

Students' Union Superannuation Scheme

Actuarial valuation as at 30 June 2025

Chris Ramsey FIA | Barnett Waddingham LLP

1 May 2026

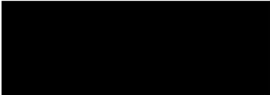


1 Summary

The Trustees have asked me to prepare an actuarial valuation of the Students' Union Superannuation Scheme (the Scheme) as at 30 June 2025. A summary of the results of the valuation is as follows:

- **Technical Provisions funding position:** Using the method and assumptions agreed by the Trustees, the Scheme had assets sufficient to cover 73% of its Technical Provisions as at 30 June 2025, corresponding to a deficit of £44,888,000.
- **Recovery Plan:** In light of the results of this valuation, the Trustees have agreed with NUS UK (the "Principal Employer") that additional contributions of £572,000 per month will be paid by participating unions until 30 September 2026, reducing to £480,000 per month from 1 October 2026, (less £19,000 per month until 30 September 2032 to allow for previous lump sum payments). These contributions increase by 5% every subsequent 1 October and are expected to eliminate the shortfall by 31 January 2034.
- **PPF levy:** Unless otherwise agreed, any PPF levy and related expenses will be paid by the participating unions in addition to these contributions as and when they fall due. The levy will be apportioned between participating unions based on each union's share of the liabilities accrued and their D&B PPF score.
- **Expenses:** All other expenses will be paid from the Scheme's assets unless agreed otherwise.
- **Long-term funding and investment strategy:** The Trustees and the Principal Employer have also agreed a funding and investment strategy for the long term. Under the agreed strategy, the Scheme is planning to be fully funded on a low dependency funding basis and invested in a low dependency investment allocation by 30 June 2035.

- **Low dependency funding position:** I estimate that the Scheme was 70% funded on the agreed low dependency funding basis at the valuation date, corresponding to a deficit of £50,933,000.
- **Solvency basis:** If the Scheme had secured benefits with an insurance company using deferred and immediate annuities, I estimate it would have enough assets to cover 72% of its liabilities as at 30 June 2025, corresponding to a deficit of £45,779,000. This means that, had the Scheme wound up at the valuation date with no further funds available from the participating unions, there would not have been sufficient assets available to secure members' full benefit entitlements.
- **Section 179 valuation:** Using the assumptions prescribed for the Section 179 valuation, the Scheme had sufficient assets to cover 94% of its liabilities in respect of the compensation that would currently be paid by the Pension Protection Fund. The Section 179 valuation is one of the factors that determine any levy that is paid to the Pension Protection Fund by the Scheme and the results will be provided via The Pensions Regulator's 'Exchange' system.
- **Valuation submission:** The valuation results will be submitted to The Pensions Regulator via the Bespoke submission route.
- **Next actuarial valuation:** The next actuarial valuation should be carried out with an effective date no later than 30 June 2028 and the contributions payable by the participating unions will be reviewed as part of that valuation.


Chris Ramsey FIA C.Act
Partner, Barnett Waddingham LLP
1 May 2026



2 Background and strategy

Actuarial valuations under the Pensions Act 2004

In accordance with Section 224(1) of the Pensions Act 2004 the Trustees have asked me to prepare an actuarial valuation of the Students' Union Superannuation Scheme (the Scheme) as at 30 June 2025.

This report summarises the results of the valuation, including the information required by Regulation 7 of the Occupational Pension Schemes (Scheme Funding) Regulations 2005 and Appendix A of TAS 300: Pensions issued by the Financial Reporting Council. This report complies with Technical Actuarial Standards issued by the Financial Reporting Council – in particular TAS 100: General Actuarial Standards and TAS 300: Pensions. These are the only TASs that apply to this work.

This report is addressed to the Trustees, but it has been written so that an informed reader can understand the financial position of the Scheme, including how it has developed since the previous valuation and how it might develop in the future. However, this report is not intended to assist any user in making decisions, and valuations required for specific purposes (e.g. employer accounting, corporate transactions and advice to individual members) should be calculated in accordance with the specific requirements for such purposes. Neither I nor Barnett Waddingham LLP accepts liability to third parties in respect of this report.

A copy of this report should be provided to the Principal Employer within seven days of the Trustees receiving it.

Funding objectives

The Trustees' funding objectives are described in a Statement of Funding Principles dated April 2026, a copy of which is included in **Appendix F**. In summary, the Trustees have adopted the 'Statutory Funding Objective', which is that the Scheme should have sufficient and appropriate assets to meet its liabilities.

The principal purpose of the valuation is therefore to examine the financial position of the Scheme at the valuation date and to agree the contributions payable to ensure that the Statutory Funding Objective is expected to be met.

Long-term funding and investment strategy

As well as assessing the current funding position, the scheme funding regime requires the Trustees to plan for the long-term funding of the Scheme. The Occupational Pension Schemes (Funding and Investment Strategy and Amendment) Regulations 2024 specify that the Scheme needs to plan to achieve a low level of dependency on the participating unions in the long term. Therefore, as part of this valuation, the Trustees and the Principal Employer have agreed a funding and investment strategy for the long term that can be summarised as follows:

- The Trustees intend to provide benefits over the long-term by way of buying out benefits with an insurer, though remain open to alternative endgame options and will keep this under review.
- The Trustees are targeting 100% funding on a low dependency funding basis by 30 June 2035. The low dependency funding assumptions are summarised in **Appendix D**.
- The Trustees also intend to invest in a low dependency investment allocation, comprising of 95% protection assets and 5% growth assets, by 30 June 2035.



2 Background and strategy

Further details of the agreed funding and investment strategy are set out in the Statement of Strategy document dated May 2026.



3 Methodology and assumptions

Methodology used to achieve objectives

The valuation has been carried out on a 'market-related' basis. This means that assets are taken into account at their market value. For comparison with the assets, a consistent measure is needed for the liabilities that are expected to arise in respect of benefits already earned at the valuation date – otherwise known as the 'Technical Provisions'. This is achieved by projecting the benefits that are expected to be paid to members of the Scheme as a result of:

- pensions already in payment;
- pensions arising from future retirements;
- lump sums payable to future retirees in exchange for part of their pension;
- lump sums payable following the death of a member; and
- pensions payable to eligible dependants following the death of a member.

To estimate the amount of these future benefit payments, assumptions need to be made regarding:

- how benefits will increase prior to payment;
- how pensions will increase while in payment;
- whether members will die before reaching retirement;
- how long members will live in retirement;
- whether members will have an eligible dependant on death and, if so, the age of their dependant; and
- whether members will exercise certain options, such as exchanging pension for cash at retirement.

The benefits are expected to be paid over a long period of time and, during that time, the assets held are expected to earn investment returns. Therefore, for comparison with the assets, the projected benefit payments are reduced to allow for the investment return that is anticipated prior to payment. This methodology is commonly referred to as 'discounting' and the investment return allowed for is referred to as the 'discount rate'. For consistent comparison with the market value of the assets at the valuation date, the choice of discount rate reflects relevant market indicators at the valuation date.

The assumptions agreed by the Trustees for the purpose of the Statutory Funding Objective as at 30 June 2025, along with the assumptions used at the previous valuation, are summarised in **Appendix D**.

Valuations on other bases

Low dependency funding basis

As noted in the previous section, the Trustees are targeting 100% funding on a low dependency funding basis by 30 June 2035 (the relevant date).

Regulations state that a low dependency funding basis must use assumptions that if:

- 1 A scheme is fully funded on that low dependency funding basis, and
- 2 The scheme's assets are invested in line with a corresponding low dependency investment allocation (see the box below), then no further contributions are expected to be required from the employer.



3 Methodology and assumptions

Low dependency investment allocation

A low dependency investment allocation is an investment strategy under which the value of the assets relative to the value of the scheme's liabilities is highly resilient to short-term adverse changes in market conditions. As set out in the statement of strategy, the Trustees and Principal Employer have agreed a low dependency investment allocation of 5% invested in growth assets and 95% invested in protection assets.

The Technical Provisions must be calculated in a way that is consistent with the funding and investment strategy. The Trustees have achieved this by aligning the assumptions used in the Technical Provisions basis after 30 June 2035 with the low dependency funding basis. Therefore, the Technical Provisions will converge to the low dependency funding basis by 30 June 2035. Prior to this date, the estimate of the low dependency funding liabilities will be higher than the Technical Provisions.

The low dependency assumptions used at this valuation are also summarised in this appendix.

Solvency basis

As part of the valuation, I am required to include an estimate of whether the Scheme would have had sufficient assets to secure benefits with an insurance company and meet the expenses associated with winding-up the Scheme. This is referred to as 'the solvency estimate'.

For many schemes, the solvency estimate is expected to be significantly higher than the Scheme's Technical Provisions, as insurers will assess the liabilities in a cautious manner reflecting their investment strategy, reinsurance costs, capital requirements and other factors. The assumptions used for the calculation of the Technical Provisions do not make the same allowance for these items and may for example include a higher expected additional return from investment in riskier asset classes. In practice, the Technical Provisions liabilities are only slightly lower than the solvency liabilities for this Scheme. This is due to the Scheme's Technical Provisions including a high level of prudence due to the weak sponsor covenant and a higher expense reserve.

The assumptions I have used for the solvency estimate are also summarised in **Appendix D**. Whilst I am satisfied that these assumptions are appropriate for the purpose of the solvency estimate, and in particular that they satisfy the requirements of Regulation 7(6)(a) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005, the Trustees should understand that:

- The assumptions are only intended to give a broad indication of likely annuity costs, and that an actual quotation could differ materially from this estimate.
- The expenses associated with discontinuing a pension scheme are difficult to predict and the expense assumption should not be seen as a quotation of the likely expenses involved.



3 Methodology and assumptions

Section 179 (PPF) basis

The Trustees are also required under Section 179 of the Pensions Act 2004 to obtain a valuation at least every three years on a basis that is set by the Pension Protection Fund (PPF). The results of this valuation are used by the PPF to determine any levy that is paid by the Scheme to the PPF to provide compensation for members of pension schemes that are underfunded and the employer has become insolvent. Details of the Section 179 valuation results are enclosed and will be submitted to The Pensions Regulator.

