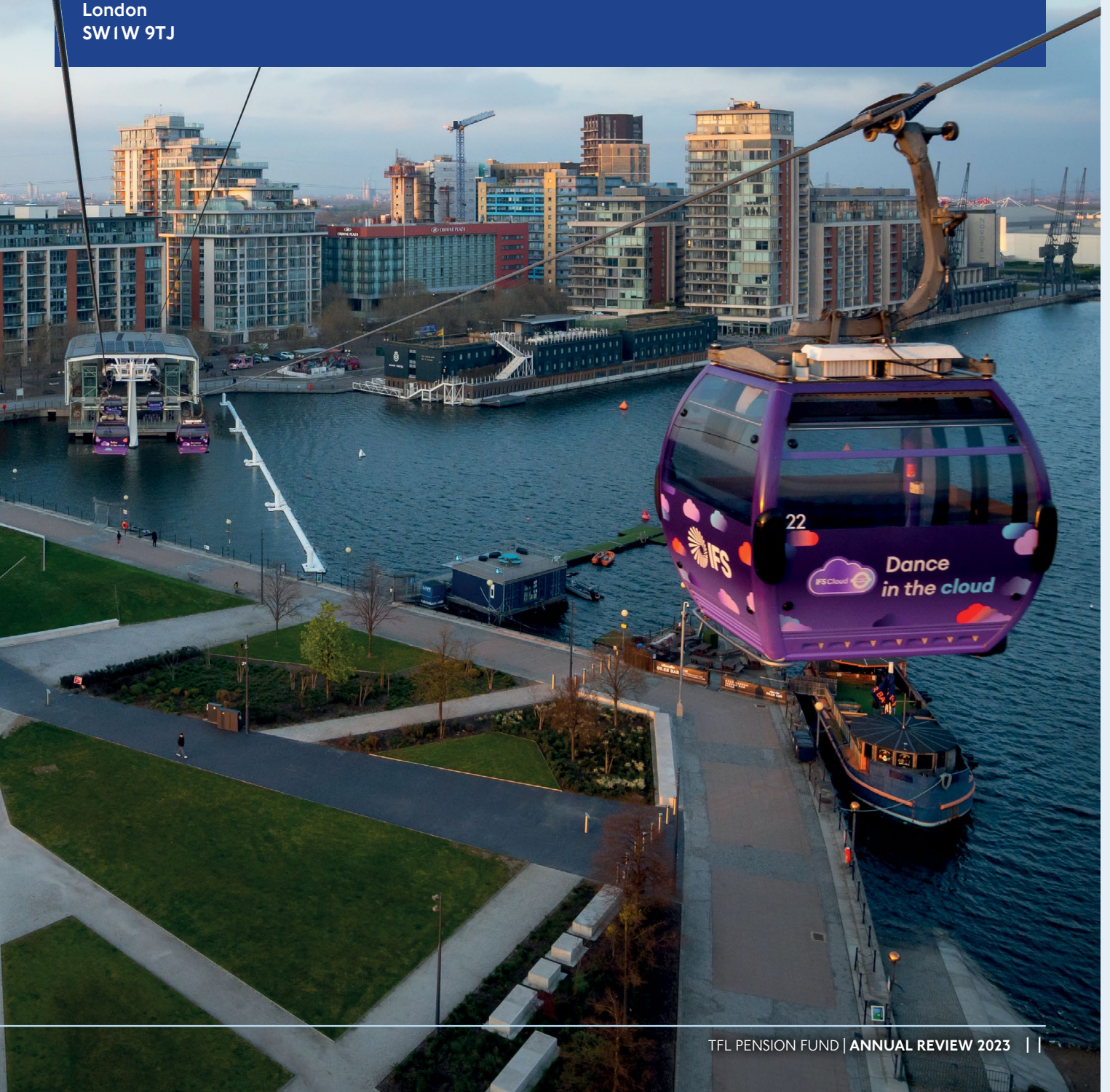
Whether you are a contributing member, a pensioner or have a deferred pension, you can use the website [www.tfl.gov.uk/pensions](http://www.tfl.gov.uk/pensions) to find out more information about the Fund as well as accessing our self service website through our Pension Web Portal <https://pensions.tfl.gov.uk>

**If you have not already registered to use the Pension Web Portal, why not sign up today.**

We take great care to ensure that our website is helpful and easy to use and hope that you will take the opportunity to visit the site. We always welcome your comments and ideas, which you can email to us via our website.

