

Scottish Parliamentary Pension Scheme

Minutes of the Fund Trustee meeting held on 2 December 2025 at 17:30 via Microsoft Teams

Present:

Pauline McNeill MSP (Trustee and Chair)
Murdo Fraser MSP (Trustee)
Gordon MacDonald MSP (Trustee)
Mark Ballard (Trustee)
Kirsten Knox (Secretariat, SPCB Pay and Pensions Office)

In Attendance:

Keith Gourley (GAD)
Eva Grace (GAD)
Laura Brunton (GAD)
Neil Mackie (SPCB Pay and Pensions Office)
Neil Biggar (SPCB Procurement Office)
Nicholas Fraser (SPCB Legal Services Office)

Item 1: Attendance/apologies

1. No apologies were received.

Item 2: Minutes of the meeting held on 9 September 2025

2. The minutes of the meeting held on 9 September 2025 were formally agreed.

Item 3: Pension Administration Update

3. Neil Biggar provided an update on Scheme administration, confirming that the service and pricing agreement established in October 2025 has been agreed with SPPA. Formal documentation is now being prepared for sign-off. Discussions regarding costs for the April-September 2025 period are ongoing with SPPA.

4. Neil confirmed that work is continuing to review administration requirements and gather information to prepare options for the Trustees. A detailed update will follow at the next meeting.

AP: SPPS Secretariat to report back to the Trustees at the next meeting.

Item 4: 2025 Valuation Results Update

5. Keith and Laura from GAD presented the updated 2025 Valuation initial results report and highlighted the key results for discussion. They confirmed that the Scheme remains well-funded and noted that contribution rate decisions will be guided by the current surplus and actuarial cost of accruing benefits. GAD outlined two contribution rate options for Trustees to consider, with a recommendation to be submitted for discussion at the SPCB's meeting in January 2026. It was noted that the SPCB set the contribution rate after considering the Scheme Actuary's recommendation and advice from the Trustees.

6. GAD also provided a training session on setting the Scheme's Cash Commutation Factors. The Trustees agreed to have a further meeting in January 2026 to review the Scheme's Cash Commutation Factors and all other Scheme Factors.

AP: SPPS Secretariat to arrange a meeting in January 2026 for GAD to discuss with Trustees the commutation factor options.

Item 5: Quarterly Investment Monitoring Report

7. Eva provided an overview of the Q3 2025 Investment Monitoring Report for the period up to end September 2025. She reported that it was a positive quarter overall, driven by strong equity and multi-asset returns. Gilt yields rose compared to last year, with a slight increase from Q2.

8. Eva also provided an update to the Trustees following an announcement that Baillie Gifford has merged fund management of its DGF with another multi-asset fund management team at Baillie Gifford, reflecting a trend toward DB pension schemes de-risking and reducing their exposure to growth assets like DGFs. Next year, Baillie Gifford will merge the DGF into the Baillie Gifford Multi Asset Income Fund. The Multi Asset Income Fund is slightly less diversified than the DGF, but GAD is not concerned about this change. GAD will meet with Baillie Gifford in the new year and provide a further update to Trustees. Eva recommended no immediate action by the Trustees was required at this time.

AP: GAD to provide an update at the next meeting following their meeting with Baillie Gifford in the New Year.

AP: Carried forward from previous meetings, GAD to arrange a training session by an investment manager on infrastructure as an asset class for the Trustees when time permits at an upcoming meeting.

Item 6: Any other business

9. Dual Mandate Regulations Update: Nicholas Fraser briefed the Trustees on new regulations that will take effect the day following the 2026 Scottish Parliament Election. These regulations introduce salary abatements for Members of the Scottish Parliament who also serve as Members of Parliament, Members of the House of Lords

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or Councillors. Trustees requested clarification about how these changes could affect contributions to the Scottish Parliamentary Pension Scheme.

AP: SPPS Secretariat to seek clarification around the Regulations and feedback to Trustees at the next meeting in March 2026.

Item 7: Date of next meeting

10. Date for next meeting set for Tuesday 3 March 2026