

Annual Report and Consolidated Financial Statements

Brightwell, trading name of BT Pension Scheme
Management Limited

For the year ended 30 June 2026



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About Brightwell

Brightwell is a comprehensive service provider to UK defined benefit (DB) pension schemes.

We have deep expertise in the market as a result of our long history of managing services for one of the UK's largest private sector defined benefit pension schemes - the BT Pension Scheme (BTPS).



A PENSIONS *Age*
WARDS
2026

Overall Sponsor



CDI Manager of the Year 2026

Our approach is based on partnership – collectively owning problems, sharing solutions and collaborating for the long-term.



An evolving landscape

A large, long-established market undergoing profound structural change

The UK DB pensions market is one of the largest pools of long-term capital in the world, and it is changing rapidly. As at 31 March 2025 there were c.5,000 DB pension schemes in the UK, with liabilities of around £1.1 trillion measured on a buy-out basis.²

A sustained improvement in funding has transformed the landscape: The Pensions Regulator estimates that around 90% of schemes are in surplus on a technical provisions basis³ and around 80% are in surplus on a low dependency basis.⁴ This strengthening of scheme funding has accelerated demand for de-risking and endgame solutions.

Insurers completed close to £48 billion of buy-in and buy-out transactions in 2024⁵, the second-highest annual total on record, with volumes expected to remain in the region of £40-£50 billion a year.⁶

As this transfer of risk continues, the market is consolidating around a relatively small number of insurers, superfunds and consolidators, and around the scaled service providers able to support schemes and insurers through to, and beyond, their chosen endgame.

Importantly, not every scheme is heading for buy-out: a growing number of larger, well-funded schemes are choosing to run on for the long term, sustaining demand for the funding, fiduciary and investment expertise on which resilient run-on depends.

This is not a market without challenge. During the year, schemes contended with continued market volatility, geopolitical uncertainty and rising member expectations. Brightwell supported clients through this environment by combining disciplined investment and liability management with reliable member administration - helping trustees make well-informed decisions, build more resilient portfolios and maintain member confidence through periods of uncertainty.



^{1, 2, 3, 4, 5, & 6} See references on page 63.



An evolving landscape

Brightwell is well positioned in this market

Whatever a scheme's chosen destination - running on for the long term, securing a buy-in or buy-out, or transferring to a consolidator, the underlying requirements are strikingly similar. In our view, the providers that will succeed in this market are those that can offer:

- a well-capitalised, resilient balance sheet capable of supporting long-term commitments;
- member administration delivered accurately and at scale, now a key criterion when schemes select an insurer;
- the ability to absorb, manage and price large volumes of scheme data reliably and at speed;
- modern, increasingly AI-enabled technology that improves efficiency and protects service quality over time; and
- deep investment, funding, liability-hedging and governance expertise built around long-term scheme needs.

Brightwell is positioned well across each of these requirements. The wider opportunity also extends beyond UK DB: through Procentia, the Group serves the insurance and pension risk transfer market and international markets, including the United States. Procentia is also developing capability relevant to defined contribution, collective defined contribution and superfund arrangements - broadening the Group's addressable market and diversifying its sources of growth.

Our integrated model

One partner across the full pension lifecycle

Brightwell is, we believe, the only UK provider that brings together fiduciary and investment management, in-house member administration and proprietary pensions technology within a single, fully integrated model.

Rather than assembling and co-ordinating multiple third-party suppliers, our clients can access the full range of capabilities required to run a DB scheme - from investment strategy and liability hedging through to member administration and the technology that supports it - under one long-term partnership. This integrated model is the foundation of how we serve clients.



An evolving landscape

Why integration matters

Better outcomes and stronger governance: bringing investment, funding and administration together under one accountable partner reduces hand-offs, aligns decisions with each scheme's journey plan, and gives trustees and sponsors a single, coherent view of their scheme.

Continuity and control of data: because member administration and technology sit within the Group, member and scheme data flows securely between our investment, funding and administration teams, improving accuracy, speed and resilience - and the integrity of that data underpins every other service we provide.

Synergies across the Group: shared expertise allows our businesses to develop propositions and products jointly - for example the Intelli-ACT actuarial valuation platform and Intelli-PRT - that draw on investment, actuarial, administration and technology capabilities together.

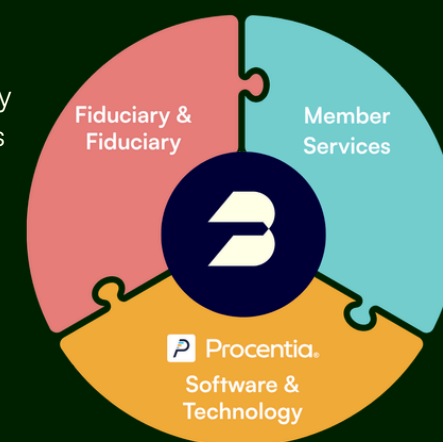
An asset owner's perspective: Brightwell's heritage as the in-house manager of the BT Pension Scheme (BTPS), one of the UK's largest private-sector DB schemes, gives it an asset owner's and allocator's perspective that pure advisers and administrators do not have.

The integrated model supports clients across the full lifecycle of a DB scheme - running on, buy-in, buy-out and, increasingly, the administration of policyholders following transfer to an insurer. This breadth allows Brightwell to remain a long-term partner as clients' needs evolve, and to support insurers and consolidators as the market matures.

Three complementary businesses, one integrated Group

The Group comprises three complementary businesses - Funding & Fiduciary, Member Services and software and technology delivered by Procentia. Together they deliver the integrated model described above, at scale: the Group administers pensions for approximately 360,000 members, pays around £3.5 billion of benefits each year, manages approximately £33 billion of assets, and employs around 500 people across London, Chesterfield, Derby, Bristol and Chicago.

In this report, "the Group" and "Brightwell Pensions Group" means Brightwell together with Procentia; "Brightwell" means BT Pension Scheme Management Limited (BTPSM) and its wholly-owned subsidiary BT Pension Scheme Administration Limited (BTPSA); and "Procentia" means Procentia Limited and its US subsidiary, Procentia Inc. "the Company" and "the Parent Company" refers to BTPSM.



About Brightwell

Brightwell's core services

Funding & Fiduciary

Our Funding & Fiduciary business provides integrated investment and funding solutions to DB pension schemes, drawing on decades of experience managing BTPS. Its services include outsourced chief investment officer (OCIO) and fiduciary management; liability-driven investment (LDI), hedging and cashflow-management solutions; independent investment manager selection and open architecture; and portfolio analytics, reporting and private-markets access. It serves BTPS and the DB section of the EE Pension Scheme (EEPS).

During the year, the business helped clients navigate volatile markets, changing funding positions and increasingly complex investment decisions - supporting cashflow-aware portfolio construction, disciplined risk management, manager oversight and preparation for valuation negotiations, including the rebalancing of portfolios from less liquid assets towards cashflow-matching assets. Our investment capabilities were recognised at the Pensions Age Awards where we won Cashflow Driven Investment Manager of the Year, Brightwell was also shortlisted for the Professional Pensions Run-on Provider of the Year.



Member Services

Our Member Services business provides pension administration through a fully in-house, Pension Management Institute (PMI)-qualified team, principally based in Chesterfield. Its services include benefit payments and administration; data cleansing and the assurance of data accuracy; an administration platform provided as a service; member communications; an inbound member contact centre; and case management and technical casework. We place particular emphasis on the accuracy and integrity of member data, which underpins the quality of every other service. The business serves BTPS and the Mineworkers' Pension Scheme (MPS), and increasingly supports insurers.



About Brightwell

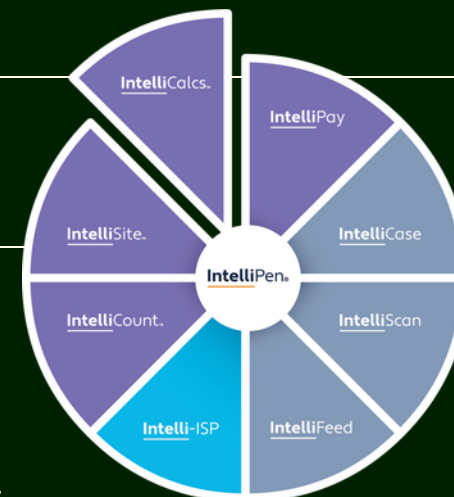
Brightwell's core services



Procentia develops software and technology for the pensions, benefits and pension risk transfer (PRT) industry.

Its award-winning IntelliPen platform provides a suite of self-serve administrative tools and member-facing features to schemes and insurers of all sizes and levels of digital maturity, and serves over 5 million members and policyholders. Procentia has offices in Bristol and Chicago, serves clients internationally - including in the United States through Procentia Inc - and operates under an independent board that includes representatives from Brightwell.

During the year, Procentia secured major client wins, including Cook County Pension Fund and Royal London, and expanded its product suite, launching the Intelli-ACT actuarial valuation platform and developing Intelli-PRT to support pension risk transfer transactions. Reflecting the Group's confidence in Procentia's growth potential, Brightwell invested a further £10 million in the business during the year. Procentia broadens the Group's addressable market beyond UK DB - into the insurance, PRT, international and defined contribution markets - and provides high-quality, recurring, long-duration software revenues that diversify the Group's income.



Brightwell's experienced and highly qualified team provides expert support across all aspects of scheme management, delivering day-to-day services efficiently and effectively while helping trustees achieve their long-term strategic objectives.



About Brightwell: corporate objectives

Brightwell's corporate objectives focus around four key pillars, which together guide us towards our ultimate North Star.



The partner of choice; creating new paths for pensions - helping schemes, sponsors, members and insurers reach better outcomes through a single, integrated model built on long-term partnership.



1. Trusted Partner

"Working in partnership with our clients to deliver better outcomes for trustees, schemes, sponsors, members, and policyholders."



2. Sustainable Growth

"Delivering sustainable growth through commercial success, purposeful investments, and exceptional client outcomes."



3. Exceptional People

"Attracting, developing and retaining exceptional people who drive our success."



4. Future-Fit Operation

"Resilient, innovative operations that deliver value for clients, members and policyholders."

Chair's introduction

I'm pleased to introduce this report, my first as the newly appointed Chair of the Brightwell Board.

In the short time I've been here, I've been impressed by the breadth of expertise across the Brightwell Pensions Group, the quality and depth of our client relationships and the dedication and diligence of our colleagues.

A rapidly evolving market

The UK defined benefit (DB) pensions sector has entered a new phase. For many trustee boards, the conversation is no longer dominated by deficit repair, but by choices around surplus, run-on, consolidation and insurance.

This creates opportunity, but it also increases the importance of disciplined decision-making, strong governance and practical planning.

The shift towards insurance is particularly significant. Smaller schemes, and those with weaker covenants, are more likely to see buy-out with an insurer as the natural destination, while larger schemes may have more scope to consider run-on.

The Brightwell Pensions Group supports schemes across the endgame spectrum, from long-term run-on and surplus planning through to the operational, data and administration support required for pension risk transfer (PRT). Whatever route a scheme chooses, it needs a partner that can help it make strategic decisions, manage implementation risk and deliver consistently for members and policyholders.