The assumptions for the Section 179 valuation are prescribed by the PPF.

GMP Equalisation

The Scheme has completed GMP equalisation in respect of deferred members prior to the valuation date, therefore future liability in respect of GMP equalisation for deferred members is calculated directly using the member data at 30 June 2025 and included in the liability results.

The exercise was completed for the majority of pensioner and dependant members in October 2025, the member data at 30 June 2025 therefore did not reflect the GMP equalisation uplifts. To allow for GMP equalisation for pensioner and dependants I have compared the results we have so far for the exercise with the existing allowance and believe this remains appropriate for the purposes of this valuation. I have included the backpay due to members in the pensioner liability.



4 Information used

Membership data

A summary of the membership data used for the valuation, is set out in **Appendix A**, along with a comparison with the data used for the previous valuation.

I am not aware of any significant changes to the membership since the previous valuation.

Annuitants with Aviva

The Trustees hold a number of historic annuity policies with Aviva. These were excluded from both the assets and liabilities in the final valuation results as the benefits are exactly matched. However, the annuitants need to be included in the Section 179 valuation to allow me to give the required certification.

Aviva have been unable to supply us with more recent data, so we have relied on data provided by Aviva as at 27 May 2022 which we understand reflects the insured benefits as at that date. We have checked this data for reasonableness against a previous extract provided by Aviva as at 31 January 2017 and have assumed that any policies not included in the 2022 extract are no longer in payment.

There were a number of policies for which the pension in payment indicated in the 2022 data could not be reconciled to the amount shown in the 2017 data. For these members we have assumed that the 2022 data extract is correct and contains the most up to date information. In addition, the 2022 data did not include details of the amount of pension that would be payable to a dependant upon the death of the member. We have therefore assumed that the same proportion of pension applies as was indicated in the 2017 data.

A summary of the annuitant data is included in Appendix A. Please note I have made no allowance for any potential membership changes between 27 May 2022 and the valuation date.

The value of the PPF benefits of the annuitants on the Section 179 basis has been included in both the asset and liability figures shown in Appendix 2. This potentially understates the value of the asset, which would in reality receive higher pension increases than those prescribed by the PPF. However, I think this is appropriate given the uncertainty in the data and the need for prudence.

For the avoidance of doubt, the annuitants are only included in the Section 179 valuation and are excluded from all other valuation bases.

Benefits

The benefits provided by the Scheme are set out in the Trust Deed & Rules dated 31 March 2008 and are summarised in **Appendix B**. This summary is intended for quick reference only and full details of the benefits are set out in the Scheme's governing documentation. I have made no allowance for discretionary benefits.

I am not aware of any significant changes to the benefits since the previous valuation.



4 Information used

High Court case of Virgin Media vs NTL Trustees

A judgment in the High Court case of Virgin Media vs NTL Trustees was handed down on 16 June 2023. The judge ruled that, where benefit changes were made without a valid 'section 37' certificate from the Scheme Actuary, those changes could be considered void. On 5 June 2025, the Government confirmed it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. The results of this valuation have been calculated assuming this ruling will not affect the Scheme's benefits.

Assets

I have been provided with a copy of the Trustees' audited Report and Accounts for the period ending 30 June 2025. This shows that the market value of the Scheme's assets, excluding members' Additional Voluntary Contributions (AVCs) and the assessed value of annuity contracts is £119,427,000.

The Trustees' current investment strategy is set out in a Statement of Funding Principles dated April 2026. A breakdown of the actual investments held at the valuation date along with the Trustees' target asset allocation is set out in **Appendix C**. I have also included in **Appendix C** a summary of the contributions paid and the investment performance since the previous valuation.

Note, for the purpose of this valuation, I have excluded the value of the annuitant liabilities and asset. This is consistent with the practice adopted at the previous valuation, and I believe is a reasonable approach to take given I understand the assets broadly match the liabilities and the data regarding the annuitants is not currently available.



5 Results

Statutory Funding Objective

Using the methodology described above and the assumptions set out in **Appendix D**, the results of the valuation are as follows.

Scheme Funding valuation	£000s
Deferreds	68,780
Pensioners	86,735
Expenses	8,800
Technical Provisions	164,315
Market value of assets	119,427
Surplus / (deficit)	(44,888)
Funding level	73%

It should be understood that these results indicate the expected cost of providing the Scheme benefits using the chosen method and assumptions. The actual cost of providing the benefits will depend on the actual experience. The sensitivity of the results to the key assumptions is included as **Appendix E**.

My certificate confirming that the calculation of the Technical Provisions has been carried out in accordance with the relevant legislation is included in **Appendix F**.

Contribution requirements

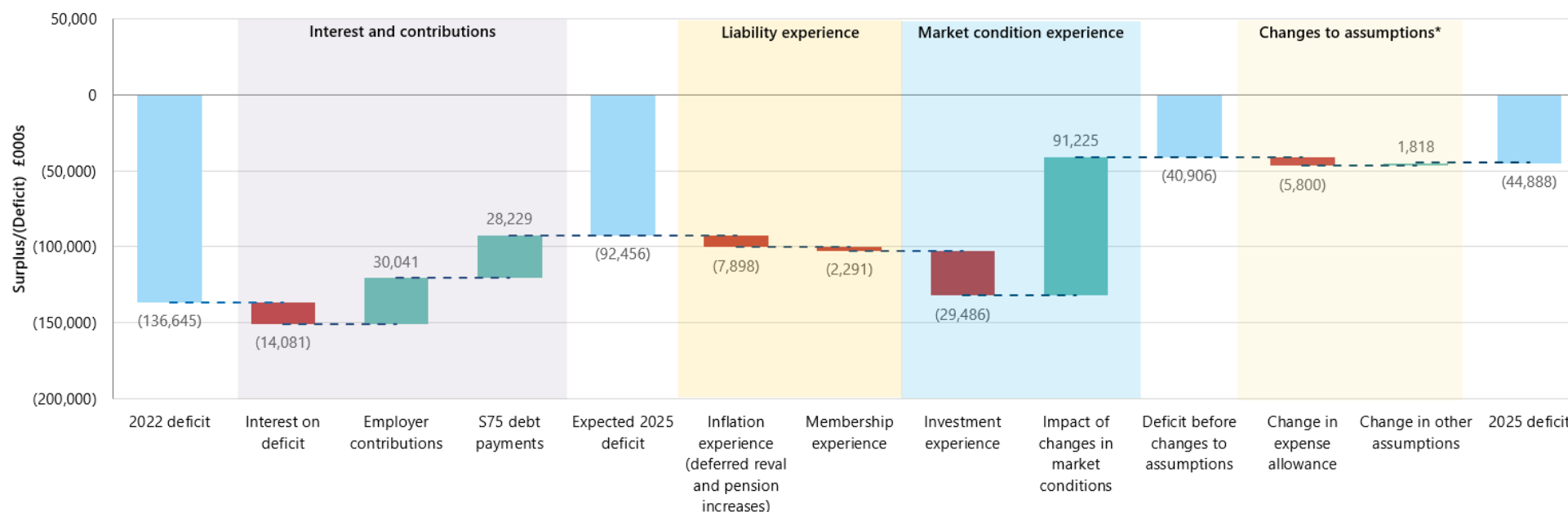
Details of the contributions agreed between the Trustees and the Principal Employer are set out in a formal Schedule of Contributions and Recovery Plan. These documents are included in **Appendix F**. My certificate confirming that the Statutory Funding Objective is expected to be met by the end of the period covered by the Schedule of Contributions is also included in **Appendix F**.



5 Results

Reconciliation to previous valuation

The previous valuation was carried out as at 30 June 2022 by Paul Hamilton. The results are summarised in his report dated 14 August 2023 and show a funding level of 44% corresponding to a deficit of £136,645,000. The key factors that have influenced the funding level of the Scheme over the period are as follows:



* excluding changes in market conditions

If the Technical Provisions had been calculated using the assumptions used at the previous valuation, updated solely for changes in market conditions, the deficit would have been £40,906,000. The total increase in the deficit due to changes to the assumptions is £3,982,000.



5 Results

Low dependency estimate

The results of the valuation using the low dependency funding assumptions as described in **Appendix D** are as follows:

Low dependency estimate:	£000s
Deferreds	71,749
Pensioners	89,811
Expenses	8,800
Low dependency estimate of liabilities	170,360
Market value of assets	119,427
Surplus / (deficit)	(50,933)
Funding level	70%

At the valuation date, the funding level on the proposed low dependency is lower than that measured on the Technical Provisions basis as the low dependency basis contains further margins for prudence.

However, the Technical Provisions assumptions have been set such that they converge to the low dependency assumptions by 30 June 2035 (the relevant date). This means that the Technical Provisions liabilities will also converge to the low dependency liabilities by 30 June 2035.

Solvency estimate

The results of the valuation using the assumptions for the solvency estimate described in **Appendix D** are as follows:

Solvency estimate:	£000
Deferreds	74,363
Pensioners	87,843
Expenses	3,000
Estimate of solvency liabilities	165,206
Market value of assets	119,427
Surplus / (deficit)	(45,779)
Funding level	72%

The Scheme would not have had sufficient assets at the valuation date, based on the assumptions, to secure full benefits with an insurance company. If the Scheme had wound up at the valuation date, the participating unions would have been obliged to make good any shortfall. However, if the participating unions were unable to do so, for example due to insolvency, the assets would have been applied to secure benefits in line with the statutory priority order that applied at the valuation date.



5 Results

The coverage of benefits falling into each priority class is estimated in the following table:

Category of benefit	Coverage level
Expenses	100%
Benefits equivalent to PPF compensation	92%
Other benefits	0%

This shows that the Scheme would not have had sufficient assets to secure benefits equivalent to the compensation currently provided by the PPF. Therefore, had the Scheme wound up with no further funds available from the participating unions, it is likely that the Scheme would have entered the PPF and members would only receive benefits up to the PPF compensation level rather than their full Scheme benefits. Broadly speaking, this means that:

- Members below their normal pension age would only receive 90% of their pension.
- All members would receive no increases in payment on pensions accrued prior to 6 April 1997 and increases linked to inflation but capped at 2.5% pa for pensions accrued after 6 April 1997.

