CHAIR'S ANNUAL STATEMENT FOR THE YEAR ENDED 5 APRIL 2026

This Statement has been prepared by the Trustee of the Casket Group Retirement and Death Benefit Scheme ('the Scheme') in accordance with regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended). It sets out how the Trustee has met the statutory defined contribution (DC) governance standards during the Scheme year ended 5 April 2026 in respect of all the DC benefits held in the DC Section, including the with-profits arrangements.

Governance requirements apply to defined contribution ('DC') pension arrangements, to help members achieve a good outcome from their pension savings. The Trustee of the Scheme is required to produce a yearly statement (which is signed by the Trustee Chair) to describe how these governance requirements have been met in relation to:

- the investment options in which members' funds are automatically invested (this means the 'default arrangement' and other funds members can select or have assets in, such as self-select or 'legacy' funds);
- the requirements for processing financial transactions;
- the charges and transaction costs borne by members;
- an illustration of the cumulative effect of these costs and charges;
- a 'value for members' assessment; and
- trustee knowledge and understanding.

The Trustee has reviewed and assessed systems, processes and controls across key governance functions to determine whether these are consistent with those set out in the Pensions Regulator's:

- General Code of Practice.
- Regulatory guidance for defined contribution schemes.

There has not been a review of the investment strategy over the year to 5 April 2026 and there is no indication of when the investment strategy was last reviewed. The Scheme has fewer than 100 members and is not required to have a Statement of Investment Principles (SIP).

Some members have a defined benefit 'GMP underpin' relating to their DC benefits.

The Default Arrangement

A default investment strategy is an approach adopted by trustees for the investment of pension contributions for members who have not made a choice as to where they want their pension savings invested. Members can also choose to invest in this way.

The Scheme closed to future contributions prior to 6 April 2015 and therefore does not have a statutory default arrangement. It is not being used as a qualifying scheme for automatic enrolment purposes.

The fund options currently utilised are set out below. These are available to members depending on which policy they fall under. All of the funds are managed by Royal London.

1. RLP UK Equity Fund*
2. RLP Managed Fund*
3. RLP Fixed Interest Fund*
4. RLP Deposit Fund*
5. Crest Unitised With-Profits Fund
6. With Profits 2 Fund
7. Crest Secure Fund

*These funds form part of the lifestyle option called the Balanced Retirement Investment Strategy, where the underlying fund allocations vary depending on the member's term to retirement. Additional information can be found in the below section.

Balanced Retirement Investment Strategy

Whilst the Scheme does not have a statutory default arrangement, a lifestyle strategy is available within the investment options offered to members (the Balanced Retirement Investment Strategy). For the purposes of providing more information to members, the Balanced Retirement Investment Strategy has been assumed to be the default option for the current arrangements.

Under the Balanced Retirement Investment Strategy, the member's pension account is generally invested in riskier, growth seeking assets in the early years and gradually switched into lower risk funds with lower expected returns as the member approaches their chosen retirement age.

Members investing in the Balanced Retirement Investment Strategy, and who are 16 or more years from their selected retirement age, will have 100% of their funds in the RLP UK Equity Fund.

On reaching the 15-year anniversary before the member's selected retirement age, the first of two five-year switching protection phase periods commence.

Phase 1: On the 15-year anniversary before their selected retirement age the member's investment held in the RLP UK Equity Fund will gradually reduce by switching into the RLP Managed Fund, so that at 11 years before the member's selected retirement age 100% will be invested in the RLP Managed Fund.

Phase 2: On the 5-year anniversary before their selected retirement age the member's pension account will begin partly switching into bonds and cash, so that at their selected retirement age it will be invested 75% in the RLP Fixed Interest Fund and 25% in the RLP Deposit Fund.

Balanced Retirement Investment Strategy – Asset Allocation

The Trustee is required to disclose the full asset allocation of investments for each default strategy – namely the Balanced Retirement Investment Strategy.