Building resilience in uncertain times

For our fiduciary clients, we provided support through another challenging year marked by geopolitical conflict, persistent macroeconomic uncertainty, market volatility, technological change and climate risk.

Our role is to help clients respond effectively to these challenges, reviewing portfolio positioning, strengthening cashflow-aware investment approaches, overseeing investment managers and improving the operational foundations that support long-term success.

For our clients, resilience is fundamental to paying pensions securely, maintaining confidence and navigating an uncertain world. This is where a fully integrated, end-to-end model that connects, fiduciary expertise, member services and technology comes into its own, reducing operational friction and ensuring decisions are informed by a common view of assets, liabilities, data, administration and member needs.

Governance that is fit for the future

During the year, we worked closely with our shareholder to ensure our governance arrangements remain aligned with the next phase of the Group's growth. We also continued to clarify governance across the wider Brightwell Pensions Group, including Procentia, supporting a model that combines Procentia-led operating accountability with targeted Group oversight and structured collaboration where it adds value.

In October, Denise Le Gal and Kevin Troup stepped down from the Board. We thank them for their contribution and wish them well for the future.

Looking ahead, I believe Brightwell Pensions Group is exceptionally well positioned to build on its strong foundations, with a clear strategy, talented people, strong client relationships and a continued focus on supporting clients through an increasingly complex pensions landscape.

M Bussey Chair



Mike Bussey

Chief Executive Officer's overview

The past 12 months have been transformational for the Brightwell Pensions Group. Today we manage approximately £33 billion of assets, administer pensions for around 360,000 members, pay some £3.5 billion of benefits each year, and our technology serves over 5 million savers and policyholders - These services are delivered by around 500 colleagues across London, Chesterfield, Derby, Bristol and Chicago.

We have continued to deliver strong outcomes for existing clients, onboarded and integrated new clients, strengthened our Funding & Fiduciary proposition, built on our Member Services capability and expanded the role of technology across the business. Together, these developments demonstrate the strength of our end-to-end approach.

Financial and commercial performance was strong. Turnover grew by £20.4m, up 27% on the prior year, driven by strategic growth across the Group and new client wins in Member Services. Operating profit was £15.0m after planned investment in Procentia UK to support future growth, compared with 2025 £3.4m; the Group's long-term financial projections remain on plan, and we ended the year with a well-capitalised balance sheet and net assets of £65.6m.

Funding & Fiduciary

Our Funding & Fiduciary business manages assets on behalf of the BT Pension Scheme (BTPS) and the DB section of the EE Pension Scheme (EEPS). During the year it helped clients navigate volatile markets, changing funding positions and increasingly complex investment decisions, including cashflow-aware portfolio construction, disciplined risk management, investment manager selection and oversight, and preparation for valuation negotiations.

For BTPS, we supported the 2026 triennial valuation and the continued build-out of the scheme's cashflow-aware portfolio, while EEPS continued to benefit from our scale and expertise.

By combining deep market experience with a practical understanding of each scheme's objectives and journey plan, we help clients build more resilient portfolios and make well-informed decisions.

This includes rebalancing from less liquid assets towards cashflow-matching assets where appropriate, using structured solutions, attractively priced secondary sales and deep partnerships with selected investment managers.

Our aim is to help clients manage uncertainty with discipline: protecting the downside, preserving flexibility, identifying purposeful investment opportunities and ensuring portfolios remain aligned with each scheme's long-term outcomes. Cashflow-driven investing is central to this for maturing schemes: it seeks to align assets more closely with expected benefit payments to support liquidity, stability and confidence over time.

Member Services

During the year, we continued to strengthen our relationships with the pensions insurance market, including a strategic partnership with Rothesay on RothesayOne, an innovative policyholder administration platform. Brightwell was also appointed as PIC's administration partner for the Rolls-Royce UK Pension Fund following the completion of the £4.3 billion buyout transition, covering 36,000 policyholders. We opened a new dedicated office in Derby on the 3 July 2026, welcoming the existing Rolls-Royce administration team into the Brightwell Pensions Group to retain valuable scheme expertise and ensure continuity of service for policyholders. We also marked the first anniversary of providing a full administration service to the Mineworkers' Pension Scheme.

Delivering outstanding service remains central to our strategy. Across the schemes we support, member satisfaction remains consistently high and above industry benchmarks.



Morten Nilsson

Chief Executive Officer's overview

We use member insight to improve journeys, identify friction points, strengthen communications and support better outcomes for schemes, members and policyholders.

High-quality administration is about more than service scores. It depends on strong operational foundations, including accurate data, reliable processing, robust controls and skilled people. These capabilities help clients meet rising member expectations while preparing for increasingly complex strategic decisions.

Procentia and Group technology

Procentia has had another successful year, securing major client wins, expanding its product offering and continuing to diversify its market presence.

Brightwell's continued investment in Procentia -including a further £10 million during the year - underlines confidence in Procentia's long-term growth potential and its importance to the Brightwell Pensions Group's proposition.

Procentia's IntelliPen platform underpins administration and digital member services, while Intelli-ACT and Intelli-PRT have been developed jointly by Brightwell and Procentia, drawing on the strengths and expertise of both businesses.

Together, these platforms connect software and professional services across the pensions lifecycle. They support buy-in and buy-out preparation, data validation, benefit configuration, actuarial modelling, financial reporting, direct administration and advisory services.

This creates a repeatable, technology-enabled model that can help clients reduce friction, improve governance and achieve better outcomes.

Our people

A resilient operating model also depends on attracting and developing talented people. We have continued to attract high-calibre people across the group and attrition remains low. This gives us a strong core of long-standing colleagues complemented by new generation who continue to challenge and bring fresh perspectives. Through the Brightwell Pensions Academy, we are helping to address a major challenge facing the industry: the shortage of skilled pension administrators. Since launch, we have recruited around 100 colleagues into the Academy and achieved a retention rate of 91%, helping to build the next generation of pensions professionals.

A Great Place to Work

The strength of our culture underpins everything we do. During the year, Brightwell achieved Great Place To Work certification and was recognised as one of the UK's Best Workplaces for Wellbeing. These achievements reflect the environment we continue to build: one where talented people can develop, contribute and do their best work.

Outlook

As we look ahead, uncertainty will remain a defining feature of the environment in which pension schemes operate, however the opportunity is significant: several hundred billion pounds of scheme liabilities are expected to transfer to insurers over the coming decade, alongside growing demand for run-on, surplus and endgame solutions. Brightwell Pensions Group is positioned across the whole of this journey: investment, administration and technology - through a combination of pensions expertise, operational excellence, technology, innovation and exceptional people. By continuing to build resilience across our business and for our clients, we remain committed to creating new paths for pensions and delivering long-term value for all our stakeholders.

M Nilsson Chief Executive Officer

Strategic report



Brightwell at a glance

Heritage

40 years' experience as
the primary service
provider to the BTPS

Assets under management

£33 billion

*As at 30 June 2026

Procentia's system serves

5 million +

pension savers

Locations

London
Chesterfield
Derby
Bristol
Chicago

Group employees

c.500

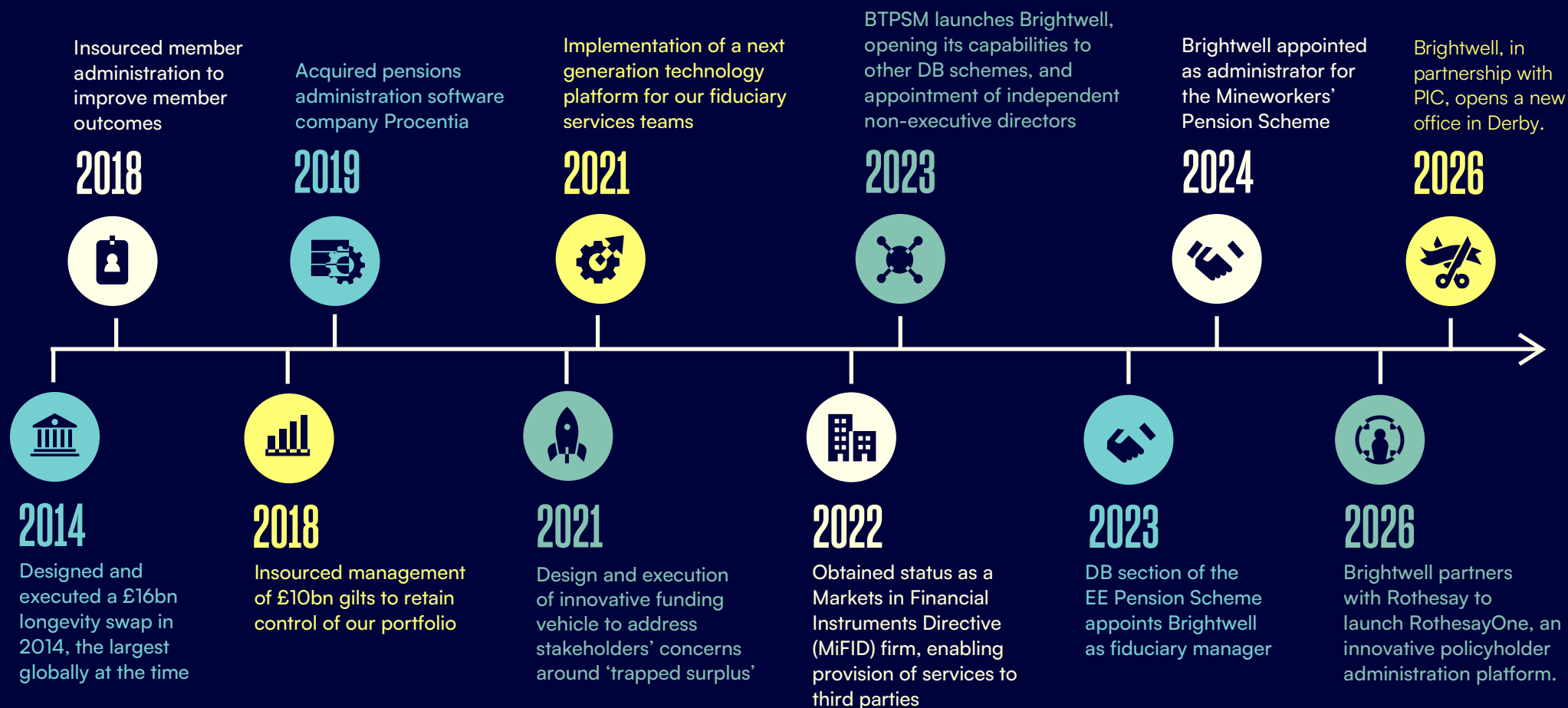
Brightwell's pension admin team pays

£3.5 billion

in benefits annually to 360,000
members.

Strategic report

Brightwell's journey



Strategic report continued

Our services

At Brightwell Pensions Group, we have developed a deep understanding of the challenges faced by defined benefit (DB) pension schemes from working closely with the BTPS Trustee Board and BT Group to solve the complex challenges facing BTPS over many years.