The financial information in this annual review is a summary of the full audited accounts and you can download a full copy of the Annual Report and Accounts from our website at [www.tfl.gov.uk/pensions](http://www.tfl.gov.uk/pensions). If you would like a paper copy of the Annual Report and Accounts, please contact the Director of Pensions & Reward and Fund Secretary, at the following address:

4th Floor  
200 Buckingham Palace Road  
London  
SW1W 9TJ



# SUMMARY FUNDING STATEMENT

This statement provides members entitled to benefits from the Public Sector Section (the Section) of the Fund with an update of the financial position of the Section. It is based on the 31 March 2021 valuation. Reference to TfL in this document means TfL and those of its subsidiaries that are Participating Employers in this Section.

## The last ongoing funding valuation

The most recent funding valuation showed that, on 31 March 2021, the funding position of the Section was as follows:

<b>Assets</b>	<b>£13,085 million</b>
<b>Amount needed to provide benefits earned to 31 March 2021</b>	<b>£12,906 million</b>
<b>Surplus</b>	<b>£179 million</b>
<b>Funding level</b>	<b>101.4%</b>

Regular contributions (from members and the employers) are intended to cover the cost of benefits for future service. Regular employer contributions from 1 April 2022 are 27.3 per cent of pensionable pay for all members of the Section. The Contingent Funding Agreement reached between the Trustee and TfL as part of the 2018 valuation remains in place. Under the Agreement, certain additional contributions become automatically payable in the event of a funding deterioration (calculated on an annual basis and in subsequent formal valuations). This provides significant additional financial support for the Fund.

The estimated additional amount needed on 31 March 2021 to ensure that all members' benefits could have been paid in full if the Section had started winding up was around £14,320 million. This calculation assumes all benefits would be secured with an insurance company. The Trustee is required by law to provide you with this information. It does not imply that there is any intention of winding up the Section.

## Change in Funding Position

The ongoing funding level was last assessed as at 31 March 2022 when the funding level was estimated to be 105.5 per cent with a surplus of £752 million. The improvement in the funding position between 31 March 2021 and 31 March 2022 reflects a larger increase in asset values (resulting from favourable investment returns) than the corresponding increase in liability values.

## Next funding valuation

The next formal valuation is due at 31 March 2024.

## Other matters

The Trustee is required to tell you by law that there has not been any payment to TfL out of the funds of TfL Pension Fund since the date of the last summary funding statement sent to you. The Trustee is also required to tell you that the Pensions Regulator has not exercised its statutory powers to modify the Section's benefits or to determine the outcome of the actuarial

valuation or the contributions to be paid to the Section.

## HOW THE SECTION OPERATES

### How is my pension paid for?

Both the members currently employed by companies participating in the Section, and those companies themselves pay contributions to the Section, so that it can pay pensions to members when they retire. The money to pay for members' pensions is held in a common fund. It is not held separately for each individual.

### How do we calculate the amount the Section needs?

The Trustee obtains regular actuarial valuations – or financial “health checks” – of the Section. This process involves a comparison of the market value of the assets held by the Section with the amount estimated to be needed to pay the benefits built up to date, determined using the Trustee's chosen assumptions regarding future unknown events. The Trustee, having taken the advice of the Scheme Actuary, then comes to an agreement with TfL on the level of contributions to be paid to the Section in future. (The Scheme Actuary is responsible for providing advice to the Trustee on a range of matters, including funding issues.)

### The importance of TfL's support

The Trustee's objective is to have enough money in the Section to pay pensions now and in the future. However, the success of the plan relies on TfL continuing to support the Section because:

- ♦ TfL will be paying the future expenses of running the Section on an annual basis
- ♦ the funding level can fluctuate and, when there is a funding shortfall, TfL will usually be required to put in more money.

### What would happen if the Section were to be wound up?

We are legally required to inform you what would happen if the Section were to be wound up. If this happens you might not receive the full amount of pension you have built up, even if the Section is fully funded on an ongoing basis. However, whilst the Section continues to operate in its current form, even though the funding may temporarily be below target from time to time, benefits will continue to be paid in full.

If the Section were to wind up, TfL would be required to pay enough into the Section to enable members' benefits to be completely secured with an insurance company. It may be, however, that TfL would not be able to pay this full amount.

If TfL was unable to pay this amount, the Pension Protection Fund might be able to take over the Section and pay compensation to members. For further information on the Pension Protection Fund see the website at [www.ppf.co.uk](http://www.ppf.co.uk) or write to the Pension Protection Fund, PO Box 254, Wymondham NR18 8DN.

## Why does the funding plan not call for full solvency at all times?

The full solvency position assumes that benefits will be secured by buying insurance policies. Insurers are obliged to take a very cautious view of the future and need to make a profit. The cost of securing pensions in this way also incorporates the future expenses involved in administration. By contrast, our funding plan assumes Tfl will continue in business and support the Section.