Projected future results

The progression of the funding level over time is influenced by a large number of factors, including the experience of the Scheme's membership, the investment return achieved and the contributions paid.

I estimate that three years after the valuation date (i.e. at the next valuation) the funding position will be:

- 80% on a Technical Provisions basis.
- 79% on a low dependency funding basis.
- 80% on a solvency basis.

This allows for contributions to be paid as described in **Appendix F** and assumes that investment returns and other experience over the next three years is in line with the assumptions used for the Technical Provisions.

Section 179 valuation

A certificate setting out the results of the Section 179 valuation using the method and assumptions prescribed by the PPF is included in **Appendix F**. The details set out on this certificate must be provided to the PPF via The Pensions Regulator's Exchange System no later than 30 September 2026.

Valuation submission

The Pensions Regulator uses a twin track approach to assess valuations, with schemes having the option to do a "Fast Track" or "Bespoke" submission.

To be eligible for a Fast Track submission, the outcome of a valuation must meet a series of objective parameters (the Fast Track parameters). The Fast Track parameters specify minimum funding targets, maximum levels of investment risk to be assumed for funding and maximum recovery plan lengths.

As the Fast Track parameters were not met at this valuation, due to the Recovery Plan length, the results will need to be submitted using the Bespoke route.



6 Risks

There are many factors that affect a scheme's funding position and could lead to future volatility in the funding level and the Statutory Funding Objective not being met within the timescales expected. These factors may also have an impact on the future solvency position, the ability of the Scheme to pay full transfer values.

Some of the key risks that could have a material impact on the Scheme are described below.

Current risks	Current mitigation
 Employer covenant risk: One of the greatest risks to the ability of the Scheme to meet members' benefits in the future is that the participating unions may be unable to fund future deficits. The Trustees should form an objective assessment of the strength of the employer covenants when deciding at what level to set the Technical Provisions and how quickly any deficit should be eliminated. The Trustees should also monitor the strength of the participating unions' covenant over time, so that any sudden changes in their positions can be mitigated.	The Trustees regularly monitor the strength of the covenant and receive an in-depth update as part of each actuarial valuation.
 Investment risk: Allowance is made in the assumptions for the expected long-term performance of risky asset classes such as equities. There is a risk that these returns will not be achieved in practice which would result in further contributions being required. Further, the value of the Scheme's assets may not move in line with the Scheme's liabilities. The Trustees should regularly review the investment strategy to ensure the risks are understood and managed appropriately. There is also a risk that the Scheme's investments are not significantly liquid to meet the future benefit cashflows.	The Trustees regularly review the performance of the Scheme's assets and consult with their advisers regarding the investment strategy on a periodic basis.
 Inflation risk: In projecting the future benefit payments, assumptions are made regarding future price inflation. There is a risk that the actual rate of inflation will be higher than assumed which will increase the cost of providing the benefits. This would result in additional contributions being required and a deterioration in the financial position unless investment returns are similarly higher than expected. The Trustees should therefore consider the inflation risk present within the Scheme when reviewing the investment strategy.	The Trustees periodically review the level of inflation risk inherent in the Scheme's investment strategy with their investment advisers.

6 Risks



Mortality risk:

It is not possible to predict with certainty how long members of the Scheme will live and, if members live longer than expected, additional contributions will be required to prevent a deterioration in the Scheme's financial position. The Trustees should therefore keep the mortality assumptions under review.

The Trustees take advice from their Scheme Actuary on appropriate changes to the Scheme's mortality assumptions.



Member option risk:

Certain benefit options may be exercised by members without requiring the consent of the Trustees or the participating unions, for example commutation of pension for cash at retirement or taking a transfer value. For example, allowance is made in the assumptions for members to exchange pension for cash at retirement. If the number of members taking up this option or the terms are not as assumed, then funding shortfalls could arise. The Trustees should regularly review the terms for exercising these options to ensure that they are appropriate.

The Trustees review the member option terms at least once every 3 years in order to ensure they remain appropriate.



Legislative risk:

Changes in legislation could increase the value of the Scheme's liabilities. The Trustees should therefore take professional advice to ensure that they are aware of any changes in legislation and the impact of these changes on the Scheme's funding position.

The Trustees receive regular updates on legislative matters from their advisers.



Climate risk:

The Scheme faces potential risks from both the physical effects of climate change and the transition to a low-carbon economy. Climate risk may manifest itself through any of the other risks identified above, including investment and inflation risk, potentially causing a deterioration in the Scheme's funding position. The Task Force on Climate-related Financial Disclosures (TCFD) is a framework that aims to help companies and investors measure, manage, and report their climate-related risk exposures and opportunities in a consistent manner. Large pension schemes are already subject to TCFD requirements and The Pensions Regulator encourages smaller pension schemes to use the same principles as part of their strategic decision-making.

The Trustees receive updates from their advisers and asset managers about how climate risks are allowed for in the Scheme's investment strategy. The Trustees' policy on environmental, social and governance (ESG) issues, including climate change, is included in the Scheme's Statement of Investment Principles.

Appendix A - Summary of member data

A summary of the membership data used in the valuation is as follows. The membership data from the previous valuation is also shown for comparison. All average ages are weighted by the proposed Scheme Funding liability.

Deferred Members

30 June 2022				30 June 2025		
	Number	Average age	Pension at Date of Leaving £000s p.a.	Number	Average age	Pension at Date of Leaving £000s p.a.
Males	461	54	1,302	385	57	1,075
Females	740	54	1,545	611	56	1,249
Total	1,201	54	2,847	996	57	2,324

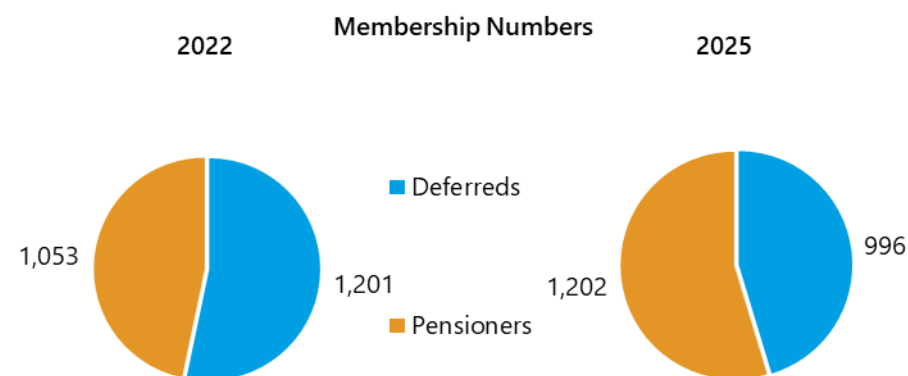
Pensioner Members

30 June 2022				30 June 2025		
	Number	Average age	Pension at Valuation Date £000s p.a.	Number	Average age	Pension at Valuation Date £000s p.a.
Males	296	70	1,942	351	71	2,335
Females	757	71	2,795	851	72	3,465
Total	1,053	70	4,737	1,202	72	5,800

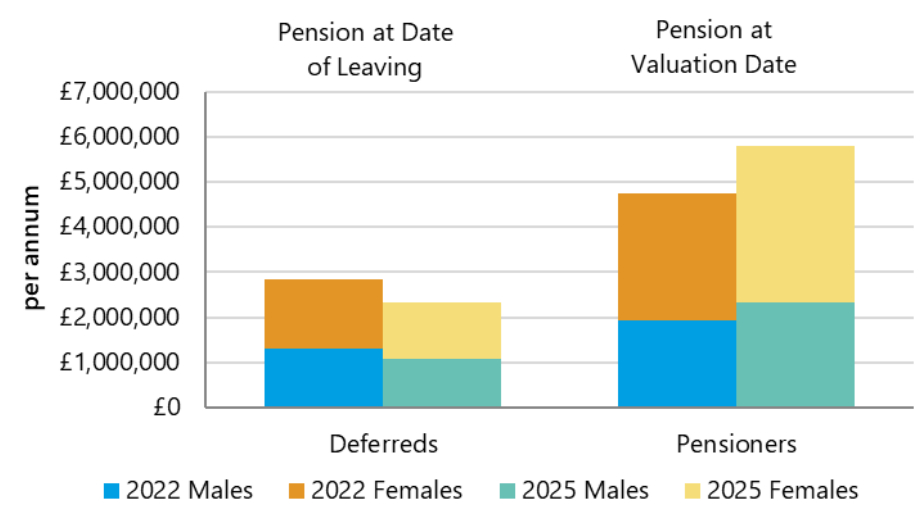
Annuities held with Aviva*

30 June 2022				30 June 2025		
	Number	Average age	Pension at Valuation Date £000s p.a.	Number	Average age	Pension at Valuation Date £000s p.a.
Males	39	80	109	39	83	123
Females	79	86	222	79	89	247
Total	118	85	331	118	87	370

*The annuities held with Aviva are only included in the Section 179 valuation



Appendix A - Summary of member data



Appendix B - Summary of benefits

The following is a summary of my understanding of the main Scheme benefits only. Full details are set out in the Scheme's documentation, and no action should be taken based on the summary below without referring back to the formal documentation.

Pension benefits

Normal Retirement Date:	Age 60 for males and females for benefits earned on or before 30 September 2000 and age 65 for all benefits earned thereafter
Pensionable Service:	Years and complete months of continuous service from date of joining the Scheme until the earlier of the date the pension comes into payment, death or leaving employment.
Pensionable Salary:	Basic fixed annual remuneration plus the annual average of bonuses, commissions, overtime or other fluctuating emoluments received over the previous three years (or shorter periods if applicable) and determined each 1 October
Final Pensionable Salary:	Annual average of the member's Pensionable Salary in any 36 months of Pensionable Service preceding the date of leaving Pensionable Service or death, if earlier

Pension on normal retirement:	For pension accrued prior to 1 October 2003, $1/60\text{th} \times \text{Final Pensionable Salary} \times \text{Pensionable Service}$ For pension accrued after this date, $1/60\text{th} \times \text{Revalued Pensionable Salary} \times \text{Pensionable Service}$
Commutation of pension:	A member may receive a pension commencement lump sum at retirement
Increases in payment:	- Pension accrued before 30 September 1988; statutory increases on GMP and fixed 7% pa on excess. - Pension accrued between 1 October 1988 - 30 September 1993 (non-compromise); statutory increases on GMP and fixed 7% pa on excess. - Pension accrued between 1 October 1988 - 30 September 1993 (compromise); RPI inflation to a minimum of 3% and maximum of 7% pa on all pension. - Pension accrued between 1 October 1993 - 5 April 1997; fixed increases of 3% pa on all pension.