We understand every aspect of DB pension management, offering a comprehensive and customised approach across assets, liabilities, executive services, valuation support, funding solutions and member services.

Underpinned by leading technology, our approach is designed to deliver high-quality services to clients and their members, and sustainable funding and investment solutions to support schemes through to maturity.

Our ownership structure enables us to focus on long-term partnerships, understanding and prioritising the needs of our clients and their members.

Our focus on strong personal relationships with all stakeholders engenders high levels of satisfaction in our tailored solutions.

While we have a long heritage managing services to BTPS, the Brightwell proposition for other DB schemes is new.

Feedback from the sector has been positive and winning four new clients since launch demonstrates that there's a strong appetite for a different and more partnership-led approach.

Our focus is on the overall scheme priorities delivered by people with a deep understanding of scheme objectives and managing complex pension schemes. We know that building credibility and trust in a crowded market takes time, particularly when introducing something different.

As such, over the next 12 months, we will continue to build awareness of Brightwell and our services to provide greater choice to schemes faced with making big decisions.



We firmly believe that there's a need for a more partnership-led approach with a focus on the overall scheme priorities delivered by people with a deep understanding of managing complex pension schemes.

Strategic report continued

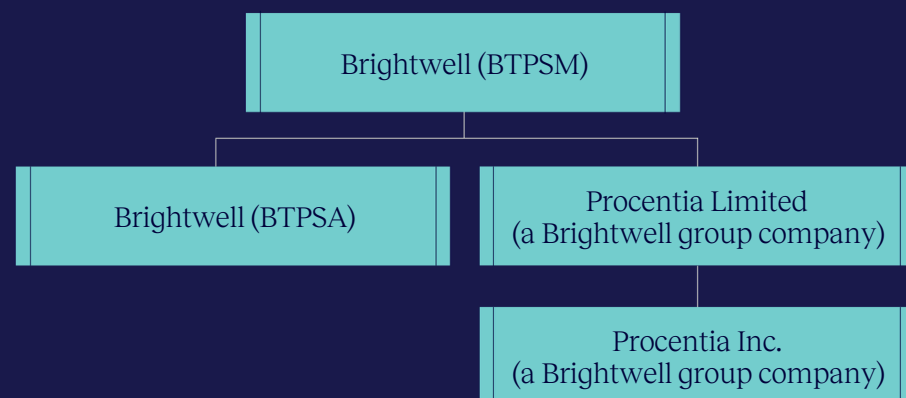
Business review and principal activities

Brightwell, the trading name of BT Pension Scheme Management Limited (Brightwell, or the Company), provides fiduciary management services, member services and scheme services. Brightwell also offers consultancy services. The Company is regulated by the Financial Conduct Authority (FCA) (reg. 486368). Brightwell has a wholly-owned subsidiary, also trading as Brightwell, BT Pension Scheme Administration Limited (BTPSA) and its principal activity is to provide pension administration services to clients. BTPSA has continued to win new clients in the last financial year.

The Company owns 100% of the voting shares in Procentia Limited (Procentia), based in the UK (Bristol). Procentia's wholly-owned US subsidiary,

Procentia Inc., is based in Chicago, and provides services to the pensions and benefits industry in North America.

High level group structure



Financial review

As shown in the consolidated statement of comprehensive income, BTPSM, BTPSA, Procentia and Procentia Inc. (together the Group) recorded an operating profit for the year ended 30 June 2026 of £15.0m (2025: £3.4m). The Company's balance sheet shows net assets of £75.5m at 30 June 2026 (2025: £65.2m). The Group has net assets of £65.6m (2025: £53.0m). No dividend has been proposed or paid during the year (2025: £nil).

Brightwell Pensions Group has continued to develop its multi-client strategy this year. The directors believe the following financial key performance indicators (KPIs), which are disclosed on a consolidated basis for the year to 30 June 2026, are helpful for understanding the development, performance and position of the business.



Turnover

Up £20.4m or 27%

This is driven by strategic growth in the group



Operating profit

£15.0m an increase of £11.4m

The increase in operating profit is due all companies returning to profitability during the year.

Strategic report continued

Risk management

Brightwell Pensions Group manages risk in accordance with its risk management framework. This includes the identification and assessment of key risks; mitigation of risks through the control environment; and ongoing monitoring and reporting to the Board and its Risk, Audit and Compliance Committee (RACC). The framework is supported by Brightwell's policies, procedures and governance structure.

The Board is ultimately responsible for the oversight of risk management and, as such, is responsible for setting and periodically reviewing the risk strategy in relation to its key areas of risk. It defines these as strategic, operational and financial risk.

Procentia's board of Directors is responsible for the oversight of risk management for Procentia. Brightwell has appointed representatives on the Procentia Board, and monitors Procentia in relation to its risk monitoring and management through updates at Brightwell's Board meetings.

Brightwell risk management approach

Brightwell's approach to risk governance is underpinned by the Board and the RACC, as outlined on page 23. The Board sets out strategic, operational and financial risks that are managed at Brightwell, and delegates day-to-day risk management to the CEO, who executes this responsibility via the Exec. Each member of the Exec has individual responsibility for business areas including the Brightwell Chief Risk Officer (CRO), who oversees the effectiveness of the enterprise risk management framework.

Brightwell operate three-lines-of-defence governance model.

1st Line Business functions

The business functions and line managers are responsible and accountable for the identification, assessment and management of the individual risks and associated controls within their areas of responsibility. All of the above functions are supported by our Group legal team.

2nd Line Risk and compliance

The risk function maintains Brightwell's enterprise risk management framework including, risk appetite, risk indicators and risk register. It works closely with the first line risk owners to ensure current and emerging risks are carefully assessed and managed appropriately and provides independent assurance and reporting to both the Executive, the Board, and to clients, as appropriate.

The compliance function has the responsibility for monitoring and providing advice to Brightwell and, where applicable, clients, on compliance and the relevant regulatory requirements. This includes the development and oversight of compliance policies and ongoing compliance monitoring activities, including post-trade surveillance, and establishing and monitoring firm-wide conduct of business requirements.

3rd Line Internal Audit

During the year the internal audit function was insourced, Internal audit team conducts a rolling programme of independent control review and investigations. Where necessary the internal audit function procures expert advice from our co-source internal audit partner PWC.



Strategic report continued

Risk management *continued*

Key risks

As a fully functioning investment manager and pensions administrator, Brightwell is exposed to a wide variety of risks that could impact its ability to service its clients. The risks and mitigations outlined below represent the key risks faced by Brightwell.

Service Delivery Risk



Risk: Failure to meet client contractual obligations or expectations due to poor process design, execution error, or control failures. This also includes the risk of falling behind peers in service quality and value.

Mitigation: Experienced professionals oversee service delivery against contractual obligations. There is comprehensive oversight of trading activities against investment guidelines. Regular reporting to the Executive and Board.

People Risk



Risk: Failure to effectively manage and monitor the skills, capability and capacity of our people, including succession planning, resulting in increased staff turnover, operational gaps or disruption.

Mitigation: Executives track attrition and vacancies and intervene when necessary. Staff training supports ongoing skill and capability development. Colleague surveys inform an evolving Employee Value Proposition offering competitive pay, benefits and development opportunities.

Business Resilience Risk



Risk: Failure to have adequate continuity plans to maintain operations during disruptions.

Mitigation: Business Continuity Plans are regularly reviewed and tested, with ongoing initiatives to strengthen resilience.

Legal & Regulatory Risk



Risk: Financial loss resulting from legal claims, defective contracts, asset protection failure or non-compliance with laws and regulations.

Mitigation: Experienced legal and compliance teams. There is a structured compliance monitoring programme, supported by extensive staff training on regulatory requirements.

Third-Party Supplier Risk



Risk: Suppliers failing to meet contractual obligations, experiencing control failures, engaging in criminal activities or non-compliance with regulations.

Mitigation: A rigorous procurement and supplier management framework governs selection, performance monitoring and remediation of identified issues.

Information and Data Security Risk



Risk: External threat actors or internal control failures exploiting vulnerabilities in systems and data management practices, leading to data breach, data manipulation, or service disruption, resulting in regulatory sanctions, financial loss, and erosion of client and member trust.

Mitigation: Alignment with recognised best-practice frameworks, including the NCSC 10 Steps, ISO 27001, and The Pensions Regulator's security expectations. Regular audits, penetration testing and staff training ensure ongoing security.

Market Risk



Risk: Market volatility impacting client asset values, fees and perceived service delivery.

Mitigation: Managed by experienced investment professionals, with 2nd line oversight by the investment risk and compliance teams.

Strategic report continued

Colleagues

Brightwell Pensions Group takes colleague satisfaction and wellbeing very seriously, as demonstrated by how colleagues are supported and listened to. We have a range of initiatives in place to support this, including:

- An excellent range of colleague benefits including an employee assistance programme and access to private healthcare GP services, as well as generous pensions and insurance benefits, in order to support colleagues at every stage of their working life
- A programme of constantly refreshed wellbeing resources available to all colleagues
- A regular colleague satisfaction survey, now enhanced through a partnership with Great Place To Work® enabling frequent leadership listening and corrective action
- Providing training support and opportunities to colleagues to enable them to grow as individuals and as professionals
- A colleague-led group who support in educational and social activities for colleagues.



Brightwell has put in place a comprehensive framework of policies and practices to keep colleagues informed on matters relevant to them. The Board is ultimately responsible for the oversight of policies and practices in respect of Brightwell colleagues, while Procentia's Board of Directors retains responsibility in respect of Procentia employees. In setting remuneration for Brightwell, the Board is conscious of the spirit and aims of the FCA's Remuneration Code as well as the retention and motivation of colleagues. The Board therefore, aims to set remuneration policy, and the awards under that policy, within the following structures:

- the policy and awards are consistent with, and promote, sound and effective risk management
- the policy and awards are consistent with Brightwell's strategy, objectives and values, and the long-term interests of our beneficiaries
- the policy and awards are set to avoid conflicts of interest
- performance measures for awards are subject to appropriate adjustments for the risks taken to achieve that performance
- part of some colleagues' reward is deferred, due to their role or size of compensation, and
- no guaranteed variable remuneration is available.

Strategic report continued

Diversity, equity & inclusion

Brightwell Pensions Group is committed to developing and maintaining an inclusive culture, ensuring that behaviours, working practices and policies promote fair treatment and access to development opportunities for every colleague. We value the benefits a diverse workforce can bring and want Brightwell to be a place where all colleagues can thrive, feel that they belong and are valued, and contribute to our success. This is underpinned by Brightwell's corporate values: responsible, impactful, supportive and expert. We also recognise the role we have to play in contributing to industry initiatives to drive broader change.

We have continued to evolve our approach to diversity, equity and inclusion (DE&I), which is driven by the DE&I steering group. This is sponsored by the CEO and comprises of a cross-section of colleagues across Brightwell.

Data collection

On a confidential and wholly voluntary basis, we invited colleagues to share information about themselves via the HR system. This enables us to build a more detailed profile of our colleagues and our organisation to establish our DE&I baseline, and to track and monitor our progress.