## What is the Section invested in?

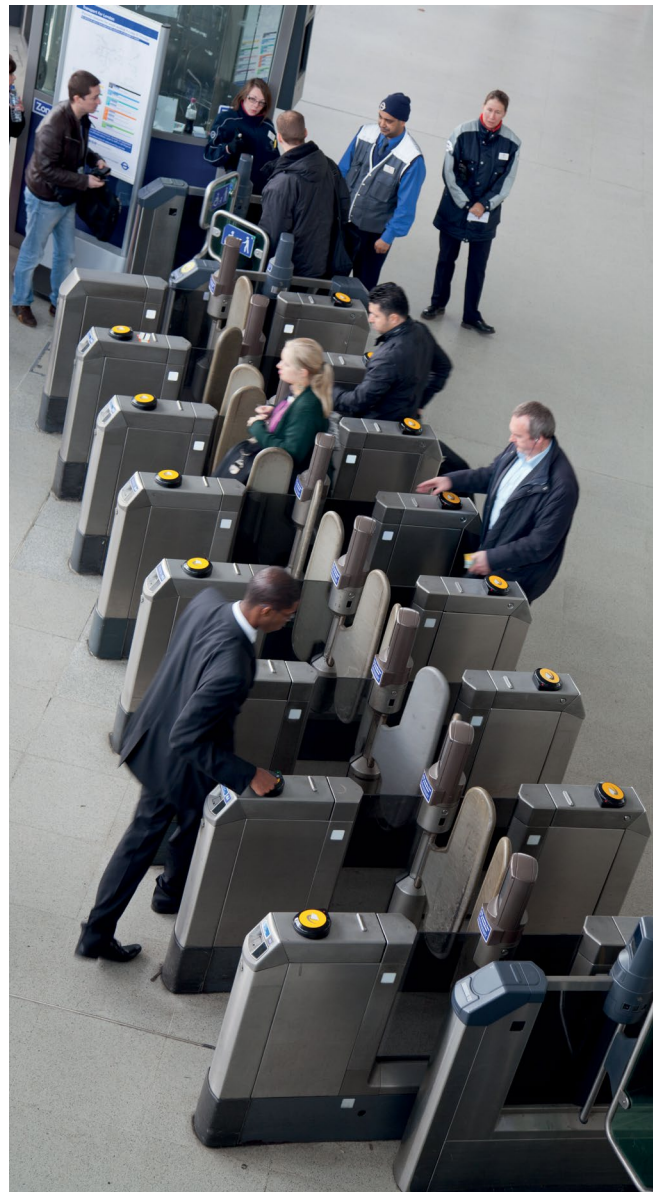
The contributions paid into the Section are invested by the Fund's Trustee in a variety of assets. At 31 March 2023 the Trustee's investment policy held about 11 per cent of the assets in bonds and about 36 per cent in equities and 53 per cent in other types of investment.



**IMPORTANT:** If you are thinking of leaving the Section for any reason, you should consult a professional adviser, before taking any action.

## Annual Benefit Statement

If you have not received a benefit statement in the last 12 months you can ask for a statement that provides an illustration of the pension you might receive from the Section.



## ADDITIONAL DOCUMENTS AVAILABLE ON REQUEST



### The Statement of Funding Principles\*

This sets out the Section's funding plan.



### The Statement of Investment Principles\*

This explains how the Trustee invests the Section's assets.



### Task Force on Climate Related Disclosures\*

From 1 October 2021 the Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 introduce new requirements relating to reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. These aim to improve both the quality of governance and the level of action by Trustee in identifying, assessing and managing climate risk. The TCFD report for 2023 has been published and can be found here: <https://content.tfl.gov.uk/task-force-on-climate-related-disclosures-june-2023.pdf>



### The Schedule of Contributions\*

This shows the contributions being paid into the Section.



### The full report on the latest Actuarial Valuation as at 31 March 2021\*



### The Tfl Pension Fund Members' or Pensioners' Guide\*

You should already have a copy but we can provide you with another if required.

\*These documents are also available on the website: [www.tfl.gov.uk/pensions](http://www.tfl.gov.uk/pensions)

# YOU ARE INVITED TO THE ANNUAL MEMBERS' MEETING

This year's TfL Pension Fund Annual Members' Meeting (AMM) will be at **11:00 on Friday 6 October**. The exhibition starts at 10:30 when refreshments will be available. After the success of previous events we have again decided to go back to One Great George Street, Westminster, London SW1P 3AA. The meeting and exhibition are open to all Fund members - contributing members, members in receipt of a pension (including dependants and children) and those who have left the company and have a deferred pension.