Appendix B - Summary of benefits

- Pension accrued between 6 April 1997 and 30 September 2000; RPI to a minimum of 3% and maximum of 5% pa.
- Pension accrued after 1 October 2000; RPI to a maximum of 5%.

Increases in deferment:

- Pension accrued before 5 April 2009 is revalued in line with LPI capped at 5%
- Pension accrued between 6 April 2009 and 30 September 2003 is revalued in line with LPI capped at 2.5% pa.
- Pension accrued after this is revalued from date of leaving in line with LPI capped at 5% pa.

Death benefits

Death in deferment: A spouse's minimum contracting-out pension is payable (i.e. 50% of a member's GMP and, after 6 April 1997, reference scheme test pension).

Death after retirement: 50% of the members pre-commutation pension.



Appendix C - Summary of assets and contributions

Assets at 30 June 2025

	£000s	Actual allocation
Equities	20,887	18.5%
Bonds	89,817	79.7%
Cash	551	0.5%
Hedging assets	1,701	1.5%
Property	1,742	1.5%
Derivatives	(2,051)	-1.8%
Total investments	112,647	100%
Net current assets	6,780	
Total market value of assets	119,427	

The actual return achieved on the Scheme's investments since the previous valuation was approximately -5.2% p.a.

Contributions since previous valuation

The previous valuation resulted in a formal Schedule of Contributions being put in place with effect from 1 October 2023. The contributions payable under this schedule are £8,948,040 p.a. increasing by 5% at each subsequent 1 October.

These contributions allowed for:

- £536,038 p.a. for ongoing expenses for the year 1 October 2023 to 30 September 2024, which then increases each year by 5%; and
- Higher investment returns than allowed for in the Technical provisions.

Since then a number of employers have exited the Scheme. Although this has been significantly positive for the Scheme from a funding perspective, one consequence of this is the deficit and expenses must now be spread amongst a smaller number of employers.

It is also worth noting that two unions opted to pay 9 years' contributions in advance as a lump sum as part of the last valuation. They will be credited with the contributions they have already paid in the new recovery plan – but any contributions required beyond that will fall due to those unions.

I understand that contributions have been paid in accordance with this schedule. Over the period since the previous valuation, the actual contributions that have been paid to the Scheme were as follows (this includes contributions paid in accordance with the previous schedule that was in place prior to the current schedule being agreed):



Appendix C - Summary of assets and contributions

Contributions (£000s) for the year ending:	30 June 2025	30 June 2024	30 June 2023
Deficit and Section 75 debt contributions – participating unions	27,950	18,449	8,106
Contributions to meet PPF levy	658	309	626
Special Contributions	19	10	12



Appendix D - Summary of assumptions

	30 June 2022 Technical Provisions	30 June 2025 Technical Provisions	30 June 2025 Neutral basis	30 June 2025 Low dependency basis	30 June 2025 Fast Track Minimum Low dependency basis	30 June 2025 Solvency estimate
Discount rate	BoE gilt yield curve + 1.50% p.a. linearly reducing to BoE gilt yield curve + 0.25% p.a. at 30 June 2035	BoE gilt yield curve + 1.04% p.a. linearly reducing to BoE gilt yield curve + 0.20% p.a. at 30 June 2035, subject to an adjustment allowing for future Section 75 debt exits ⁽¹⁾	BoE gilt yield curve + 1.67% p.a. linearly reducing to BoE gilt yield curve + 0.50% p.a. at 30 June 2035, subject to an adjustment allowing for future Section 75 debt exits ⁽¹⁾	BoE gilt yield curve + 0.2% p.a.	BoE gilt yield curve + 0.5% p.a.	Pre-retirement: BoE gilt yield curve Post retirement: BoE gilt yield curve + 0.40% p.a.
Price inflation (RPI)	Merrill Lynch swap implied inflation curve	BoE gilt-implied inflation curve supplemented with Merrill Lynch yield data at short terms	BoE gilt-implied inflation curve supplemented with Merrill Lynch yield data at short terms	BoE gilt-implied inflation curve supplemented with Merrill Lynch yield data at short terms	BoE gilt-implied inflation curve supplemented with Merrill Lynch yield data at short terms	RPI Swap Curve
Price inflation (CPI)						
• Pre 2030	RPI less 0.70% p.a.	RPI less 0.80% p.a.	RPI less 1.00% p.a.	RPI less 0.80% p.a.	RPI less 0.80% p.a.	RPI less 0.90% p.a.
• Post 2030	RPI less 0.10% p.a.	RPI	RPI less 0.20% p.a.	RPI	RPI	RPI less 0.10%
Pension increases	A model of each increase, allowing for insurers' relative pricing of different caps and collars	A model of each increase, allowing for insurers' relative pricing of different caps and collars	Based on relevant inflation assumption allowing for any caps or collars	A model of each increase, allowing for insurers' relative pricing of different caps and collars	Based on relevant inflation assumption allowing for any caps or collars	A model of each increase, allowing for insurers' relative pricing of different caps and collars



Appendix D - Summary of assumptions

	30 June 2022 Technical Provisions	30 June 2025 Technical Provisions	30 June 2025 Neutral basis	30 June 2025 Low dependency basis	30 June 2025 Fast Track Minimum Low dependency basis	30 June 2025 Solvency estimate
Mortality tables	95% of S3PXA	For males: 106% of the S4PMA tables For females: 92% of the S4PFA tables	For males: 111% of the S4PMA tables For females: 97% of the S4PFA tables	For males: 106% of the S4PMA tables For females: 92% of the S4PFA tables	For males: 111% of the S4PMA tables For females: 97% of the S4PFA tables	For males: 106% of the S4PMA tables For females: 92% of the S4PFA tables
Allowance for improvements in life expectancy:						
Projection tables	CMI 2019	CMI 2024	CMI 2024	CMI 2024	CMI 2024	CMI 2022
Long-term improvement rate	1.75% p.a.	1.75% p.a.	1.25% p.a.	1.75% p.a.	1.50% p.a.	1.75% p.a.
Initial addition parameter	1.00% p.a.	0.50% p.a.	0.25% p.a.	0.50% p.a.	0.50% p.a.	0.50% p.a.
Smoothing parameter	7.0	7.0	7.0	7.0	7.0	7.0
2020 and 2021 weight parameters	0%	n/a	n/a	n/a	n/a	0%
2022 and 2023 weight parameters	0%	n/a	n/a	n/a	n/a	10%
Proportion married at retirement	85% of males 75% of females	85% of males 75% of females	67.5% of males 57.5% of females	85% of males 75% of females	85% of males 75% of females	85% of males 75% of females
Age and sex of dependant	Male members 3 years older than their female dependant, and vice versa					
Retirement age	Earliest age at which benefits can be taken unreduced (by tranche)					



Appendix D - Summary of assumptions

	30 June 2022 Technical Provisions	30 June 2025 Technical Provisions	30 June 2025 Neutral basis	30 June 2025 Low dependency basis	30 June 2025 Fast Track Minimum Low dependency basis	30 June 2025 Solvency estimate
Cash commutation				None		
Allowance for expenses	£3,000,000	£8,800,000	£8,800,000	£8,800,000	£8,800,000	£3,000,000
Allowance for discretionary benefits				None		
Allowance for GMP equalisation	0.3% of liabilities		Non-pensioners: Allowed for within member data Pensioners: 0.3% of liabilities			

⁽¹⁾The discount rate in future will be adjusted in line with the following table if further Section 75 debt exits occur:

	Technical Provisions discount rate – allowing for future Section 75 exits	Neutral discount rate – allowing for future Section 75 exits
Discount rate	Long-term discount rate + assumed outperformance	Long-term discount rate + assumed outperformance
Long term discount rate	Gilt curve + 0.2% p.a.	Gilt curve + 0.5% p.a.
Assumed outperformance above long-term discount rate	0.84% p.a. as at 30 June 2025, linearly decreasing to nil at 2035, multiplied by the Remaining Unions' Share	1.17% p.a. as at 30 June 2025, linearly decreasing to nil at 2035, multiplied by the Remaining Unions' Share
Remaining Unions' Share	The percentage of liabilities attributable to the remaining unions, based on the position as at 30 June 2025	The percentage of liabilities attributable to the remaining unions, based on the position as at 30 June 2025



Appendix D - Summary of assumptions

Fast Track minimum low dependency basis

To be eligible for a Fast Track valuation submission, the Scheme's low dependency assumptions must be at least as strong as those specified by TPR guidance (the Fast Track minimum low dependency basis). The low dependency basis is more prudent than the Fast Track minimum requirements.

Note on Solvency estimate assumptions

The basis used for the solvency estimate reflects a general view of annuity pricing, based on Barnett Waddingham's research into the insurance market and taking account of the pricing that Barnett Waddingham has observed across a range of transactions. These prices will include the insurer's anticipated running costs for the future administration of the pensions. Whilst I am satisfied that these assumptions are appropriate for the purpose of the solvency estimate, and in particular that this estimate satisfies the requirements of Regulations 7(4)(b) and 7(6)(a) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005, the Trustees should understand that my calculations are only intended to provide a broad indication of likely annuity costs, and that an actual quotation could differ materially from this estimate.

Assets for the solvency estimate have been taken at market value as set out in the accounts. Annuity policies have been excluded.

The expenses associated with discontinuing a pension scheme are difficult to predict and can be significant. For the purposes of my calculations, I have made an allowance for expenses of £3,000,000, in addition to insurer expenses which are allowed for in the solvency basis assumptions. Please also note that this figure does not include any allowance for the purchase of trustee liability insurance post wind-up (i.e. "run-off cover").

