

BTPS

Fact Sheet

About the Scheme

BT Pension Scheme, ("BTPS" or the "Scheme") is one of the largest private sector pension schemes in the UK.

It is a closed defined benefit (DB) pension scheme for employees, former employees and dependents of BT Group, with **over 253,000 members** and **c.£33.2bn** of assets as at **30 June 2025**.



OVER
253,000
MEMBERS

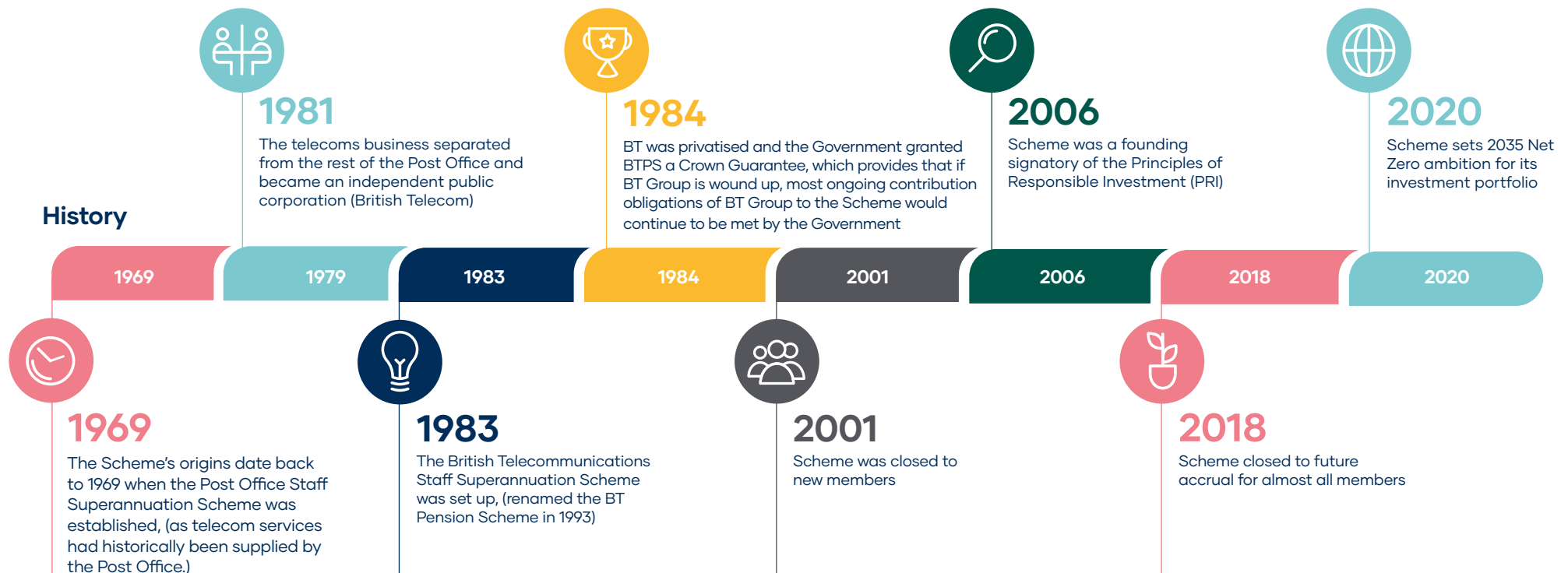


£33.2bn
OF ASSETS

Of this, nearly two thirds (66%) is invested in UK assets including gilts, corporate bonds (inc. secure income), property, infrastructure and private equity.

The Scheme closed to new members in 2001 and to future accrual in 2018. Each year, it pays out **c.£2.9bn** in benefits to **c.213,000** retired members and their beneficiaries.

History



Journey to full
funding by

2030

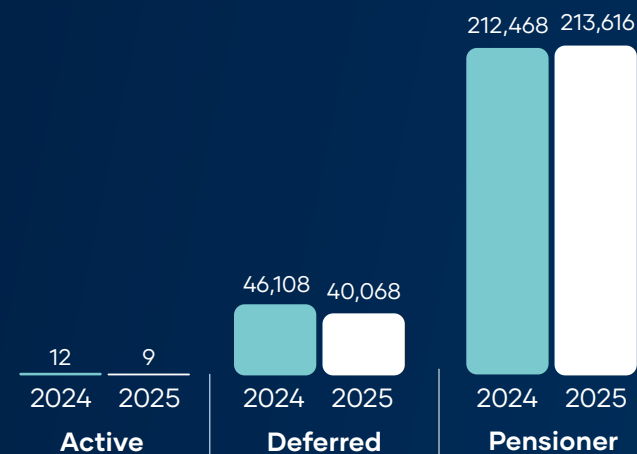
The Scheme's funding position has improved from 88% in June 2020 to 91% in June 2025, representing a reduction in the funding shortfall (deficit) from £7.98bn in June 2020 to £3.2bn in June 2025.

The Scheme remains on course to be fully funded by 2030.



Member profile

Member profile as at June 2025



Investment strategy

The Scheme's main objective is to ensure there are sufficient assets to pay the benefits in full at the right time to members and their beneficiaries under the Rules of the Scheme.