The table below shows the percentage of assets allocated in the Scheme's default strategy to specified asset classes as at 31 March 2026. This information is provided in line with statutory guidance.

Asset Class	Allocation (%) at Age 25	Allocation (%) at Age 45	Allocation (%) at Age 55	Allocation (%) at Age 65
Cash	**0.0**	**0.0**	**0.0**	**25.3**
Bonds	**0.0**	**0.0**	**24.6**	**70.1**
Corporate Bonds	0.0	0.0	7.5	8.6
Fixed interest government bonds	0.0	0.0	7.2	61.6
Index-linked government bonds	0.0	0.0	5.5	0.0
Other bonds	0.0	0.0	4.4	0.0
Listed Equities	**100.0**	**100.0**	**57.2**	**0.2**
UK Equities	100.0	100.0	11.9	0.2
Developed Market Equities	0.0	0.0	45.3	0.0
Emerging Market Equities	0.0	0.0	0.0	0.0
Private Equity	**0.0**	**0.0**	**0.0**	**0.0**
Infrastructure	**0.0**	**0.0**	**0.0**	**0.0**
Property / Real Estate	**0.0**	**0.0**	**10.6**	**0.0**
Private Debt / Credit	**0.0**	**0.0**	**0.0**	**0.0**
Other	**0.0**	**0.0**	**7.6**	**4.4**
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**

Source: Royal London, as at 31 March 2026.

Balanced Retirement Investment Strategy – Investment Returns

This section states the annual return, after the deduction of member borne charges and transaction costs for the default arrangement and investment options that members are able, or were previously able, to select and in which members' assets were invested during the Scheme year. When preparing this section of the statement the Trustee has taken account of the relevant statutory guidance.

The investment returns, net of all fees borne by members of the Scheme, are provided in the table below for the default arrangement in place. The net investment returns of the 'self-select' options are also shown below, which includes the funds which form the default arrangement and those funds which constitute the with-profits arrangements.

The net investment returns are provided below over various periods to 31 March 2026 (the closest date to the Scheme year end of 5 April 2026). The returns illustrated for the default arrangement are those that a typical member at various ages as at 31 March 2026 would have experienced, allowing for the lifestyling in place.

Net of Fees Investment Returns of Scheme's Default Lifestyle Strategy

Fund	1 Year (%)	3 Year (% p.a.)	5 Year (% p.a.)
Age 65			
Current Default	1.2	1.9	0.0
Age 55			
Current Default	11.6	8.3	6.2
Age 45			
Current Default	18.4	10.4	7.7

Source: FE Analytics.

Net Investment Returns of Member Self-Select Funds in the Current Arrangements as at 31 March 2026

Fund	1 Year (%)	3 Year (% p.a.)	5 Year (% p.a.)
RLP UK Equity Fund	18.4	10.4	7.7
vs FTSE All Share Index	**-3.1**	**-3.0**	**-3.4**
RLP Managed Fund	11.6	7.8	5.2
vs ABI Mixed Investment 40-85% Shares	**0.1**	**-0.4**	**0.4**
RLP Fixed Interest Fund	0.8	-0.3	-5.0
vs FTSE Actuaries UK Government All Stocks Index	**-1.7**	**-0.8**	**-0.8**
RLP Deposit Fund	2.2	2.9	1.4
vs SONIA	**-1.8**	**-1.7**	**-1.8**

Source: FE Analytics.

For the three with profits funds, we have set out information on the latest declared bonus rates for each calendar year, provided by Royal London as at 1 January 2026 (the closest date to the Scheme year end of 5 April 2026).

Fund	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
Crest Unitised With-Profits Fund	3.65	3.15	2.65	2.15	2.00
With Profits 2 Fund	3.65	3.65	3.15	2.65	2.50
Crest Secure Fund	0.25	0.25	0.25	0.25	0.25

Source: Royal London.