Although I believe this allowance to be a reasonable provision for the purposes of the valuation, it should not be seen as a quotation of the likely expenses involved.

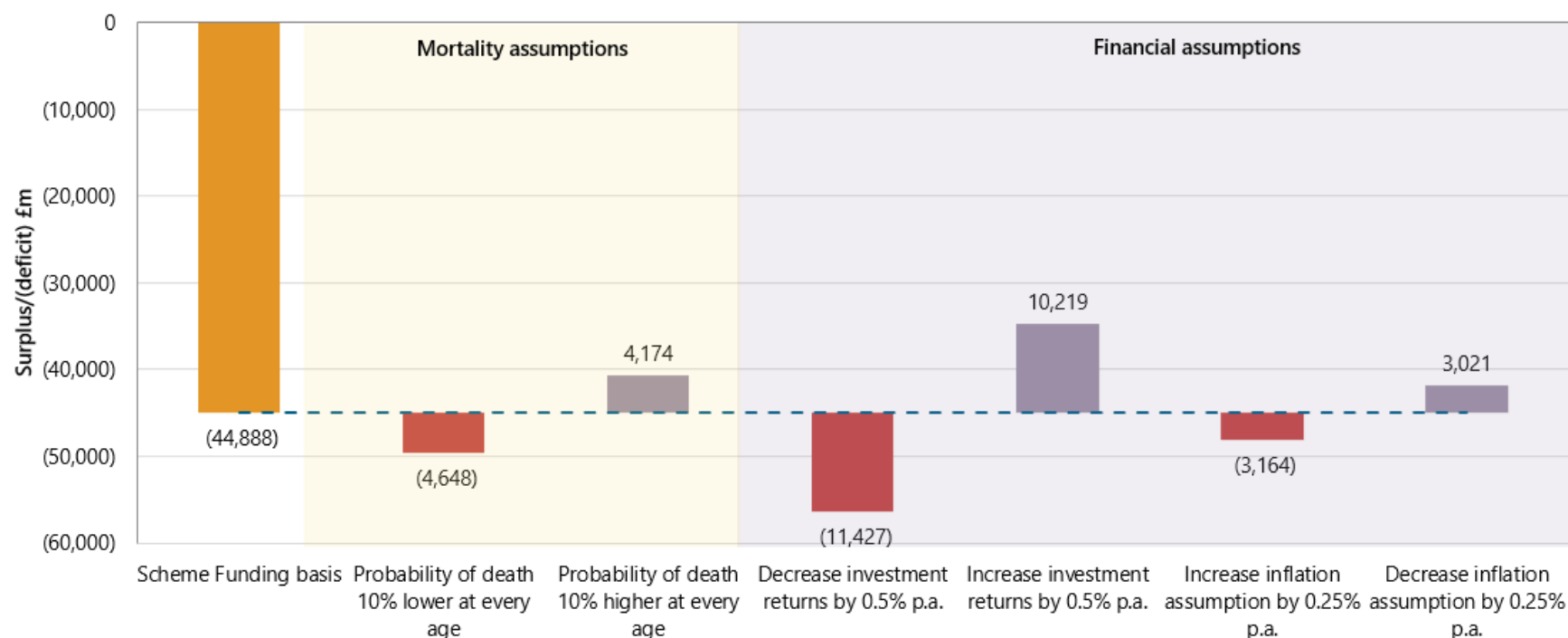


Appendix E - Sensitivity analysis

Impact of experience not being in line with assumptions

The Technical Provisions are based on a particular set of assumptions but actual experience could be significantly better or worse than assumed. The sensitivity of the results to some of the key assumptions is set out in the chart below and the corresponding risks are described in **section 6**.

The figures in the chart are shown relative to the deficit of £44,888,000 and funding level of 73% on the Scheme Funding basis. The data labels on each bar show the absolute change in deficit:



Appendix F - Valuation documents

The following documents have been agreed between the Trustees and Principal Employer as part of the valuation process and are included in this appendix:

- Statement of Funding Principles, setting out the Trustees' funding objectives and the action to be taken if those objectives are not met.
- Schedule of Contributions, setting out the contributions payable to the Scheme by the participating unions from 1 May 2026 to 1 May 2037.
- Recovery Plan, setting out further details of how the funding shortfall revealed by the valuation is being addressed.
- Statement of Strategy, setting out the agreed funding and investment strategy, and matters related to how well the strategy is being implemented, the main risks to the strategy and how they are being managed.

The following actuarial certificates are required as part of the valuation process and are included in this appendix:

- Certification of the calculation of the Technical Provisions, which confirms that the Technical Provisions have been calculated in accordance with the regulations and the Trustees' Statement of Funding Principles.
- Certification of the Schedule of Contributions, which confirms that the Statutory Funding Objective is expected to be met by the end of the period covered by the Schedule of Contributions.

Section 179 valuation

A certificate setting out the results of the Section 179 valuation using the method and assumptions prescribed by the PPF is also included in this appendix.



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However, this report is not intended to provide and must not be construed as regulated investment advice. Returns are not guaranteed, and the value of investments may go down as well as up, so you may get back less than you invest.

The information in this report is based on our understanding of current taxation law, proposed legislation and HM Revenue & Customs practice, which may be subject to future variation.

Students' Union Superannuation Scheme

Statement of Funding Principles

Status

This Statement of Funding Principles has been prepared by the Trustees of the Students' Union Superannuation Scheme (the Scheme) to satisfy the requirements of section 223 of the Pensions Act 2004, after obtaining the advice of the Scheme Actuary appointed by the Trustees.

This document has been agreed by NUS UK (the "Principal Employer"). This document is dated April 2026 and is to be taken into account in the actuarial valuation as at the effective date of 30 June 2025 and subsequent actuarial valuations.

Policy for ensuring that the Statutory Funding Objective is met

Under the Pensions Act 2004 the Trustees must set a funding policy, after negotiating with the Principal Employer, which complies with the 'Statutory Funding Objective' – to have 'sufficient and appropriate assets' to cover the Scheme's 'Technical Provisions'. The Trustees have interpreted this requirement to mean that the Scheme should have a sufficient level of assets to have a reasonable chance that in the normal course of events, the assets would cover the continuing payment of benefits already in payment as well as the commitments to pay active members' and deferred pensioners' pension rights earned so far.

This will be achieved by agreeing with the Principal Employer appropriate contributions to make good any shortfall in the Scheme's assets compared to the amount required to cover the Technical Provisions over a suitable period.

In determining the level of contributions required for the Scheme, assumptions about the future experience of the Scheme will be made. Further details of the assumptions made are given below.

Funding objectives in addition to the Statutory Funding Objective

The Trustees have no other funding objectives.

Policy on discretionary increases and funding strategy

The Trustees make no allowance for discretionary increases in setting the contribution requirement, because any discretionary benefits that may be granted will be paid for separately at the time.

Frequency of valuations and circumstances for extra valuations

A full actuarial valuation will, in normal circumstances, be carried out every three years.

An actuarial report on developments affecting the Scheme's Technical Provisions and funding level will be obtained annually between actuarial valuations, where required by legislation.

A valuation may also be carried out when the Trustees determine that significant events have occurred such that the existing Schedule of Contributions is no longer appropriate, having sought the advice of the Scheme Actuary and consulted the Principal Employer.

Commissioning an out of cycle valuation will not be necessary if agreement can be reached with the Principal Employer to revise the Schedule of Contributions in a way satisfactory to the Trustees on the advice of the Scheme Actuary.

Method and assumptions used in calculating the 'Technical Provisions'

The actuarial method to be used in the calculation of the Technical Provisions is the Projected Unit Method.

The principal assumptions to be used in the calculation of the Technical Provisions are:

Inflation

By looking at the cost of investing in UK government bonds with payments linked to inflation compared to the cost of investing in UK government bonds not linked to inflation, it is possible to arrive at a figure for the average market view of future price inflation. This will then be compared to the latest Treasury targets for inflation in the UK, and other relevant information such as inflation swap pricing, when deriving the assumption to use.

Pension increases

Assumptions for future pension increases which are linked to inflation will be set with reference to the relevant inflation assumption, adjusted to take account of any minimum and maximum increases that apply.

Discount rate

The discount rate will normally be determined by the Trustees based on professional advice, taking into account relevant market indicators at the valuation date, the long-term strategic asset allocation, the liability profile of the Scheme, and the perceived strength of the Employer covenant.

As a proportion of the Scheme's assets are invested in assets which would be expected to outperform UK government bonds over the long term, an allowance may be made for this in the discount rate, depending on the perceived strength of the Employer covenant. However, if the Trustees have material concerns over the strength of the Employer covenant, the discount rate may need to be determined looking solely at the yield available on gilts and other low risk asset classes.

Retirement

Members will be assumed to retire at the earliest age at which they can take their benefit without an actuarial reduction applying, which may be different for different elements of pension.

Member options

If the Trustees consider it to be appropriate, allowance may be made for member options such as commuting pension for cash at retirement or taking early retirement.

Mortality

The rates of mortality assumed will reflect information published by Continuous Mortality Investigation Limited, a subsidiary of the Institute and Faculty of Actuaries, deemed most relevant to the membership of the Scheme, including an appropriate allowance for expected future improvements in longevity. This assumption will also reflect any available evidence relating to the actual mortality experience of the Scheme, as well as any other factors considered relevant.

Dependant details

Assumptions regarding the proportion of members with a dependant at death, and the age difference between the member and the dependant, will be set taking into account professional advice and the experience of the Scheme.

Expenses

The assumptions for future investment returns will be set net of investment related expenses. Allowance may be made for future non-investment related expenses taking into account:

- the date by which the Trustees are required by regulations to target a low level of dependency on the participating employers (unions) (the relevant date); and
- the legal obligations of the participating unions to meet expenses, either in full or part, as set out in either the Scheme Rules or in the agreed Schedule of Contributions.

Period within which and manner in which a failure to meet the Statutory Funding Objective is rectified

If the assets of the Scheme are less than the Technical Provisions at the effective date of any actuarial valuation, a 'Recovery Plan' will be put in place, which requires additional contributions from the participating unions. These additional contributions will pay off the shortfall over an appropriate period, taking into account the participating unions' ability to pay.