As more of the Scheme's members reach retirement, the matching of assets and liabilities will be increased with the investment portfolio transitioning towards bond and bond-like investments. We have set an objective to

reduce the level of investment risk gradually over time and to increase the level of cashflow aware assets, as the proportion of retired members increases. The income from those cashflow aware assets will help us reduce the range of investment outcomes and ensure funding stability. By 2034 (when virtually all Scheme members will be retired) the Scheme intends for its assets to provide adequate income plus capital repayments to meet members' benefit payments as they fall due.

The Scheme is exposed to five main risk factors:



Changes in
long term UK
interest rates



Liquidity and
cash flow risk



Changes in UK
inflation



Changes in
longevity

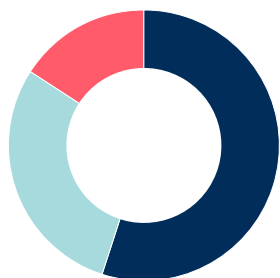


Asset risk

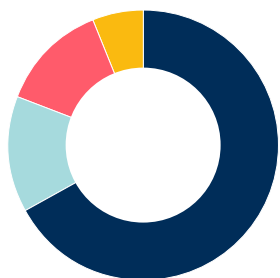


Where we invest as at June 2025

The distribution of investments



Cashflow-aware	54%
Equity and equity-like	27%
Liability hedging investments	19%



UK	66%
US	15%
Europe	12%
Other	7%

Property investments

Around 10% or **£3.5bn** of Scheme assets are invested in property, comprising of a diversified mix of offices, industrial property, retail and residential assets.

These investments provide the Scheme with income and over the long term, the value of commercial property has been shown as an asset class that keeps pace with inflation.



Investment grade credit

The Scheme owns approximately **£8.3bn** of corporate bonds which form part of our cash flow matching portfolio.

The purpose of the cashflow matching portfolio is to efficiently exploit the natural liquidity of bond and bond-like assets to further improve confidence that benefit payments can be met as they fall due. On June **2025** approximately **53%** of the Scheme's exposure to investment grade corporate bonds was allocated to UK corporate bonds and the remaining **47%** was invested globally.

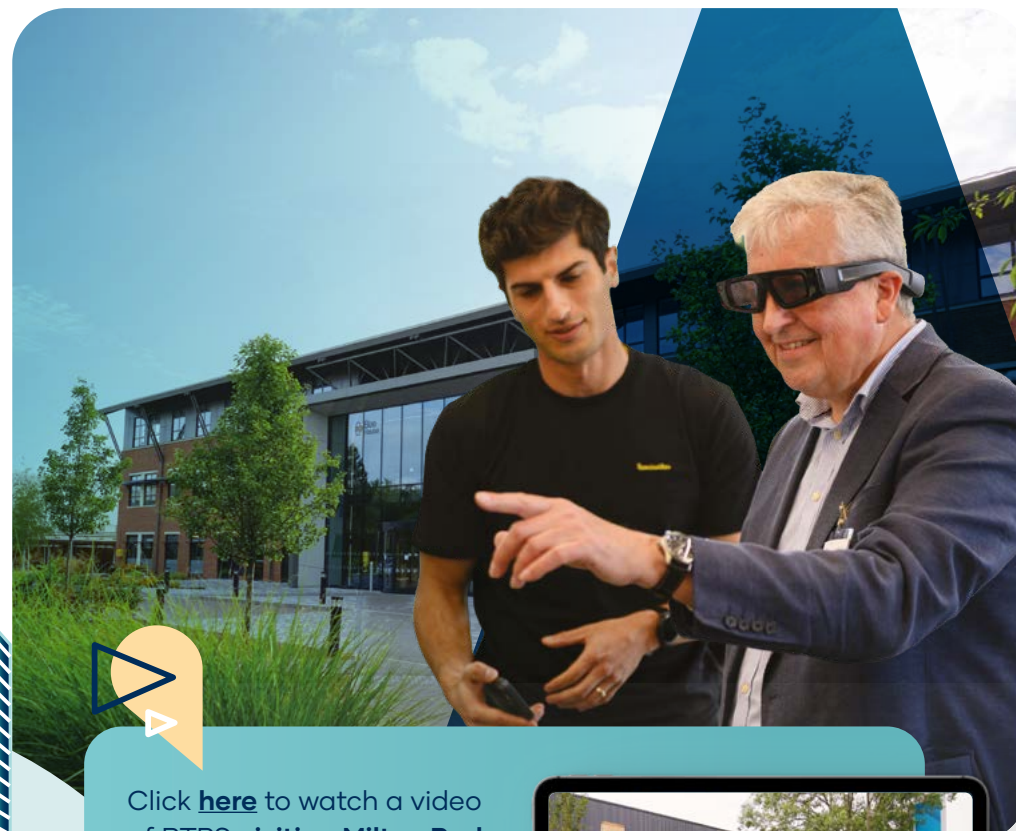
Sustainable investment and climate change

The Scheme has a long history of being an engaged and responsible investor.

This commitment is central to how the Scheme thinks about its investments and this is mirrored in BTPS' responsible investment mission statement:

"The Scheme's investments should be managed to create sustainable long-term value, supporting the generation of optimal investment returns to ensure the Scheme can pay all benefits in full."

Climate change is one of the biggest risks posed to the Scheme achieving its member funding obligations. As a result, in October 2020, the Scheme set an ambition to achieve net zero greenhouse gas emissions (absolute scope 1-3) by 2035 across the portfolio.



Click [here](#) to watch a video of BTPS visiting Milton Park, one of the Scheme's long-term investments.



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