A Great Place To Work

In 2026 Brightwell partnered with Great Place To Work® to survey all colleagues across London & Chesterfield. The results placed Brightwell in the top 50 workplaces in the UK for wellbeing and the top 100 workplaces for women.



Inclusive recruitment

We work with a select group of recruitment agencies who are aware of our DE&I strategy and support us in ensuring diverse candidate pools (including protected characteristics, diversity of thought and skills).

Training

We have been rolling out inclusion-focused training to embed the importance of it in our culture, and support the retention and development of our diverse talent.

More information can be found in our report [*the way we work*](#).

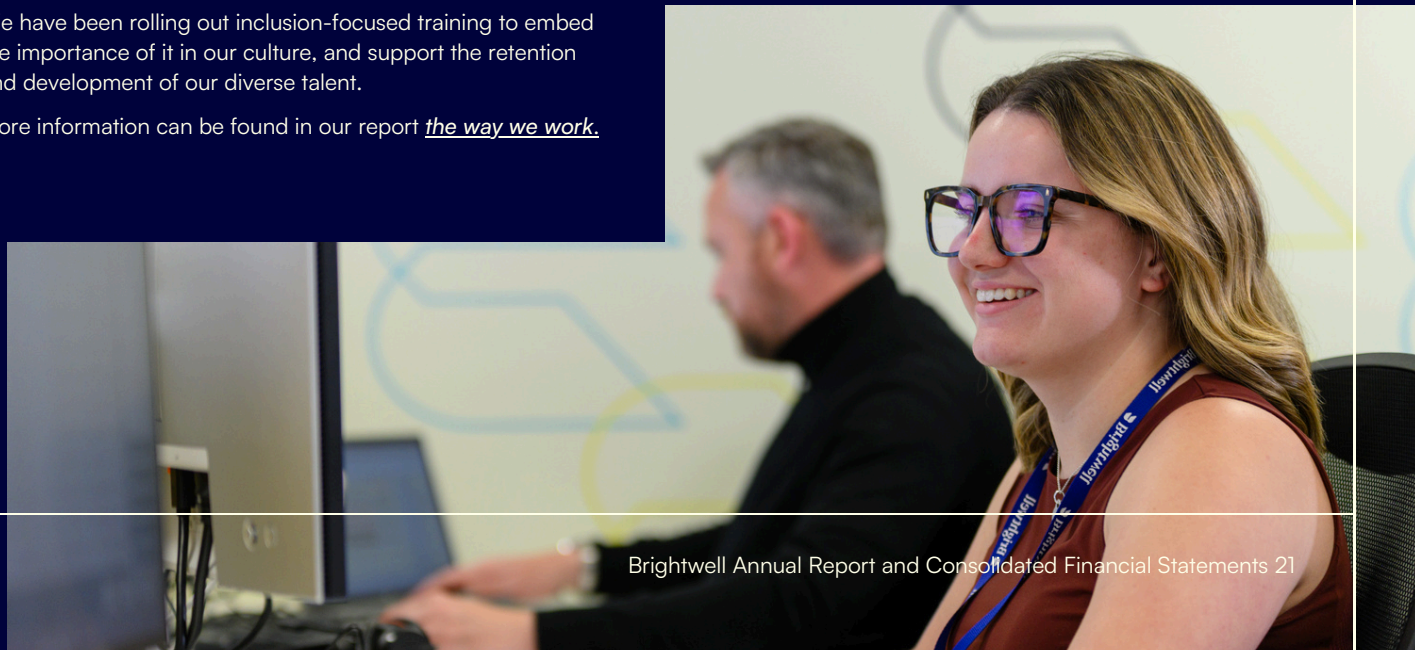
Stewardship Code

Brightwell is fully committed to complying with the requirements of the Financial Reporting Council's (FRC) Stewardship Code and further details can be found on its website <https://www.btps.co.uk/SustainableInvestment>.

As an FCA-regulated entity, the company provides certain defined services including overseeing BTPS's stewardship activities.

Modern Slavery Act

Brightwell is fully committed to complying with the requirements of the Modern Slavery Act and a statement is available on the website: <https://brightwellpensions.com/contact-us/modern-slavery-statement/>.



Strategic report continued

Brightwell's carbon emissions

To help mitigate the impact of our footprint, we work with ClimateCare, a specialist environmental and social impact company, to invest in climate and development projects to offset emissions and deliver positive social outcomes in developing communities. One of our corporate objectives is to 'embed sustainability into everything we do'. Further details of our approach to sustainability can be read [here](#).

Brightwell measures emissions from our offices, energy and transport. For the calendar year 2025, Brightwell offset 202 tonnes of carbon dioxide (calendar year 2024: 146 tonnes). This relates to carbon emissions from business travel and Scope 2 activities.

Financial year energy and carbon reporting

Total group emissions	2026 (tCO2)	2026 (kWh)	2025 (tCO2)	2025 (kWh)
Direct emissions				
Combustion of gas and use of fuel for transport	-	-	-	-
Scope 1	-	-	-	-
Indirect emissions (for own use)				
Purchase of electricity	46.74*	272,136	61.48	271,390
Scope 2	46.74	272,136	61.48	271,390

No fuel usage is reported for the year as all business-related transport is operated by a third party (rail, taxi, air) for which the Group is not responsible for the fuel usage. For electricity usage, the kWh amount is obtained from utility bills throughout the year, and the tonnes CO2 amount is calculated using a conversion factor based on the Department for Energy Security and Net Zero (DESNZ) June 2026 greenhouse gas (GHG) Conversion factors for company reporting.

As a reference, the total emission level is equivalent to 0.10 (2025: 0.15) tonnes of CO2 per employee.

Approved by the Board and signed on behalf of the Board.

M Nilsson, CEO Brightwell



* Co2 Emissions down due to continued decarbonisation of the UK Grid

Governance



Governance

Brightwell, trading name of BT Pension Scheme Management Limited, is regulated and authorised by the Financial Conduct Authority (FCA). Our corporate governance structure, shown below, is designed to support the Board’s oversight of the Company’s purpose of being the partner of choice; creating new paths for pensions, which is integral to the business. **The framework demonstrates the Board’s commitment to high standards of governance.**

Brightwell Board

The Board is collectively responsible for Brightwell’s long-term sustainable success within a framework of prudent and effective controls. The Board’s independent non-executive directors (NEDs) bring a level of independent challenge to the CEO and the management team. To support the Board in its oversight and leadership, there is an established committee framework as shown below:



Procentia Board

Brightwell retains oversight of Procentia through its appointed Non-Executive Directors (NEDs) on the Procentia Board. The Board is responsible for providing governance, oversight and strategic direction for the Procentia group of companies, including monitoring the effectiveness of the group’s operating and financial plans and the delivery of its objectives. Day-to-day management of Procentia is delegated to the CEO and executive leadership team. The Procentia Board of Directors is collectively responsible to Brightwell (in its capacity as shareholder) for the long-term success of the Procentia group companies.



Governance continued

Brightwell Board

Sets the appetite for taking risk against strategy, whilst the day-to-day management of risk sits within the governance framework.

Promotes an effective risk culture.

Oversees and monitors the efficiency and effectiveness of the system of internal controls; the effectiveness of the systems for internal financial controls and financial reporting in relation to the Annual Report and Accounts; the effectiveness, performance and objectivity of the internal and external auditors; the completeness and integrity of the Brightwell financial statements via the RACC.

Reviews and assesses the effectiveness of risk management and compliance arrangements.

Escalates material issues to the relevant Brightwell or client governance body.

Brightwell Risk, Audit and Compliance Committee (RACC)

Reviews, challenges and recommends to the Board the nature and extent of the principal strategic and operational risks that will arise in Brightwell's pursuit of its strategic objectives.

Agrees and makes recommendations to the Board on changes to the Risk Register.

Oversees and advises the Board on the firm's risk management arrangements, compliance monitoring and advisory framework, and on the continued appropriateness of the firm's risk appetite statements, and on the identification, assessment, mitigation, and monitoring of current and emerging risks.

Monitors and oversees reporting on all risk and compliance activities within Brightwell.

Supports the business in managing risk and achieving compliance with relevant regulatory requirements to ensure that the business is well placed to deliver against its corporate objectives.

Reviews and assesses external reporting, and the performance and independence of the firm's external auditors.

Approves the annual review plans for the Internal Audit, Compliance and Risk functions, and monitors performance against those plans, including oversight of progress and actions, providing feedback to the Board.

Brightwell Remuneration Committee (RemCo)

Oversees the remuneration arrangements at Brightwell so that it is aligned with its long-term business strategy, its business objectives, its risk appetite, and the values and the long-term interests of Brightwell and its relevant stakeholders.

Sets and agrees remuneration policy.

Ensures the remuneration approach promotes sound and effective risk management.

Escalates any material issues to the relevant governance forum.

Brightwell Executive (Exec)

Formulates strategy, objectives and growth plans, also inputs and challenges on organisational change/initiatives.

Monitors financial reporting and Brightwell's performance.

Reviews the operation of the risk management framework, compliance arrangements, systems, processes, procedures and controls.

Escalates any relevant material issues to the Board or the RACC, as appropriate. The Board has delegated day-to-day management of the firm to the CEO, who executes this responsibility via the Exec. Each member of the Exec has individual responsibility for business areas within Brightwell and collectively they provide challenge and oversight of Brightwell's operations and performance.

Governance continued

Brightwell Board members



Mike Bussey

*Independent non-executive chair
appointed July 2026*

Mike Bussey joined the Brightwell Board in July 2026. He brings extensive international experience in

financial services, having spent over 20 years with HSBC Group in senior leadership roles across Asia, the Gulf, Africa, North America and the UK. He subsequently served for a decade as Chief Executive of three global private banking and trust businesses.

Since 2011, Mike has built a portfolio of chair and non-executive roles, reflecting his strong governance expertise and strategic leadership. He is currently Chair of Deutsche UK Bank Ltd, a position he has held since 2020, and was appointed Chairman of The London Clinic, the UK's leading private charitable hospital, in 2024.

Other appointments:

- Deutsche UK Bank Limited - Chair
- The London Clinic - Chair



Morten Nilsson

*Chief Executive Officer (CEO)
appointed October 2018*

Morten joined Brightwell in 2018 and is responsible for leading all aspects of the business in its support of its clients and the

workforce. Morten has spent most of his career in financial services. He joined the pensions and investment industry in 2001 and spent over 10 years with the £90 billion Danish pension scheme ATP, where he held different senior positions across administration, investments, product and business development. In 2010 he moved to London where he founded NOW: Pensions and, as CEO, grew the business to become one of the largest defined contribution providers in the UK.

Other appointments:

- Procentia Limited - Non-executive Chair*
- BT Pension Scheme Administration Limited - Director

**During part of the year, Morten Nilsson acted as Executive Chair of Procentia to support a leadership transition before returning to the role of Non-executive Chair.*



During the year Denise Le Gal and Kevin Troup (non-executives) resigned.