Costs and Charges borne by members

In accordance with regulation 25(1)(a) of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended), the Trustee is required to calculate the charges and transaction costs paid by members and assess the extent to which these charges paid by members represent good value for money.

Based on its value for members assessment the Trustee concludes that the current funds adopted have higher charges versus fund options in the larger comparator schemes.

The Scheme meets the costs associated with investment advice, administration of DC benefits and audit costs.

Explicit charges paid by members are the fund annual management charges and fund expenses. These range from 1.00% p.a. to a maximum of 1.45% p.a. depending on the fund selected. These charges are levied on the amount held in each member's pension account.

All investment funds have 'transaction costs' which are not charged directly to the investor (member). However, these charges are taken from the fund and therefore reflected in the performance of the fund and in the overall return received by the investor (member).

Different funds have different levels of transaction costs depending on the number of assets that are bought or sold within the fund. It is generally expected that the more actively a fund buys and sells assets the higher the transaction fees will be. Costs can also be negative due to the prescribed method for calculating them. Negative transaction costs would show where an overall beneficial pricing environment has occurred at the point of trading underlying assets over the period, which has more than offset the costs of the trades.

A full list of charges for the Royal London funds in use (including the transaction charges) during the period from 1 April 2025 to 31 March 2026 is included below (31 March 2026 figures were the closest annual figures available versus the 5 April 2026 Scheme year-end).

When preparing this section of the Statement the Trustee has taken account of the relevant statutory guidance.

Fund	Total Expense Ratio (p.a.)*	Transaction Costs (p.a.)**	Total Charges and Costs (p.a.)
Current Funds			
RLP UK Equity Fund	1.00%	0.07%	1.07%
RLP Managed Fund	1.00%	0.09%	1.09%
RLP Fixed Interest Fund	1.00%	0.00%	1.00%
RLP Deposit Fund	1.00%	0.00%	1.00%
Crest Unitised With Profits Fund***	1.00%	0.09%	1.09%
With Profits 2 Fund***	1.00%	0.09%	1.09%
Crest Secure Fund***	1.45%	0.00%	1.45%

Source: Royal London. *Total expense ratio (TER) includes the annual management charge and additional fund expenses. **Transaction costs relate to the friction costs incurred by fund investments over the past year to 31 March 2026, due to investment dealing activity. ***Royal London have confirmed that there are no explicit charges for with profits business and they are not able to provide a Total Expense Ratio figure. The TER in table above is estimated to be the AMC.

Although the Scheme's funds are not used for auto-enrolment, the Trustee is conscious that the charges exceed the charges cap (of 0.75% per annum) that is applied to schemes by a considerable amount.

The Trustee is required to provide members with information on the effect of costs and charges on their pension pot. An illustration is provided in **Appendix A**.

Administration Standards & Core Financial Transactions

The Trustee has a specific duty to ensure that core financial transactions (including the investment of contributions, transfer of member assets to and from the Scheme, switching between different investments within the Scheme and payments to and in respect of members) relating to the defined contribution arrangements are processed promptly and accurately.

The Trustee delegates the administration of the DC Section to Royal London. Broadstone Corporate Benefits Limited, as part of its role in administering the DB Section, acts as a 'postbox' service for the DC Section. There is a contract in place between these providers and the Trustee, clearly setting out the services that they will provide and the cost for these services. The Trustee has agreed Service Level Agreements ('SLAs') for the work undertaken and performance against these SLAs are reported to the Trustee in the administration report. The SLAs cover:

- Investment of contributions
- Switches of assets along the member lifestyle
- Transfer out quotes
- Retirements
- Dealing with death cases

The Trustee monitors the performance of the providers on an ongoing basis, and it does this by receiving administration reports from Broadstone on a quarterly basis detailing the work undertaken and the timeliness of the delivery of these tasks. The Trustee has regular dialogue with Broadstone on the running of the Scheme.