Once again, the meeting will be a hybrid meeting, meaning you can choose to join the meeting online if that is more convenient than travelling to One Great George Street.

You will be able to ask questions on the day, but if you cannot join the meeting, you can submit a question to the Trustee by writing to the Director of Pensions & Reward and Fund Secretary, 4th Floor, 200 Buckingham Palace Road, London SW1W 9TJ or by emailing [helpdesk@tflpensions.co.uk](mailto:helpdesk@tflpensions.co.uk). You will receive a response as soon as possible after the AMM.

**Please remember, we can only answer general questions about the Fund at the meeting, not those relating to your own benefits.**

## The programme for the meeting is:

- ◆ Introduction at 11:00
- ◆ Review of the Annual Report & Accounts to 31 March 2023
- ◆ Actuarial update over the last 12 months
- ◆ Legal developments and changes to the TfL Pension Fund
- ◆ Investment strategy and implementation
- ◆ Open Forum – Questions & answers
- ◆ Close at 13:15



# HOW TO JOIN THE ONLINE MEETING

## MEETING ACCESS

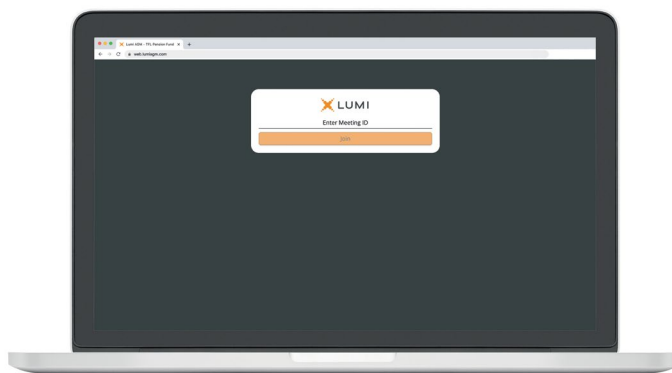
Members can participate in the meeting remotely, via: <https://web.lumiagm.com>

This can be accessed online using the latest version of Chrome, Firefox and Safari on your PC, laptop, tablet or smartphone. You'll be prompted to enter the Meeting ID, then click join meeting.

You will then be prompted to enter:

- a) Membership number; and
- b) Password, which is: **TFLPFAMM**

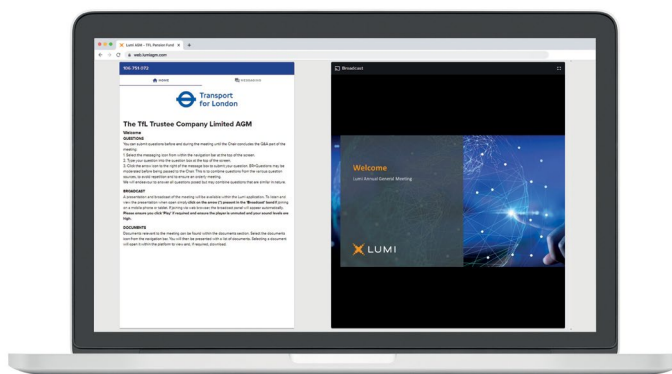
Access to the Lumi platform will be available an hour prior to the start of the meeting.



**Meeting ID: 171-757-581**

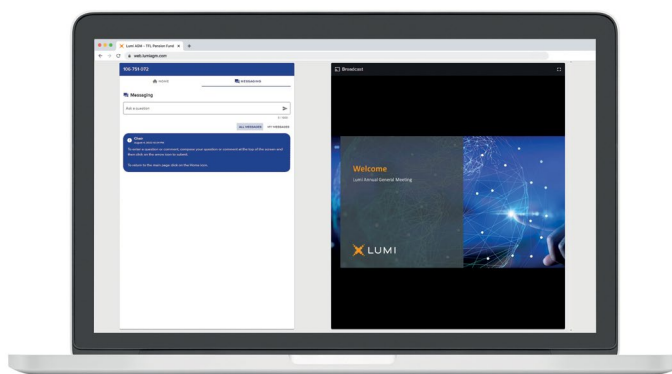
## BROADCAST

Once logged in, and at the commencement of the meeting, you will be able to follow the proceedings on your device.



## Q&A

To ask a question select the messaging icon from within the navigation bar and type your question at the top of the screen. To submit your question, click on the arrow icon to the right of the text box.



## REQUIREMENTS

An active internet connection is always required in order to allow you to cast your vote when the poll opens, submit questions and view the Broadcast. It is the user's responsibility to ensure you remain connected for the duration of the meeting.

As well as having the latest internet browser installed, users must ensure their device is up to date with the latest software release.



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