Governance continued



Dr Paula Walter

Independent non-executive director appointed March 2025

Paula joined Brightwell's Board and RACC in 2025, bringing extensive technology and risk management experience.

Her career within financial services has spanned technology, data, digital, cybersecurity and operations. Prior leadership roles include Chief Technology Officer at Newton Investment Management, Chief Operating Officer at Ruffer LLP, Chief Technology and Information Officer at Aldermore Group and Vice President at Goldman Sachs International.

An alumna of the Universities of Cape Town and Oxford, she holds honours degrees in mathematics and linguistics and a DPhil in linguistics. She completed the Advanced Management Programme at IESE Business School.

Other appointments:

- ZOPA - Independent non-executive Director
- Royal College of Music - Council member & member of Audit and Risk Committee
- German School London - Chair & Chair of IT Committee
- University of Cape Town Trust - Trustee
- Learning with Parents - Deputy Chair



David Fripp

Independent non-executive director appointed July 2025

David Fripp joined the Brightwell Board in July 2025. He is a seasoned pensions and investment expert with over four

decades of experience spanning banking, consultancy and board-level leadership.

In 1995, David joined KPMG as a senior manager and director, becoming a partner in 1998. Over his 21-year tenure, he led multidisciplinary teams advising FTSE 100 companies and major pension funds on funding strategies, investment structuring and governance frameworks.

David currently serves as Independent Chair of the Harrods Group Pension Plan, where he has overseen a strategic overhaul of the Board, introduced a new investment approach aligned with cashflow needs, and helped guide the fund from deficit to surplus. He previously served as a Trustee and Investment Committee member of the Imperial Tobacco Pension Fund, managing approximately £5bn in assets.

Other appointments:

- Harrods Group Pension Plan - Chair

Directors' report

Directors:

M Bussey (non-executive Chair) appointed July 2026

M Nilsson

D Le Gal (non-executive) resigned 30 October 2025

P Walter (non-executive director)

D Fripp (non-executive director)

K Troup (non-executive) resigned 30 October 2025

Secretary:

L McGowan

Registered office:

One America Square 17 Crosswall London EC3N 2LB

Registered number:

05154287

The Directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2026.

Going concern

The Group has sufficient financial resources and, as a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. BTPSM's major provider of income is BTPS, therefore the Directors have considered the BTPS's ability to continue as a going concern.

In reaching the going concern conclusion, the Directors considered the resources available to the Group, forecast expenses and income and post-year end events, and reviewed severe but plausible downside scenarios whereby Brightwell could suffer a material revenue reduction, incur significant unbudgeted costs, or experience significant business disruption impacting its service delivery. This scenario analysis included financial stress testing over multiple years to model the impact of these scenarios on revenues, costs, cashflows and reserves. The Group has also considered cashflow forecasts for at least 12 months from the date the financial statements are approved.

With this in mind, and having made all reasonable enquiries and having respect to the nature of the Group and its activities, the Directors are satisfied at the time of approving the financial statements, that there is a reasonable expectation that the Group can meet its liabilities for the next 12 months from the date of approval of these financial statements.

Dividend

No dividend has been proposed or paid during the year (2025: £nil).

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2025: £nil).

Charity donations

During the year, the Company donated £nil (2025: £nil) and subsidiaries donated £200 (2025: £2,987 to various charities voted by their employees).

Directors' indemnities

Qualifying third-party indemnity provisions, which were made during the year for the benefit of the Directors, remain in force at the date of this report.

Matters requiring disclosure in the Directors' report

The following disclosures have been included in the strategic report as they are considered to be of strategic importance to the business: future developments within the Company and Group are discussed on page 11; and research and development activities of the Company and Group are discussed on page 16.

Statement on disclosure of information to the auditor

The Directors confirm that:

- so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and
- they have taken all reasonable steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information, and to establish that the Group's auditor is aware of that information.

This confirmation is given, and should be interpreted in accordance with, the provisions of section 418 of the Companies Act 2006.

Auditor

The auditor was reappointed in accordance with Part 16 of the Companies Act 2006 and KPMG LLP will, therefore, continue in office.

Approved by the Board and signed on behalf of the Board.

Mike Bussey
Board Chair

30 September 2026

Section 172 statement

This statement outlines the Board of Directors' performance in relation to Section 172(1) of the Companies Act 2006. The Act requires that each company director acts in a way that they, in good faith, consider would be most likely to promote the success of the company for the benefit of its members as a whole.

In doing this, s172 requires that directors consider, amongst other matters:

- the likely long-term consequences of any decision
- the interests of the Company's employees
- the need to foster the Company's business relationships with suppliers, customers and others
- the impact of the Company's operations on the community and
- the environment
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly between members of the Company.

The Board is supported in the discharging of its duties by the Executive and the Governance and Secretariat function. For the year ending 30 June 2026, the Board considers that, individually and collectively, it acted in accordance with s172.

The Board acknowledges that decisions are not made in isolation and there are often competing interests amongst our stakeholders. This could result in a more favourable outcome for one stakeholder group over another. By framing our decisions within the parameters of our purpose, values and strategic priorities, our aim is to ensure that our outcomes remain consistent. The Board understands the value of stakeholder engagement beyond statutory obligations. Therefore, the examples illustrate a broad view of how we pay regard to, and interacted with, some of our key stakeholders during the year.



Section 172 statement continued

Stakeholder	 Delivering for new and existing clients	 Supporting and developing our colleagues	 Resilient for clients, members, and policyholders	 Good governance for the benefit of all stakeholders
Area of focus / outcomes	The Board continued to focus on maintaining and enhancing services to clients throughout the year. For BTPS, a key area of focus is the ongoing support of the 2026 triennial valuation, alongside continuing the build-out of the Scheme's cashflow-aware investment portfolio. The EE Pension Scheme continued to benefit from Brightwell's scale, expertise and quality of services. During the year, Brightwell completed its first member satisfaction survey for MPS, achieving a strong response rate and a high satisfaction score. The Board also oversaw the continued growth of the business. During the year, Brightwell and Procentia launched RothesayOne, a new policyholder administration platform for Rothesay, while also supporting PIC through the successful transition of the £4.3 billion Rolls-Royce UK Pension Fund buyout, covering 36,000 policyholders. These developments further demonstrate the strength of Brightwell's administration capabilities and client relationships.	The Board recognises that our colleagues are fundamental to delivering positive outcomes for clients and members. During the year, Brightwell continued to invest in colleague wellbeing, development and inclusion, supported by regular colleague feedback and engagement. This commitment was recognised through Great Place to Work® certification, with 86% of colleagues identifying Brightwell as a great place to work, alongside inclusion in the UK's Best Workplaces for Wellbeing™ and Best Workplaces for Women™ lists.	The Board recognises the importance of resilience in delivering long-term value for clients, members and policyholders. Brightwell supports clients in building resilient investment portfolios that can respond to evolving risks, including climate change, technological disruption and geopolitical uncertainty, while continuing to develop investment strategies that improve long-term funding stability. The Board also oversees investment in Brightwell's people, technology and operating framework to support the secure and reliable delivery of services in an increasingly complex environment.	The Board remains committed to maintaining a majority of independent directors as part of its focus on effective governance. Independent oversight supports balanced decision-making and helps ensure that the long-term interests of clients, members, policyholders and other stakeholders are appropriately considered

Statement of Directors' responsibilities

in respect of the annual report, strategic report, the Directors' report and the financial statements.

The directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the Group and parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company, and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company, or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions, disclose with reasonable accuracy at any time the financial position of the parent Company, and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Independent auditor's report to the members of Brightwell, trading name of BT Pension Scheme Management Limited

Opinion

We have audited the financial statements of Brightwell, trading name of BT Pension Scheme Management Limited ("the Company") for the year ended 30 June 2026 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cashflow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2026 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements, including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analyzed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Independent auditor's report continued

Fraud and breaches of laws and regulations — ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, limited judgements necessary, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including: identifying journal entries based on risk criteria and agreeing the identified entries to supporting documentation. These included journal entries containing unusual combination of debit and credit, unusual descriptions, journal entries with no description and material post year end closing journals. We also assessed whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group’s regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the parent Company is regulated, our assessment of risks involved gaining an understanding of the control environment, including the entity’s procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements, including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, anti-money laundering, market abuse regulations and financial services regulations, and specific areas of regulatory capital and liquidity and certain aspects of Parent Company’s legislation recognising the financial and regulatory nature of the Group’s activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditor's report continued

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 31, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report continued

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
30 September 2026



Consolidated statement of comprehensive income

	Notes	30 June 2026 (£)	30 June 2025 (£)
Turnover	3	97,010,180	76,585,712
Administrative expenses		(82,162,743)	(73,661,422)
Other income	3	1,860	481,890
Operating profit		14,849,297	3,406,180
Interest receivable	4	1,781,652	1,937,428
Interest payable	4	(2,243)	(18,596)
Profit on ordinary activities before taxation	5	16,628,706	5,325,012
Tax charge on profit on ordinary activities	8	(4,200,624)	(1,728,952)
Profit for the financial year		12,428,082	3,596,060
Other comprehensive income:			
Foreign currency translation adjustment		4,332	(14,693)
Total comprehensive income for the financial year		12,432,414	3,581,367
Profit for the financial year attributable to:			
Owners of the parent		12,387,831	3,719,907
Non-controlling interests		40,251	(123,847)
Total profit		12,428,082	3,596,060
Total comprehensive income for the financial year attributable to:			
Owners of the parent		12,392,030	3,705,797
Non-controlling interests		40,384	(124,430)
Total profit		12,432,414	3,581,367

This consolidated statement of comprehensive income presents the financial performance of the Group for the year ended 30 June 2026, including all items of income and expense recognised during the period. It combines the results of the parent Company and its subsidiaries, and includes both profit or loss and other comprehensive income in accordance with the requirements of FRS 102. All of the results are derived from continuing operations.

The notes on pages 41 to 62 form part of these financial statements.

Consolidated balance sheet

	Notes	30 June 2026 (£)	30 June 2025 (£)
Non-current assets			
Goodwill	11	4,604,119	5,919,581
Intangible assets	11	6,742,778	6,475,894
Tangible assets	12	2,193,376	1,348,981
Non-current debtors	13	92,072	90,142
		13,632,345	13,834,598
Current assets			
Debtors	13	24,752,194	24,219,710
Cash at bank		50,326,057	43,479,314
		75,078,251	67,699,024
Current liabilities			
Creditors - amounts falling due within one year	14	(19,054,438)	(25,277,214)
Net current assets		56,023,813	42,421,810
Total assets less current liabilities		69,656,158	56,256,408
Creditors - amounts falling due after one year	14	(3,283,134)	(2,815,101)
Provisions for liabilities and charges	16	(745,553)	(425,296)
Net assets		65,627,471	53,016,011
Capital and reserves			
Called up share capital	17	37,800,000	37,800,000
Profit and loss account		27,258,902	14,934,043
		65,058,902	52,734,043
Non-controlling interests		568,569	281,968
		65,627,471	53,016,011

These financial statements were approved by the Board and authorised for issue on 30 September 2026.