The Trustee is comfortable that all core financial transactions have been carried out promptly and accurately, including:

- **Investment of contributions –** no contributions have been made in the year as the scheme is closed to future accrual.
- **Transfer of members' assets to and from the Scheme –** there have been no transfers into the Scheme in the last year.
- **Switching between investments within the Scheme –** there have been no switches carried out at the request of members.
- **Payments out of the Scheme to members –** payments are made within seven working days unless they are subject to PAYE in which case they are paid alongside the next available payroll.

The administrator has adopted a number of processes to ensure core financial transactions are processed promptly and accurately:

- Processes and procedures are in place to ensure all work is done within any agreed SLA in place, or to Broadstone's internal service levels (generally, ten working days for most events) where there is no SLA.
- Broadstone employ a workflow management system to ensure that tasks are completed on time, that nothing gets missed and that a full checking process is followed before any tasks are completed. The checking process involves all automated calculations being checked by an administrator and then reviewed by a senior administrator.
- Broadstone are aware of the requirement to complete core financial transactions promptly and therefore these items are given higher priority than other events.
- Directors of Broadstone will, from time to time, ensure a sample of work is audited to ensure compliance with the SLA, internal standards and external legislative requirements.
- To ensure the work undertaken is accurate, the Trustee receives Broadstone's internal controls report on an annual basis to check their controls have been operating effectively throughout the period.
- The Trustee also reviews member complaints and any breaches to ensure service is being delivered in line with expectations. The Trustee has not received any member complaints and there has been no action required to bring SLA performance back in line with expectations.
- The Trustee has a close working relationship with the administrator and is able to escalate any issues to a senior member of staff to ensure that any issues arising are dealt with promptly if they were to arise.

In accordance with regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended), the Trustee has reviewed the core financial transactions to ensure that they continue to be processed promptly and accurately. There have been no notifiable events arising during the year.

Value for members assessment

Trustees of specified schemes must carry out a holistic assessment of how their scheme delivers value for members. The outcome of this assessment must be reported in the annual DC Chair's Statement and include consideration of reported costs and charges, fund performance (and net investment returns) and other measures of scheme governance and administration. The regulations require the Trustee to test the Scheme against comparable schemes or DC arrangements.

The Trustee has carried out a value for members assessment as at 5 April 2026. The conclusions of this assessment are set out in the table below:

Assessment area	Conclusion
Costs and charges	The costs and charges paid by members in the current arrangements are higher than the costs and charges that would be paid by members under the comparator arrangements. Although the Scheme is not used for auto-enrolment, the Trustee is conscious that the charges exceed the charges cap that is applied to schemes by a considerable amount. Meanwhile, the Trustee considers the charges for the with-profits funds to be broadly in line with other with-profits arrangements in the market.
Net investment performance	The assessment included a review of the performance of the Scheme's investment funds (net of fees) in the context of the investment objectives. Across all time periods, the Balanced Retirement Investment Strategy has delivered returns below the median comparator, for those members aged 65. The difference in performance is largely in part due to the different investment strategies in place, in particular the Scheme default is targeting annuity purchase at retirement whereas the comparator funds retain a higher allocation to growth assets at later ages. Meanwhile, for those members aged 55, the Balanced Retirement Investment Strategy has delivered returns which are closer to the median comparator across all time periods. For a member aged 45, the current default arrangement has outperformed the comparator funds over the last 1-year and 5-year periods. Furthermore, the Trustee has assessed that the with-profits funds held have delivered an underlying investment return that is materially lower than the RLP Managed fund, which is Royal London's multi-asset offering.
Governance and administration	In assessing the governance and administration of the current arrangements against the seven key metrics, the Trustee is satisfied that the Scheme is performing at a satisfactory level in these areas.
Overall	The overall assessment is that the current arrangements don't provide value for members. However, whilst the current arrangements are judged not to provide value for members versus the comparator schemes, it would not be possible to transfer the existing benefits in their current form. This is due to the presence of the GMP underpin for some members and the with-profits nature of some of the funds. If the feasibility of transferring the benefits to another arrangement is determined not to be possible in the short term the Trustee will consider what changes could be made to the current arrangements in order to improve the value members receive.