Recovery Plan contributions will usually be expressed as fixed monetary amounts. Unless the Trustees consider it appropriate in the circumstances, such deficit contributions will be equal amounts throughout the period payable on either an annual or monthly basis.

Arrangements for other parties to make payments to the Scheme

Payments to the Scheme may be received from any subsidiary company of the participating unions, in lieu of contributions otherwise due from the participating unions.

Directions by The Pensions Regulator as to the funding of the Scheme

No directions under section 231(2) of the Pensions Act 2004 have been made by The Pensions Regulator as to the funding of the Scheme.

Basis of Cash Equivalent Transfer Values

Members of the Scheme are entitled to transfer the value of their Scheme benefits to another pension arrangement. If this option is chosen a 'cash equivalent transfer value' (CETV) is payable.

The Trustees have agreed that CETVs will normally be calculated so as to represent their best estimate of the cost of providing the benefits in the Scheme. As such the assumptions used will be similar to those used for the calculation of the Technical Provisions, but without any margins for prudence included. As the financial assumptions are market-related, they will normally be updated on a monthly basis for the purpose of calculating CETVs.

Every three years, the Trustees will consider whether to obtain advice from the Scheme Actuary on the financial position of the Scheme and its ability to pay full CETVs. The Trustees may decide, depending on the outcome of such advice, to reduce transfer values to the full amount permitted under legislation.

Surplus refund to the Employer

There are no provisions in the Trust Deed and Rules to make payments to the participating unions out of the funds held for the purposes of the Scheme.

Assumptions as at 30 June 2025

The assumptions used to calculate the technical provisions as at 30 June 2025 are as follows:

Discount rate	Bank of England gilt yield curve + 1.04% p.a., linearly reducing to BoE gilt yield curve + 0.20% pa at 30 June 2035 ⁽¹⁾
Retail Prices Index (RPI) inflation	Bank of England gilt-implied inflation curve supplemented with Merrill Lynch yield data at short terms
Consumer Prices Index (CPI) inflation	RPI inflation less 0.80% p.a. pre 2030; RPI inflation thereafter
Pension increases	A model of each increase, allowing for insurers' relative pricing of different caps and collars
Retirement	Earliest age at which benefits can be taken unreduced (by tranche)
Cash commutation	No allowance
Mortality tables	For males: 106% of the S4PMA tables For females: 92% of the S4PFA tables
Mortality improvements	CMI 2024 projections using a long-term improvement rate of 1.75% p.a. The initial addition is 0.5% p.a. and the half-life parameter is 1.
Proportion of members with a dependant at retirement or earlier death	85% of males 75% of females
Age difference between member and dependant	Male members 3 years older than their female dependant, and vice versa
Expense allowance	£8,800,000
Allowance for GMP equalisation	Non-pensioners: Allowed for within member data Pensioners: 0.3% of liabilities

⁽¹⁾The discount rate will be adjusted in future in line with the following table if further Section 75 debt exits occur:

**Technical Provisions discount rate – allowing for future
Section 75 exits**

Discount rate	Long-term discount rate + assumed outperformance
Long term discount rate	Gilt curve + 0.2% p.a.
Assumed outperformance above long-term discount rate	0.84% p.a. as at 30 June 2025, linearly decreasing to nil at 2035, multiplied by the Remaining Unions' Share
Remaining Unions' Share	The percentage of liabilities attributable to the remaining unions, based on the position as at 30 June 2025

These assumptions have been chosen by the Trustees in light of their long-term investment objectives and the Scheme's liability profile based on advice from the Scheme Actuary, along with their views on the strength of the Employer covenant.

Dates of review of this statement

This Statement of Funding Principles will be reviewed by the Trustees and the Principal Employer no later than 15 months after the effective date of each actuarial valuation, due every three years.

This statement has been agreed by the Trustees and the Employer



Signed on behalf of the Trustees of the Students' Union Superannuation Scheme

Apr 9, 2026

.....
Date



Signed on behalf of NUS UK

Apr 10, 2026

.....
Date

Students' Union Superannuation Scheme

Schedule of Contributions

Status

This Schedule of Contributions has been prepared by the Trustees of the Students' Union Superannuation Scheme (the Scheme), after obtaining the advice of the Scheme Actuary appointed by the Trustees.

Contributions to be paid by the Employer from 1 May 2026 to 31 January 2034

In respect of the shortfall in funding as set out in the Recovery Plan dated April 2026:

Each participating employer (union) will contribute an amount set out in the attached Appendix 1.

The amounts commencing on 1 October 2026 will be increased by 5% as at 1 October 2027 and each subsequent 1 October or such greater amount as is agreed between the Trustees and the Principal Employer.

These contributions are payable monthly in arrears, within 19 days of the end of each month. A participating union may, at their discretion, pay all or part of the contributions in advance.

The Trustees have given the participating unions the option of paying a single lump sum contribution instead of their monthly contributions from October 2026 to September 2029. These lump sum contributions are set out in Appendix 2. If a participating union chooses to pay this lump sum (which they are under no obligation to do) then they will not pay any contributions set out in Appendix 1 for the period from 1 October 2026 to 30 September 2029.

Participating unions taking up the offer must pay the lump sum contribution by 19 November 2026, and may at their discretion pay all or part of the lump sum contribution in advance.

Any participating union which takes up the offer and pays a lump sum by 19 November 2026 in accordance with Appendix 2 will remain liable to pay the contributions due under Appendix 1 in respect of the period before and after that covered by the initial lump sum.

In respect of reimbursement of any pensions-related levy issued by the Pension Protection Fund, the Pensions Regulator or other regulatory authority:

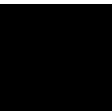
The Trustees may, at their discretion, request reimbursement of any levy they have paid (plus associated expenses) from the participating unions. The amounts due from each participating union will be determined by the Trustees and notified to each participating union for payment within 30 days.

In respect of other expenses: All other expenses shall be paid from the Scheme’s assets unless agreed otherwise.

This schedule has been agreed by the Trustees and the Principal Employer.


.....
Signed on behalf of the Trustees of the Students' Union Superannuation Scheme

Apr 9, 2026
.....
Date


.....
Signed on behalf of NUS UK

Apr 10, 2026
.....
Date

Students' Union Superannuation Scheme

Recovery Plan

Status

This Recovery Plan has been prepared by the Trustees of the Students' Union Superannuation Scheme (the Scheme) in April 2026 after obtaining the advice of the Scheme Actuary appointed by the Trustees.

Steps to be taken to ensure that the Statutory Funding Objective is met

The actuarial valuation of the Scheme as at 30 June 2025 revealed a funding shortfall (Technical Provisions minus value of assets) of £44,888,000.

To eliminate this funding shortfall, the Trustees and NUS UK (the Principal Employer) have agreed that additional contributions will be paid to the Scheme by the participating employers (unions) totalling the following amounts (rounded to the nearest thousand):

- £572,000 per month until 30 September 2026; plus
- £480,000 per month, from 1 October 2026, increasing by 5% each subsequent 1 October, until 31 January 2034; less
- £19,000 per month increasing by 5% each 1 October until 30 September 2032.

These contributions are payable monthly in arrears, within 19 days of the end of each month. A participating union may, at their discretion, pay all or part of the contributions in advance. Participating unions will be given the option of paying a lump sum instead of their monthly contributions between October 2026 and September 2029, with a discount applying reflecting the interest saved.

Period in which the Statutory Funding Objective should be met

The funding shortfall is expected to be eliminated in 8 years 7 months of 30 June 2025, which is by 31 January 2034.

This expectation is based on the following assumptions:

- Technical Provisions calculated according to the method and assumptions set out in the Statement of Funding Principles dated April 2026; and
- the return on existing assets and the return on new contributions during the period being consistent with the calculation of the Technical Provisions as at 30 June 2025.

This Recovery Plan has been agreed by the Trustees and Employer

	Apr 9, 2026
Signed on behalf of the Trustees of the Students' Union Superannuation Scheme	Date

	Apr 10, 2026
Signed on behalf of NUS UK	Date

Section 179 certificate

Scheme details

Scheme name	Students' Union Superannuation Scheme
Pension Scheme Registration Number	10149211
Address of Scheme	BARNETT WADDINGHAM LLP ST JAMES HOUSE ST JAMES SQUARE CHELTENHAM GL50 3PR United Kingdom

Effective date of this valuation	30 June 2025
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Guidance and assumptions

s179 guidance used for this valuation	G10
s179 assumptions used for this valuation	A11

Assets

Total assets	£121,690,000
Date of relevant accounts	30 June 2025
Percentage of the assets shown above held in the form of a contract of insurance where this is not included in the asset value recorded in the relevant scheme accounts	-1%

Liabilities

Liabilities, excluding expenses, for:

Active members	£0
Deferred members	£57,069,000
Pensioner members	£69,229,000
Estimated expenses of winding up	£1,290,000
Estimated expenses of benefit installation/payment	£1,404,000
External liabilities	£0
Total protected liabilities	£128,992,000

Insured benefits

Percentage of the liabilities shown above that are matched by insured annuity contracts for:

Active members	0%
Deferred members	0%
Pensioner members	3%

Proportion of liabilities which relate to each member type:	Pre 6 April 1997	6 April 1997 to 5 April 2009	Post 5 April 2009
Active members	0%	0%	0%
Deferred members	13%	87%	0%
Pensioner members	43%	57%	0%

Number of members and average ages as at the effective date for:	Number of members	Average age (weighted by protected liabilities)
Active members	0	n/a
Deferred members	996	56
Pensioner members	1,320	72

Certification

I certify that this valuation has been carried out in accordance with the Pension Protection Fund (Valuation) Regulations 2005 and with the appropriate section 179 guidance and assumptions issued by the Board of the Pension Protection Fund.

I also certify that the calculated value of the protected liabilities is, in my opinion, unlikely to have been understated.

Signature:



Date:

1 May 2026

Name: Chris Ramsey

Qualification: Fellow of the Institute and Faculty of Actuaries

Address: 2 London Wall Place
London
EC2Y 5AU

Employer: Barnett Waddingham LLP

Statement of strategy

Students' Union Superannuation Scheme

Pension Scheme Registration (PSR) number: 10149211

Statement type: Bespoke pre-relevant date

Name of the chair of trustees: Grant Suckling

Signature of the chair of trustees

This document is signed by the chair of trustees on behalf of the trustees of the scheme.