Signed on behalf of the Board of Directors

M Nilsson
CEO Brightwell

The notes on pages 41 to 62 form part of these financial statements.

Company balance sheet

	Notes	30 June 2026 (£)	30 June 2025 (£)
Fixed assets			
Investment in subsidiaries	9	40,813,053	30,813,053
Intangible assets	11	243,004	1,122,330
Tangible assets	12	378,080	731,598
Non-current debtors	13	-	5,000,000
		41,434,137	37,666,981
Current assets			
Debtors	13	11,552,311	17,208,817
Cash at bank		35,647,210	31,083,538
		47,199,521	48,292,355
Current liabilities			
Creditors - amounts falling due within one year	14	(10,863,216)	(18,069,096)
Net current assets		36,336,305	30,223,259
Total assets less current liabilities		77,770,442	67,890,240
Creditors - amounts falling due after one year	14	(2,082,959)	(2,451,666)
Provisions for liabilities and charges	16	(224,610)	(224,610)
Net assets		75,462,873	65,213,964
Capital and reserves			
Called up share capital	17	37,800,000	37,800,000
Profit and loss account		37,662,873	27,413,964
Shareholder's funds		75,462,873	65,213,964

These financial statements were approved by the Board and authorised for issue on 30 September 2026.

Signed on behalf of the Board of Directors

M Nilsson
CEO Brightwell

The notes on pages 41 to 62 form part of these financial statements.

Consolidated statement of changes in equity

	Called up share capital (£)	Profit and loss account (£)	Amount attributable to owners of the parent (£)	Non-controlling interest (£)	Total (£)
At the beginning of year 1 July 2024	37,800,000	11,314,566	49,114,566	547,773	49,662,339
Profit for the year	-	3,719,907	3,719,907	(123,847)	3,596,060
Change in ownership*	-	60,465	60,465	(60,465)	-
Other changes	-	(146,785)	(146,785)	(80,910)	(227,695)
Foreign exchange movements	-	(14,110)	(14,110)	(583)	(14,693)
At the end of the year 30 June 2025	37,800,000	14,934,043	52,734,043	281,968	53,016,011
Profit for the year	-	12,387,831	12,387,831	40,251	12,428,082
Change in ownership*	-	(240,706)	(240,706)	240,706	-
Other changes	-	173,536	173,536	5,510	179,046
Foreign exchange movements	-	4,198	4,198	134	4,332
At the end of the year 30 June 2026	37,800,000	27,258,902	65,058,902	568,569	65,627,471

The notes on pages 41 to 62 form part of these financial statements.

* Change in ownership arising from capital movements on the purchase and cancellation of shares in Procentia.

Company statement of changes in equity

	Called up share capital (£)	Profit and loss account (£)	Total (£)
At the beginning of the year 1 July 2024	37,800,000	20,602,935	58,402,935
Profit for the year	-	6,811,029	6,811,029
At the beginning of the year 1 July 2025	37,800,000	27,413,964	65,213,964
Profit for the year	-	10,248,909	10,248,909
At the end of the year 30 June 2026	37,800,000	37,662,873	75,462,873

The notes on pages 41 to 62 form part of these financial statements.

Consolidated cashflow statement

	Notes	30 June 2026 (£)	30 June 2025 (£)
Net cash inflow from operating activities	20	9,634,950	663,767
Cashflows from investing activities:			
Payments made to acquire intangible assets		(2,986,703)	(2,562,568)
Payments made to acquire tangible fixed assets		(1,553,880)	(849,448)
Loss on disposal of fixed assets		2,598	(1,076)
		4,537,985	(3,413,092)
Cashflows from financing activities:			
Interest received		1,781,652	1,937,428
Interest paid		(2,243)	(18,596)
		1,779,409	1,918,832
Effects of exchange rates on cash		(29,631)	(31,452)
Increase / (decrease) in cash and cash equivalents in the year		6,846,743	(861,945)

The notes on pages 41 to 62 form part of these financial statements.

Reconciliation of net cash flow to movement in net funds

	30 June 2026 (£)	30 June 2025 (£)
Increase / (Decrease) in cash and cash equivalents in the year	6,846,743	(861,945)
Movement in net funds in the year	6,846,743	(861,945)
Net funds at 1 July	43,479,314	44,341,259
Net funds at 30 June	50,326,057	43,479,314

Net funds at 30 June 2026 comprised cash and cash equivalents of £50,326,057 (2025: £43,479,314).

The notes on pages 41 to 62 form part of these financial statements.

Notes to the accounts



Notes to the accounts

Year ended 30 June 2026

01. Accounting policies

a. Accounting convention

The Company is a private company incorporated, domiciled and registered in England in the UK. The registered number is 05154287 and the registered address is One America Square, 17 Crosswall, London EC3N 2LB.

The Group (including BTPSA, Procentia Limited and Procentia Inc) and parent Company financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom law and accounting standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

The FRC issued amendments to FRS 102 as part of the Periodic Review 2024. These amendments are effective for accounting periods beginning on or after 1 January 2026. The Group has not early adopted these amendments. Management is assessing the impact of the amendments on future financial statements. The principal accounting policies, which have been applied consistently in both the current and preceding year, are set out below.

b. Going concern

The Group has sufficient financial resources and, as a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. The majority of Brightwell's income is from the BTPS, therefore the Directors have considered the BTPS's ability to continue as a going concern.

In reaching the going concern conclusion, the Directors considered the resources available to the Group, forecast expenses and income, post-year end events, and reviewed severe but plausible downside scenarios whereby Brightwell could suffer a material revenue reduction, incur significant unbudgeted costs, or experience significant business disruption impacting its service delivery. This scenario analysis included financial stress testing over multiple years to model the impact of these scenarios on revenues, costs, cashflows and reserves. The Group has also considered cashflow forecasts for at least 12 months from the date of approval of these financial statements.

With this in mind, and having made all reasonable enquiries, and having respect to the nature of the Group and its activities, the Directors are satisfied, at the time of approving the financial statements, that there is a reasonable expectation that the Group can meet its liabilities for the next 12 months from the date of approval of these financial statements.

c. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to the 30 June 2026. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertaking, Procentia group, are included in the consolidated statement of comprehensive income. Control is established when the

Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The Group has taken the exemption from preparing a Company-only profit and loss account in line with Section 408 of the Companies Act 2006 and has also taken advantage of the exemption available under FRS 102 Section 1.12(b) from preparing a statement of cash flows, on the grounds that a consolidated cash flow statement is included in the group financial statements.

d. Turnover

Turnover is recognised on an accruals basis. To the extent that fees are recognised in advance of billing they are classified as work in progress and included as accrued income, and when fees are recognised in advance of the period they relate to, they are included as deferred income.

Service fees are charged to the ultimate parent undertaking, BTPS, on a fixed fee ascertained on an arm's length basis.

e. Other income

Other income relates to the release of previously capitalised dilapidation provisions.

Notes to the accounts continued

Year ended 30 June 2026

f. Taxation

UK and US corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure, in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

g. Bonus costs

Provision is made for bonuses attributable to performance up to the year end. Deferred bonuses are accrued evenly over the period to vesting.

h. Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the period end rate. Translation differences are dealt with in the statement of comprehensive income.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, sterling, at foreign exchange rates ruling at the balance sheet date.

i. Operating leases

Rental expenses in respect of operating leases are charged to the income statement on a straight-line basis over the period of the lease.

j. Employee benefits

Long-term incentive plans (LTIP)

Long-term incentive plans are made to certain employees in Procentia by the issue of shares to be exchanged at a later date for cash, provided the conditions for the exchange have been met. The fair value of the shares is calculated using the Monte Carlo Model and this is re-calculated at each reporting date. The expense is recognised on a straight-line basis over the period from the date of award to the date of vesting, based on the best estimate of shares that will eventually vest.

k. Pension benefits

For the defined contribution scheme, the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year.

Differences between contributions payable in the year and contributions actually paid are shown either as creditors or debtors in the balance sheet.

l. Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity. At acquisition date, the cost is measured as the aggregate of fair value of assets and liabilities, plus costs attributable to the business combination. The excess of the cost of the business combination over the acquirer's interest in the net assets of the business is recognised as goodwill. Goodwill is amortised over ten years.

m. Intangible assets

Purchased intangible assets

Intangible assets acquired separately are capitalised at cost at the date of acquisition. Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful life of the asset as follows:

Intellectual property, software and licences: 5 years
Goodwill: 10 years.

Notes to the accounts continued

Year ended 30 June 2026

Internally generated intangible assets

Internally generated intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful life of the asset as follows:

- Intellectual property, internal software and licenses: 5 years.
- Amortisation is charged on assets with finite lives and this expense is taken to the statement of comprehensive income through the administrative expenses line item. Intangible assets with finite lives are only tested for impairment, either individually or at the cash-generating unit level, where there is an indicator of impairment.
- Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the income statement when the asset is derecognised.

n. Tangible fixed assets

Fixed assets are stated at cost less any accumulated depreciation and any accumulated impairment losses. Fixed assets are depreciated on a straight-line basis over the useful economic lives of the assets as follows:

- Computer hardware: 3 years
- Fixtures and fittings, office equipment and furniture: 3.5 to 4 years
- Switching equipment: 5 years
- Leasehold improvements: period of lease.

Assets under construction commence depreciation once the assets become available for use.

o. Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses recognised immediately in the income statement.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

p. Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the net asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of the fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable

amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

q. Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash-in-hand, deposits held at call with banks and other short-term liquid investments.

r. Financial instruments

Financial instruments are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Notes to the accounts continued

Year ended 30 June 2026

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the asset have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities

Basic financial liabilities which include trade payables and other short-term monetary liabilities, are initially recognised at fair value net of transaction costs directly attributable to the issuance of the financial liability unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. They are subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the contractual obligations expire or are discharged or cancelled.

S. Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs.

t. Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event. It is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

U. Acquisitions and disposals of businesses

Goodwill

On acquisition of Procentia Limited, BTPSM, trading as Brightwell, also acquired the software code for the proprietary pension administration solution. However, owing to the complex nature and embedded knowledge within the Procentia business, the software code is inextricably linked to the business and after adjusting for the costs associated with the transition of that knowledge, it is deemed to have nil value.

As a result, excess proceeds over the fair value of assets acquired have been classified as goodwill and depreciated over the 10-year useful economic life.

Goodwill in respect of Procentia Limited's 100% subsidiary Procentia Inc, which was acquired by Procentia Limited immediately prior to BTPSM's acquisition of Procentia Limited, is recognised on the balance sheet and depreciated over the 10-year useful economic life.

Fair value

There was no adjustment needed to fair value the assets on acquisition.

Notes to the accounts continued

Year ended 30 June 2026

02. Critical judgements and key estimates

The preparation of the financial statements in conformity with FRS 102 requires the use of accounting estimates and assumptions that affect the reported assets and liabilities at the date of financial statements, and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The prime area involving a higher degree of judgement or complexity, where assumptions and estimates are significant to the financial statements, are as follows:

Long-term incentive plans (LTIP)

The Group measures the cost of cash-settled transactions with Procentia employees by reference to the fair value of the equity instruments at each year end. The fair value is determined using the Monte Carlo Model, and the determination of the fair value using this methodology is based on the input parameters chosen. It will therefore contain an element of judgement and uncertainty. Details of the LTIP are included in note 15.