Signature of the chair of trustees:

Date:

Part 1: funding and investment strategy

This funding and investment strategy sets out the trustees' strategy for ensuring that pensions and other benefits under the scheme can be provided over the long term.

Actuarial valuation

The actuarial valuation to which this funding and investment strategy relates has an effective date of 30/06/2025

The scheme's funding level as at the effective date of the actuarial valuation is as follows.

- Low dependency funding basis: 70.00%
- Technical provisions basis: 73.00%

Relevant date

The trustees have selected 30/06/2035 as the scheme's relevant date.

The actuary has estimated in the actuarial valuation that the scheme's maturity at the relevant date (duration in years) is 13 years.

The trustees intend that as at the relevant date:

- The scheme's funding level on a low dependency funding basis will be: 100.00%
- The assets of the scheme will be invested as follows:
 - o Growth: 5.00%
 - o Matching: 95.00%

Funding journey plan

The trustees' funding journey plan, once fully funded on a technical provisions basis, is illustrated by the following.

- The discount rates and other assumptions used to calculate the:
 - o scheme's technical provisions in the actuarial valuation
 - o intended low dependency funding level at the relevant date, as set out in Appendix 1
- The differences between the above two sets of assumptions, as set out in Appendix 1.
- How the trustees expect the discount rate or rates to change over time, as set out in Appendix 1.

The trustees would also like to add the following.

The trustees are targeting full funding on a prudent basis (Gilts +20bps). By the relevant date (June 2035) it is expected to be possible to fully buy in member benefits with an insurer and have limited further reliance on the covenant.

The agreed Recovery Plan would enable the Scheme to be fully funded on a 'Fast Track' compliant basis much sooner (by c.2029).

Long-term objective

The trustees' current strategy is for benefits to be provided over the long term in the following way.

The trustees' long-term objective is for the Scheme to provide benefits in the long-term by way of buying out benefits with an insurer, however the trustees remain open to considering alternatives as the market develops.

Confirmation of agreement

This funding and investment strategy has been agreed by the trustees following consultation with the employer or employers.

Part 2: supplementary matters

Trustee assessment

How appropriate the funding and investment strategy is

The trustees have considered whether, and to what extent, the funding and investment strategy is, or remains, appropriate. They have concluded the following.

The trustees have concluded that the funding and investment strategy is appropriate. In determining this strategy, the trustees have considered the Scheme's characteristics and the employer's ability to support the Scheme.

In determining an appropriate funding and investment strategy, the trustees have considered advice provided by the Scheme's professional actuarial and investment advisers, and have (utilising their knowledge and experience) considered the strength of the employer covenant.

The trustees have discussed the Scheme's funding and investment strategy with the principal employer, reaching an agreement which balances the requirements of the Scheme to members' benefits with those of the employer to achieve sustainable growth.

Implementing the funding and investment strategy

In the trustees' opinion, the funding and investment strategy is being successfully implemented.

The main risks to the implementation of the funding and investment strategy, together with details of how the trustees intend to mitigate them, manage them, or both, are as follows.

One of the greatest risks to the ability of the Scheme to meet members' benefits in the future is that one or more of the Scheme's c.50 participating employers may be unable to fund future deficit repair contributions. However, the trustees have set contributions at a level that is considered to be affordable (and which is noted to be more affordable than the existing schedule). Furthermore, as well as considering the covenant on an in-depth basis at each actuarial valuation, the trustees regularly monitor the strength of the covenant and consider at each review whether any additional employer engagement is required.

Allowance is made in the assumptions for the expected long-term performance of risky asset classes such as equities. There is a risk that the assumed investment returns will not be achieved in practice which could result in further contributions being required. In mitigation, the trustees are comfortable that the level of risk being run is supportable having undertaken a stress test, as detailed below. Furthermore, the trustees regularly review the performance of the Scheme's assets and consult with their advisers regarding the investment strategy on a periodic basis.

In order to retain appropriate hedging of interest rate and inflation risk while retaining sufficient strategic exposure to growth assets, the trustees have allocated a proportion of the strategic asset allocation to a leveraged LDI portfolio. While the trustees recognise the potential for collateral calls associated with this portfolio to represent a liquidity risk, the trustees believe sufficient liquid assets are held and robust processes are in place to mitigate this risk.

There is also a risk that non-investment experience is worse than assumed. For example, members may live for longer than assumed or inflation may be higher than assumed. This could lead to additional contributions being required to prevent a deterioration in the Scheme's financial position. To mitigate this risk, the trustees take advice from their Scheme Actuary on the assumptions at each valuation and include margins for prudence in

The trustees have not identified any significant past decisions relevant to the funding and investment strategy.

Actuarial information

Estimate of scheme maturity

The actuary's estimates of scheme maturity in the actuarial valuation are as follows.

- Scheme maturity at effective date (duration in years): 17.1 years.
- Scheme maturity at relevant date (duration in years): 13 years.
- Date the scheme is expected to reach significant maturity: 30/06/2046

Evidence of how maturity is expected to change over time

The scheme actuary's estimates of maturity, as shown above, evidence how the maturity of the scheme is expected to change over time by demonstrating the expected change in the scheme's duration over the journey plan, including when it is expected to reach significant maturity.

Summary of actuarial valuation and recovery plan

The existing funding position of the scheme as set out in the actuarial valuation is as follows.

	Technical provisions	Low dependency	Solvency
Total assets	£119,427,000.00	£119,427,000.00	£119,427,000.00
Active member liabilities	£0.00	£0.00	£0.00
Deferred member liabilities	£68,780,000.00	£71,749,000.00	£74,363,000.00
Pensioner member liabilities	£86,735,000.00	£89,811,000.00	£87,843,000.00
Insured liabilities	£0.00	£0.00	£0.00
Expense reserves	£8,800,000.00	£8,800,000.00	£3,000,000.00
Total liabilities	£164,315,000.00	£170,360,000.00	£165,206,000.00
Funding level	73.00%	70.00%	72.00%

The proportion of the liabilities on a low dependency funding basis that are linked to inflation is 57.00%

The scheme actuary estimates that the scheme's sensitivity to inflation is that an assumed change in RPI and CPI (underpinning the related assumptions) of 25 basis points would lead to a change in the value of the technical provisions' liabilities of £3,163,708.00

The forward yields table in Appendix 1 details the forward rates and premiums used to:

- Calculate the technical provisions.
- Specify the funding level, calculated in accordance with the low dependency funding basis, the trustees intend the scheme to have achieved at the relevant date.

Details of the undiscounted cashflows for the next 40 years, as used to calculate technical provisions, are shown in the cashflows table in Appendix 2.

The scheme's recovery plan can be summarised as follows.

- Date recovery plan commenced: 01/05/2026
- Date recovery plan ends: 31/01/2034
- Technical provisions deficit at valuation date: £44,888,000.00
- Assumed investment return over recovery plan period: 0.00%
- Is there allowance for post valuation experience?: No

The deficit repair contributions for each of the 20 years after the valuation date, and the total scheduled at any time thereafter are as follows:

DRC Year	DRC
1	£6,864,000.00
2	£6,207,000.00
3	£6,212,550.00
4	£6,523,178.00
5	£6,849,337.00
6	£7,191,803.00
7	£7,551,393.00
8	£7,699,807.00
9	£3,955,963.00
10	£0.00
11	£0.00
12	£0.00
13	£0.00
14	£0.00
15	£0.00
16	£0.00
17	£0.00
18	£0.00
19	£0.00
20	£0.00
21+	£0.00

Investment information

Current level of investment risk

The trustees have assessed the level of risk in the scheme's current notional investment allocation (relating to the actuarial valuation to which the funding and investment strategy relates). They have determined that the level of risk is -£4,200,000.00

Evidence for level of investment risk

The trustees have determined the level of risk using a value at risk calculation as follows.

- Type of calculation: Liabilities and assets
- Liability basis:
- Technical provisions:
- Percentile: 16.67%
- Period: 1 year or years

In making their assessment, the trustees have also taken the following information into account.

- The current notional investment allocation relating to defined benefits, which is expected to provide a long-term return of 1.80% per annum, can be broken down into the following.

- o Fixed-interest UK government bonds: 44.5718%
- o Fixed-interest investment grade bonds (excluding UK government): 2.765%
- o Fixed interest sub-investment grade bonds: 4.2028%
- o UK inflation-linked government bonds: 58.9498%
- o UK quoted equities: 0.9504%
- o Overseas quoted equities: 20.6496%
- o Unquoted or private equities: 0.00%
- o Property: 1.40%
- o Deferred or immediate fully-insured annuities: 2.50%
- o Diversified growth funds: 0.00%
- o Cash and net current assets: -41.60%
- o Asset-backed contributions (ABCs): 0.00%
- o Other: 5.6106%

Additionally,

- The scheme's current notional investment allocation includes the following hedging targets as a proportion of assets (funded liabilities), which excludes insured annuities:

Type of hedging	Target hedging ratio
Interest rate:	120.00%
Inflation:	120.00%

Liquidity

The trustees' current notional investment allocation includes:

- 94.65% of highly liquid investments
- 5.35% of illiquid investments
- leveraged investments that could result in unexpected demands on liquidity from the rest of the scheme's assets

Level of investment risk in the journey plan

The level of investment risk the trustees intend to take as the scheme moves along its journey plan is as follows.

- The level of risk in the current notional investment allocation is -£4,200,000.00, as set out above.
- The level of investment risk the trustees expect to take in the intended investment allocation at the relevant date, expressed as a percentage drop in funding level, is 5.33%
- From the choice of options available, the trustees' intended de-risking approach over the intervening period is closest to: a stepped evolution

When making their assessment, the trustees have considered the following

- The scheme's intended investment allocation at the relevant date includes the following hedging targets as a proportion of low dependency liabilities, which excludes insured annuities:

Type of hedging	Target hedging ratio
Interest rate:	100.00%
Inflation:	100.00%

The way the trustees intend to achieve the objective of assets underpinning the minimum funding level being invested in accordance with a low dependency investment allocation on and after the relevant date is as follows.