Notes to the accounts continued

Year ended 30 June 2026

03. Consolidated turnover

Turnover, exclusive of value added tax, is analysed geographically between markets as follows:

	30 June 2026 (£)	30 June 2025 (£)
UK	90,605,656	70,805,228
USA	4,896,226	4,743,833
Rest of the world	1,508,298	1,036,651
	97,010,180	76,585,712

Turnover, exclusive of value added tax, is analysed by turnover as follows:

	30 June 2026 (£)	30 June 2025 (£)
Executive advisory, pension administration and investment management services	70,215,198	61,096,406
Development, maintenance and support of software	26,794,982	15,489,306
	97,010,180	76,585,712

Exceptional Item

Included in other income are exceptional one-off credits relating to the release of dilapidations provisions which were previously capitalised, and now released because of lease periods ending:

	30 June 2026 (£)	30 June 2025 (£)
Dilapidations provisions previously capitalised	1,860	164,215
	1,860	164,215

04. Consolidated interest receivable and payable

Interest receivable, mainly derived from short-term cash investments, is analysed as follows:

	30 June 2026 (£)	30 June 2025 (£)
Short-term deposit interest receivable	1,781,652	1,937,428
Interest payable	(2,243)	(18,596)
	1,779,409	1,918,832

05. Consolidated profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

	30 June 2026 (£)	30 June 2025 (£)
Amortisation of intangible fixed assets (note 11)	4,069,702	3,939,859
Depreciation of tangible fixed assets (note 12)	704,348	582,481
Rentals under operating leases	1,359,198	1,544,997
Fees payable to the Group's auditor in respect of:		
Audit services	166,090	162,650
Other assurance services	15,936	15,700

Notes to the accounts continued

Year ended 30 June 2026

06. Company Directors' emoluments

The total emoluments granted and paid to the Directors in respect of the year were £1,418,180 (year ended 30 June 2025: £2,792,533). The Group provides a co-investment/bonus deferral scheme whereby a portion of bonuses awarded in respect of the year are deferred. The full value of deferred awards granted to Directors in respect of the year has been included in the figure above, although they will only become payable after the Directors satisfy future service conditions.

The highest paid Director received emoluments in the year in respect of services to the Group, amounting to £1,220,000, which includes £20,000 pension contributions (year ended 30 June 2025: £915,000, including £20,000 pension contributions).

07. Consolidated staff costs

Staff costs for the year in respect of Directors and employees were as follows:

	30 June 2026 (£)	30 June 2025 (£)
Wages and salaries	41,679,871	36,585,671
Social security costs	5,567,886	4,540,772
Other pension costs	3,434,898	3,048,188
	50,682,655	44,174,631

Other pension costs are in respect of the defined contribution pension scheme.

The average number of employees, including Directors and non-executive Directors, for the year ended 30 June 2026 was 479 (2025: 413).

08. Consolidated tax charge on profit on ordinary activities for group

On 18 March 2026, Finance Act 2026 was passed, which maintains the main rate of corporation tax at 25% for the financial year to 31 March 2027. Deferred tax balances as at 30 June 2026 have therefore been fully recognised at the closing rate of 25%.

a) Analysis of tax charged in the year:

	30 June 2026 (£)	30 June 2025 (£)
Current tax:		
UK corporation tax	4,526,274	1,309,690
Adjustment in respect of prior periods	(614,450)	16,297
Overseas taxation	208,720	426,208
Total current tax charge	4,120,544	1,752,195
Deferred tax:		
Origination and reversal of timing differences	(194,297)	(43,919)
Adjustments in respect of prior period	274,377	20,676
Total deferred tax charge	80,080	(23,243)
Total tax charge on profit on ordinary activities	4,200,624	1,728,952

Notes to the accounts continued

Year ended 30 June 2026

b) The tax charge in the period differs from that resulting from applying the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are explained below:

	30 June 2026 (£)	30 June 2025 (£)
Profit on ordinary activities before tax	16,628,706	5,325,012
Profit on ordinary activities at the standard rate of corporation tax in the UK of 25% (2025: 25%)	4,157,177	1,331,253
Expenses not deductible for tax purposes	342,041	307,853
Effect of tax rates in foreign jurisdictions	41,480	52,873
Adjustments in respect of prior periods - current tax	(340,074)	36,973
Total tax charge on profit on ordinary activities	4,200,624	1,728,952

c) Deferred tax:

	Provided June 2026 (£)	Provided June 2025 (£)
Deferred tax assets:		
Accelerated capital allowances	(418,286)	(325,772)
Short-term timing differences	937,607	925,170
Total deferred tax assets	519,321	599,398

	30 June 2026 (£)	30 June 2025 (£)
Net deferred tax assets at 1 July	599,398	576,154
Amounts charged to income statement arising from:		
Fixed asset timing differences	(92,513)	105,859
Short-term timing differences	12,436	(57,158)
Losses and other deductions	-	(25,457)
Net deferred tax assets at 30 June	519,321	599,398

Notes to the accounts continued

Year ended 30 June 2026

9. Consolidated fixed asset investments

Consolidated	Notes	30 June 2026 (£)	30 June 2025 (£)
Investment in subsidiaries		-	-
		-	-

Company	Notes	30 June 2026 (£)	30 June 2025 (£)
Investment in subsidiaries	10	40,813,053	30,813,053
		40,813,053	30,813,053

Company fixed assets

Movements in fixed asset investments

Company	Shares in subsidiaries (£)
Cost or valuation	
At 1 July 2025	30,813,053
Additions	10,000,000
At 30 June 2026	40,813,053
Carrying amount	
At 30 June 2026	40,813,053
At 30 June 2025	30,813,053

Notes to the accounts continued

Year ended 30 June 2026

10. Company subsidiaries

Details of the Company's subsidiaries at 30 June 2026 are as follows:

Name of undertaking	Country of incorporation	Class of shares held	Nature of business	Direct % held	Indirect % held
BT Pension Scheme Administration Limited	England and Wales	Ordinary	Provision of pension administration services	100	
Brightwell Pensions Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pensions Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Administration Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Administration Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pension Administration Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pension Management Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Management Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Derby Services Limited*	England and Wales	Ordinary	Dormant	100	
Procentia Limited	England and Wales	Ordinary and Preference	Development, maintenance and support of software to the pensions and benefits industry	97	
Procentia Inc	United States of America	Ordinary	Development, maintenance and support of software to the pensions and benefits industry		97

The registered address of BT Pension Scheme Administration Limited and the Brightwell dormant entities is One America Square, 17 Crosswall, London EC3N 2LB.

The registered address of Procentia Limited and Procentia Inc is 8 Brook Office Park, Emersons Green, Bristol, England, BS16 7FL.

*Commenced trading on 3rd July 2026



Notes to the accounts continued

Year ended 30 June 2026

11. Consolidated intangible fixed assets

	Goodwill (£)	Intellectual property (£)	Software development (£)	Total (£)
Cost:				
At 1 July	13,154,626	200,000	15,687,329	29,041,955
Additions	-	-	2,986,703	2,986,703
At 30 June	13,154,626	200,000	18,674,032	32,028,658
Accumulated amortisation:				
At 1 July	(7,235,045)	(155,000)	(9,256,435)	(16,646,480)
Charge for the year	(1,315,463)	(20,000)	(2,734,240)	(4,069,702)
At 30 June	(8,550,507)	(175,000)	(11,956,253)	(20,681,760)
Net book value:				
At 30 June 2026	4,604,119	25,000	6,717,778	11,346,898
At 30 June 2025	5,919,581	45,000	6,430,894	12,395,475

Company intangible fixed assets

	Software development costs (£)
Cost:	
At 1 July	4,676,086
Additions	-
At 30 June	4,676,086
Amortisation:	
At 1 July	(3,553,756)
Charge for the year	(879,326)
At 30 June	(4,433,082)
Net book value:	
At 30 June 2026	243,004
At 30 June 2025	1,122,330

Notes to the accounts continued

Year ended 30 June 2026

12. Consolidated tangible fixed assets

	Leasehold improvements (£)	Assets under construction (£)	Office equipment and furniture (£)	Computer hardware (£)	Switching equipment (£)	Total (£)
Cost:						
At 1 July	2,785,314	-	773,760	1,534,224	263,315	5,396,820
Additions	1,103,864	10,352	132,506	307,158	-	1,553,880
Transfers	-	-	292,403	(252,199)	-	40,204
Disposals	(6,013)	-	(480)	(63,951)	-	(70,444)
FX	121	-	-	(27,603)	-	(27,483)
At 30 June	3,883,286	10,352	1,198,187	1,497,627	263,315	6,852,771

Accumulated depreciation:						
At 1 July	(2,170,195)	-	(656,701)	(1,158,794)	(21,942)	(4,007,632)
Charge for the year	(384,015)	-	(54,662)	(213,008)	(52,663)	(704,348)
Transfers	-	-	(284,919)	(254,991)	-	(29,928)
Disposals	6,013	-	480	60,851	-	67,344
FX	1,498	-	(17,041)	30,712	-	15,169
At 30 June	(2,546,699)	-	(1,012,843)	(1,025,248)	(74,606)	(4,659,395)

Net book value:						
At 30 June 2026	1,336,587	10,352	185,346	472,381	188,710	2,193,376
At 30 June 2025	615,119	-	117,059	375,430	241,373	1,359,260

Notes to the accounts continued

Year ended 30 June 2026

Company tangible fixed assets

	Leasehold improvements (£)	Assets under construction (£)	Office equipment and furniture (£)	Computer hardware (£)	Switching equipment (£)	Total (£)
Cost:						
At 1 July	1,661,336	-	289,510	297,096	263,315	2,511,257
Additions	-	10,352	-	-	-	10,352
Disposals	-	-	-	(34,241)	-	(34,241)
At 30 June	1,661,336	10,352	289,510	262,855	263,315	2,487,368

Accumulated depreciation:						
At 1 July	(1,250,207)	-	(276,436)	(231,074)	(21,942)	(1,779,659)
Charge for the year	(266,705)	-	(13,074)	(31,428)	(54,663)	(363,870)
Disposals	-	-	-	34,241	-	34,241
At 30 June	(1,516,912)	-	(289,510)	(228,261)	(74,606)	(2,109,289)

Net book value:						
At 30 June 2026	144,424	10,352	-	34,594	188,710	378,080
At 30 June 2025	411,129	-	13,074	66,022	241,373	731,598

Notes to the accounts continued

Year ended 30 June 2026

13. Consolidated non-current debtors

	30 June 2026 (£)	30 June 2025 (£)
Term loans	92,072	90,142
	92,072	90,142

Included within term loans are loans advanced from Procentia Limited to their directors, and during the year, amounts due were cancelled due to cessation of employment and a new loan was issued. This loan carries an interest rate of 3.86% and is repayable in instalments from 2030.

	Max outstanding during the year (£)	At 30 June 2026 (£)	Amount cancelled (£)	At 1 July 2025 (£)
Director 1	51,115	51,115	-	-
Director 2	57,949	-	(57,949)	57,949
Total	109,064	51,115	(57,949)	57,949

Consolidated current debtors

	30 June 2026 (£)	30 June 2025 (£)
Prepayments and accrued income	9,108,313	6,013,269
Other debtors	10,287,219	11,506,064
Amounts due from ultimate parent undertaking	3,906,911	4,392,522
Corporation tax	930,430	1,708,457
Deferred tax	519,321	599,398
	24,752,194	24,219,710

Included in other debtors are Trade debtors of £8.57m (2025: £4.11m) with the remainder of the balance predominantly comprising of amounts due from other group companies of £3.23m (2025: £7.02m).

Company non-current debtors

	30 June 2026 (£)	30 June 2025 (£)
Term loans	-	5,000,000
	-	5,000,000

During the year, Procentia fully repaid the £5,000,000 advanced by BTPSM in the previous year. Interest accrued bi-annually and was charged at SONIA plus a Margin of 5%. On the repayment date, interest of £430,258 had been paid.

Company current debtors

	30 June 2026 (£)	30 June 2025 (£)
Prepayments and accrued income	1,824,877	2,402,105
Other debtors	840,995	583,517
Amounts due from group companies	3,233,014	7,602,928
Amounts due from ultimate parent undertaking	3,906,911	4,387,902
Corporation tax	840,946	1,520,545
Deferred tax	905,568	711,820
Total	11,552,311	17,208,817

Notes to the accounts continued

Year ended 30 June 2026

14. Consolidated creditors

	30 June 2026 (£)	30 June 2025 (£)
Amounts falling due within one year:		
Trade creditors	1,342,362	2,017,563
Deferred income	2,636,701	4,267,674
Other creditors	50,468	188,085
Other taxes	1,423,966	7,027,351
Accruals	13,600,941	11,776,541
	19,054,438	25,277,214
Amounts falling due after one year:		
Accruals and deferred income, less than five years	3,283,134	2,815,101

Company creditors

	30 June 2026 (£)	30 June 2025 (£)
Amounts falling due within one year:		
Trade creditors	117,567	487,376
Other taxes	588,995	6,389,175
Accruals and deferred income	10,156,654	11,192,545
	10,863,216	18,069,096
Amounts falling due after one year:		
Accruals and deferred income, less than five years	2,082,959	2,451,666

Notes to the accounts continued

Year ended 30 June 2026

15. Long-term incentive plans

Procentia Limited operate a cash-settled long-term incentive plan (LTIP) and the LTIP has a 5-year vesting schedule (to reach full vesting), with a 2-year cliff and linear quarterly vesting thereafter. The key vesting condition is for participants to be rewarded in respect of a 10% uplift in enterprise value from the grant of the growth shares to the exercise of the shares.

The total expenses recognised for the year within wages and salaries, and the total liabilities recognised at the end of the year arising from LTIP are as follows:

	30 June 2026 (£)	30 June 2025 (£)
Total share-based payment expense	114,196	181,954
Total carrying amount of liabilities	477,631	363,435

Details of the share options outstanding at 30 June 2026 are as follows:

	30 June 2026		30 June 2025	
	Weighted average exercise price (£)	Number of options	Weighted average exercise price (£)	Number of options
Outstanding at the beginning of the period	-	256	-	338
Granted during the year	-	94	-	-
Forfeited in the year	-	(128)	-	(82)
Outstanding at the end of the year	-	222	-	256
Exercisable at 30 June 2026	-	-	-	-

The growth share options (G shares) in the LTIP do not have an 'exercise price'; holders of the shares only participate in any value if the hurdle value has been met on a future exit event or on exercise of the put options. The weighted average contractual life of the growth shares as at 30 June 2026 is 3.9 years.

Notes to the accounts continued

Year ended 30 June 2026

Valuation assumptions

Calculating the fair value of the growth shares in the LTIP requires estimates and significant judgment. The Monte Carlo option pricing model has been utilised to estimate the fair value of the LTIP, consistent with commonly used models under FRS 102.

	30 June 2026	30 June 2025
Expected term in years	1.3 – 6.3	2.3 – 5.3
Risk-free interest rate	4.2%	3.8%
Expected volatility	35.0%	35.0%
Dividend yield	0.0%	0.0%

Expected term

The expected term should be equal to the best estimate of the time to when employees can sell their Awards and realise value for their shares. There is no current expectation for an exit event to take place for the foreseeable future or before the Third Put Option date. We therefore assume that any returns for the G Shares will be delivered by way of exercise of the G Share Put Options.

The G Shareholders may exercise the First G Share Put Option following the approval of the consolidated financial statements of the Company for the year ending on the first accounting reference date of the company to occur following the fourth anniversary of the Issue Date of that G Share, with Second Put Option Date being the fifth anniversary and the Third Put Option Date being the sixth anniversary. We assume that 33.33% of G Shareholdings will be sold at each G Share Put Option.

The assumption is that the G Share Put Options will be exercised 3 months following the years ending 30 June 2027 to 30 June 2032, which is the typical timeframe for the audited financial statements to be approved and therefore these expected term inputs have been used in the table above.

Risk-free interest rate

The risk-free interest rate should be the implied yield available at the date of grant on zero-coupon government issues in whose currency the exercise price is expressed, with a remaining term equal to the expected life of the awards being valued.

Expected volatility

In order to estimate an appropriate volatility over the expected term, we have assessed the historical volatility of a number of quoted comparators over the relevant expected term inputs. As there is no external debt, we have ungeared the equity volatilities of the quoted comparators to arrive at the enterprise value volatilities.

Dividend yield

No dividends are expected to be paid prior to a future exit event. Therefore, a dividend yield input of 0.0% has been used to value the G shares.

Notes to the accounts continued

Year ended 30 June 2026

16. Consolidated provisions for liabilities and charges

Dilapidations provision (£)	
At 30 June 2025	425,296
Capitalised in leasehold improvements	322,117
Released on end of period lease	(1,860)
At 30 June 2026	745,553

Company provisions for liabilities and charges

Dilapidations provision (£)	
At 30 June 2025	224,610
At 30 June 2026	224,610

The dilapidations charge has been capitalised within leaseholds improvements and is being depreciated over the period of the lease.

Notes to the accounts continued

Year ended 30 June 2026

17. Share capital

	30 June 2026 (£)	30 June 2025 (£)
Authorised:		
39,800,000 (2025: 39,800,000) ordinary shares of £1 each	39,800,000	39,800,000
Allotted and fully paid:		
37,800,000 (2025: 37,800,000) ordinary shares of £1 each	37,800,000	37,800,000

The Company, Brightwell, trading name of BT Pension Scheme Management Limited, is a private company limited by shares and is incorporated in England.

18. Reserves

Reserves within equity are as follows:

Share capital

Amounts subscribed for share capital at nominal value.

Profit and loss account

Cumulative gains and losses recognised in the statement of comprehensive income.

19. Consolidated financial commitments

The Group's total future minimum lease payments under non-cancellable operating leases are as follows:

	2026 Other (£)	2026 Land and buildings (£)	2025 Other (£)	2025 Land and buildings (£)
Within 1 year	365,725	718,347	265,361	592,723
Between 2 - 5 years	169,337	1,302,624	33,756	542,696
	535,062	2,020,970	299,117	1,135,419

Company's financial commitments

The Company's total future minimum lease payments under non-cancellable operating leases are as follows:

	2026 Other (£)	2026 Land and buildings (£)	2025 Other (£)	2025 Land and buildings (£)
Within 1 year	126,788	247,883	48,389	424,942
Between 2 - 5 years	-	-	-	247,883
	126,788	247,883	48,389	672,825

Notes to the accounts continued

Year ended 30 June 2026

20. Consolidated net cashflow from operating activities

	30 June 2026 (£)	30 June 2025 (£)
Profit for the year after tax	12,428,082	3,596,060
Adjustments for:		
Tax charge	4,200,624	1,728,952
Amortisation of intangible assets	4,069,702	3,939,859
Depreciation of tangible fixed assets	704,349	582,481
Loss on disposal of fixed assets	(2,598)	1,076
Release of provisions previously capitalised	(1,860)	(136,170)
Share-based payments	114,196	181,954
Interest paid	2,243	18,596
Interest income	(1,781,652)	(1,937,428)
Increase / (decrease) in provisions and liabilities Movements in working capital:		
(Increase) in debtors	(1,878,133)	(6,788,000)
Decrease in amounts due from ultimate parent	485,611	484,185
(Decrease) / increase in creditors	(5,868,938)	2,395,655
Tax paid	(3,156,932)	(3,383,608)
Net cash inflow from operating activities	9,634,950	663,767

Notes to the accounts continued

Year ended 30 June 2026

21. Related parties

Group companies

The Company has taken advantage of the exemption available in FRS 102 section 33.1a whereby it has not disclosed transactions with the wholly owned subsidiary undertakings of the group.

During the year, the Company provided business services to Procentia, valued and charged at £678,007 (2025: £327,119). At the year end, £454,350 (2025: £677,217) was outstanding for Group VAT, business service fees and expenses to be recharged.

During the year, BTPSA made purchases and sales of £1,039,149 (2025: £1,068,819) with Procentia, and of this balance, £115,045 (2025: £39,592) was outstanding at the year end. A facility loan totalling £5,000,000 was repaid by Procentia Limited in the year (see note 13 for further details).

Key management personnel

The key management personnel are the non-executive Directors, Directors and members of the Exec. The total remuneration of key management personnel for the year ended 30 June 2026 was £4,134,358 (2025: £4,258,362), including Directors' remuneration of £1,418,180, (2025: £2,792,533) as disclosed in note 6.

22. Ultimate parent undertaking

The ultimate parent of the Group throughout the year was the BT Pension Scheme.

The financial statements of BT Pension Scheme can be obtained at the registered office: One America Square, 17 Crosswall, London EC3N 2LB or on the website at btps.co.uk

23. Subsequent events

There are no notable post-balance sheet events to report.

References

1. Page 4 - **“Around 5,000 UK DB schemes”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/research-and-analysis/evolution-of-occupational-db-schemes-2025>”.
2. Page 4 - **“£1.1tn of assets / liabilities in the DB sector”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/research-and-analysis/evolution-of-occupational-db-schemes-2025>”.
3. Page 4 - **“90% of schemes in surplus on a technical provisions basis”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/statements/annual-funding-statement-2026>”
4. Page 4 - **“80% of schemes in surplus on a low dependency basis”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/statements/annual-funding-statement-2026>”
5. Page 4 - **“£48bn of buy-in/buy-out transactions in 2024”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/statements/annual-funding-statement-2026>”
6. Page 4 - **“Volumes expected to remain £40bn-£50bn annually”** - The Pensions Regulator (TPR) “<https://www.thepensionsregulator.gov.uk/en/document-library/research-and-analysis/evolution-of-occupational-db-schemes-2025>”.



<https://brightwellpensions.com/>