We are following a stepped evolution based on expected improvements in funding level over time (reflecting the expected evolution of required return). The next expected de-risk, which is in the process of being implemented, is a reduction in target return from Gilts + 1.8% to Gilts + 1.6%, and then we expect another de-risk in a number of further steps down to the long term target return of Gilts + 0.5% p.a. by 2035, or sooner if the plan has made sufficient funding level progress.

Evidence this assessment is based on

Evidence to support the level of risk in the current notional investment allocation strategy is set out above in the first two paragraphs appearing under the section 'Evidence for level of investment risk'.

The trustees have determined the intended level of risk at the relevant date using a value at risk calculation as follows.

- Type of calculation: Liabilities and assets
- Liability basis: Low dependency funding
- Percentile: 16.67%
- Period: 1 year or years.

In making their assessment, the trustees have also considered their intended investment allocation at the relevant date, as set out in Part 1 of this statement of strategy. This is expected to provide a long-term return of gilts + 0.50% per year.

Covenant information

Assessment of employer covenant

The trustees have assessed the strength of the employer covenant as at 30/04/2026. They have determined that it is adequate by reference to the actuarial valuation to which this funding and investment strategy relates.

Evidence this assessment is based on

In making the above assessment, the trustees have considered the following.

- Professional covenant advice: No
- Reliance on other entities than statutory employers: No
- Assessment of reliability period: equal to or at least 9 years.
- Assessment of covenant longevity period: equal to or at least 9 years.

The trustees have the following experience that allows them to assess covenant without professional covenant advice

In reaching its conclusions on employer covenant strength, the trustees have used their experience, knowledge and capabilities to form a view on employer affordability and covenant reliability. This review was carried out with support from Ross Trustees Services Limited (in its capacity as one of the Scheme's trustee board).

The trustees believe that this approach is appropriate and proportionate given the funding position of the Scheme and the nature of the employers - together with the trustees' experience which enables them to consider matters that are relevant to the covenant. In particular it is noted that the trustee directors collectively have many decades of higher education and student union sector experience – including chief executive. In utilising this depth of experience and knowledge, the trustee have followed the Pensions Regulator's covenant guidance.

The trustees have the following comments on their approach to assessing reliability and covenant longevity periods.

The stated reliability and longevity periods represent the trustees minimum view (that is, they are 'at least' figures).

The Scheme relies on support from a wide range of employers across the higher education sector. The trustee considers the covenant can be relied on with confidence over the duration of the recovery plan (that is, until at least 2034) given robust funding from parent institutions; the expectation of ongoing government support; evidence of remoteness from insolvency; and access to international markets.

A summary of the trustees' assessment of supportable risk over the reliability period is attached as Appendix 6.

Employer consultation

The trustees hereby confirm that they have consulted the employers of the Students' Union Superannuation Scheme in the preparation or revision of Part 2 of the statement of strategy.

The employers have not asked to include any comments in this document.

Appendix 1: actuarial assumptions

Discount rates

The trustees use the following discount rate methodology:
Multiple horizon

The discount rate is derived by: applying a premium to gilt yields.

The forward yields table at the end of this appendix sets out the forward rates used in:

- calculating the scheme's technical provisions in the actuarial valuation
- specifying the funding level, calculated in accordance with the low dependency funding basis, the trustees intend the scheme to have achieved at the relevant date

Other assumptions

The other assumptions used to calculate the scheme's technical provisions at the effective date of the actuarial valuation are as follows:

- The RPI, CPI, and pay increase assumptions are set out in the forward yields table at the end of this appendix.

Mortality assumptions of:

- An expected age of death for male pensioners aged 65 at the valuation date of 86.9
- An expected age of death for female pensioners aged 65 at the valuation date of 90.3
- An expected age of death for future male pensioners aged 45 at the valuation date of 88.9
- An expected age of death for future female pensioners aged 45 at the valuation date of 92.3

Differences between technical provisions and low dependency funding basis assumptions

Other than the differences in the discount rate premiums set out above, there are no differences between the assumptions used to calculate the scheme's technical provisions in the actuarial valuation, and those used in specifying the funding level, calculated in accordance with the low dependency funding basis, the trustees intend the scheme to have achieved at the relevant date.

Forward yields table

Year	Discount rate: underlying yields (excluding additions)	Discount rate: additions to curve - technical provisions	Discount rate: additions to curve - low dependency	RPI assumption curve	CPI assumption curve
1	3.64%	1.04%	0.20%	2.30%	1.50%
2	3.83%	0.956%	0.20%	3.99%	3.19%
3	3.84%	0.872%	0.20%	3.58%	2.78%
4	4.05%	0.788%	0.20%	2.85%	2.05%
5	4.36%	0.704%	0.20%	2.88%	2.41%
6	4.70%	0.62%	0.20%	2.96%	2.96%
7	5.03%	0.536%	0.20%	3.06%	3.06%
8	5.33%	0.452%	0.20%	3.15%	3.15%
9	5.59%	0.368%	0.20%	3.22%	3.22%
10	5.80%	0.284%	0.20%	3.28%	3.28%
11	5.98%	0.20%	0.20%	3.32%	3.32%
12	6.12%	0.20%	0.20%	3.36%	3.36%
13	6.23%	0.20%	0.20%	3.39%	3.39%
14	6.31%	0.20%	0.20%	3.41%	3.41%
15	6.37%	0.20%	0.20%	3.42%	3.42%
16	6.39%	0.20%	0.20%	3.42%	3.42%
17	6.39%	0.20%	0.20%	3.42%	3.42%
18	6.36%	0.20%	0.20%	3.40%	3.40%
19	6.32%	0.20%	0.20%	3.39%	3.39%
20	6.26%	0.20%	0.20%	3.37%	3.37%
21	6.19%	0.20%	0.20%	3.36%	3.36%
22	6.12%	0.20%	0.20%	3.36%	3.36%
23	6.05%	0.20%	0.20%	3.36%	3.36%
24	5.98%	0.20%	0.20%	3.37%	3.37%
25	5.90%	0.20%	0.20%	3.38%	3.38%
26	5.82%	0.20%	0.20%	3.40%	3.40%
27	5.73%	0.20%	0.20%	3.41%	3.41%
28	5.62%	0.20%	0.20%	3.41%	3.41%
29	5.50%	0.20%	0.20%	3.40%	3.40%
30	5.37%	0.20%	0.20%	3.38%	3.38%
31	5.22%	0.20%	0.20%	3.36%	3.36%
32	5.05%	0.20%	0.20%	3.31%	3.31%
33	4.87%	0.20%	0.20%	3.26%	3.26%
34	4.68%	0.20%	0.20%	3.20%	3.20%
35	4.47%	0.20%	0.20%	3.13%	3.13%

36	4.26%	0.20%	0.20%	3.04%	3.04%
37	4.02%	0.20%	0.20%	2.95%	2.95%
38	3.78%	0.20%	0.20%	2.85%	2.85%
39	3.53%	0.20%	0.20%	2.73%	2.73%
40	3.26%	0.20%	0.20%	2.61%	2.61%

Appendix 2: Annual scheme cashflows table

These cashflows exclude insured benefits where these are included when calculating the technical provisions.

Year	Annual cashflows: Accrued benefits
1	£6,487,497.97
2	£6,865,366.98
3	£7,252,307.79
4	£7,636,784.69
5	£7,974,611.26
6	£8,294,010.42
7	£8,658,043.22
8	£9,069,383.74
9	£9,424,389.19
10	£9,765,119.29
11	£10,099,743.12
12	£10,471,311.16
13	£10,761,180.27
14	£10,948,269.64
15	£11,187,108.14
16	£11,382,089.88
17	£11,513,780.27
18	£11,620,722.16
19	£11,704,663.92
20	£11,755,712.89
21	£11,822,593.35
22	£11,769,855.71
23	£11,688,347.02
24	£11,570,121.58
25	£11,418,667.09
26	£11,228,137.32
27	£11,017,899.29
28	£10,776,899.52
29	£10,509,257.07
30	£10,218,974.59
31	£9,905,071.57
32	£9,567,298.91
33	£9,204,745.51
34	£8,818,577.54
35	£8,408,003.92
36	£7,974,289.98
37	£7,520,071.34
38	£7,047,980.52
39	£6,562,202.52
40	£6,067,296.25

Appendix 3: Contingent assets

Based on the information provided appendix 3 is not required.

Appendix 4: Asset-backed contributions

Based on the information provided appendix 4 is not required.

Appendix 5: Summary of trustees' analysis of maximum affordable contributions after deficit repair contributions

Based on the information provided appendix 5 is not required.

Appendix 6: Summary of trustees' assessment of supportable risk over the reliability period

The trustees should append the PDF of the assessment of supportable risk over the reliability period here. This will also need to be uploaded when the statement of strategy is submitted.

Students' Union Superannuation Scheme

Certification of the calculation of the Technical Provisions

Calculation of the Technical Provisions

I certify that, in my opinion, the calculation of the Scheme's Technical Provisions as at 30 June 2025 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustees of the Scheme and set out in the Statement of Funding Principles dated April 2026.

Signature:



Date:

1 May 2026

Name:

Chris Ramsey

Qualification:

Fellow of the Institute and Faculty of Actuaries

Address:

2 London Wall Place
London
EC2Y 5AU

Employer:

Barnett Waddingham LLP

Students' Union Superannuation Scheme

Certification of the Schedule of Contributions

Adequacy of rates of contributions

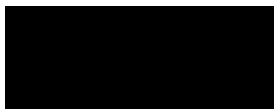
I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the Statutory Funding Objective could have been expected, on 30 June 2025, to be met by the end of the period specified in the Recovery Plan dated April 2026.

Adherence to Statement of Funding Principles

I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated April 2026.

The certification of the adequacy of the rates of contributions for the purpose of securing that the Statutory Funding Objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound up.

Signature:



Date:

1 May 2026

Name:

Chris Ramsey

Qualification:

Fellow of the Institute and Faculty of Actuaries

Address:

2 London Wall Place
London
EC2Y 5AU

Employer:

Barnett Waddingham LLP