Trustee Knowledge and Understanding

Trustees of occupational pension schemes are required to maintain an appropriate level of knowledge and understanding which, together with the professional advice that is available to them, enables them to properly exercise their functions and duties in relation to their scheme.

The Trustee must:

- Be conversant with the Trust Deed and Rules of the Scheme and any other document recording policy for the time being adopted by the Trustee relating to the administration of the Scheme generally;
- Have, to the degree that is appropriate for the purposes of enabling the individual properly to exercise his or her functions as a Trustee, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment of the assets of occupational pension schemes.

During the period covered by this statement the Trustee has met this requirement in the following way:

- The Trustee is a corporate trustee and is familiar with the issues relating to this Scheme and all records are held on an electronic document storage system and can be accessed at any time.
- The Trustee has demonstrated a working knowledge of the Trust Deed and Rules by having access to the documents and providing decisions in line with the Rules.
- If there are any ambiguities over the interpretation of the Rules legal advice is sought from the Scheme lawyers.
- The Trustee's knowledge and understanding of the Scheme and the issues faced alongside their advisors, allow them to properly exercise their functions to act in members' best interests and to deliver good member outcomes for the contributions made.
- The Trustee does not maintain a training log, has not undertaken any training activities over the Scheme year, and has not undertaken a review of board effectiveness.

Ensuring good governance helps the Trustee determine whether the Scheme is good value for money and whether members and beneficiaries are being treated fairly and seeks to safeguard the interests of all members and beneficiaries.

Member Communications

The Trustee endeavours to provide Scheme communication that is regular, accurate, clear and understandable.

In conjunction with its advisers, the Trustee regularly reviews member communications (including retirement options packs and benefits statements) to ensure members are aware of their benefit entitlements and, in respect of the Scheme, the need to review their investment choices to ensure that they remain appropriate to their circumstance. Retirement packages cover all disclosure requirements, including retirement choices and the details of the Government's Pension Wise service.

Members receive an annual benefit statement which sign-posts them to where they can find this Statement to understand the default option, the returns on investment, the charges/transaction costs and how these represent value for members.

Based on their assessment, the Trustee believes that they have largely adopted the standard of the practice as set out in the General Code of Practice and regulatory guidance.

This Governance Statement along with its Appendices will be made publicly available on the Scheme website at the following address: https://tandemgroupplc.co.uk/pension-plan-chairs-annual-statement/

This Statement regarding DC governance was approved by the Trustee and signed by:

Signed: 

Mark Taylor (Oct 16, 2026, 4:00pm)

Name: M A Taylor

on behalf of the Trustee of the Casket Group Retirement and Death Benefit Scheme.

Date: 16 Oct 2026

Appendix A Member Illustrations

Illustration of total charges (including transaction costs) on fund values over time

Over a period of time, the charges and transaction costs that are taken out of a member's pension savings can reduce the amount available to the member at retirement. Equally, it is understood that administration costs and investment charges need to be met and the least expensive is not always the best value.

The Trustee has set out below illustrations of the impact of charges and transaction costs on different investment options in the Scheme. The illustrations have been prepared in accordance with the DWP's statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension schemes" on the projection of an example member's pension savings.

As each member has a different amount of savings within the Scheme and the amount of any future investment returns and future costs and charges cannot be known in advance, the Trustee has had to make a number of assumptions about what these might be. The assumptions are explained in the notes below the tables.

The "Before charges" figures represent the savings projection assuming an investment return with no deduction of member-borne fees or transaction costs. The "After all charges and costs deducted" figures represent the savings projection using the same assumed investment return but after deducting member-borne fees and an allowance for transaction costs.

The illustration is shown for the Balanced Retirement Investment Strategy given it is assumed to be the default option for the current arrangements. For the Scheme, the self-select funds shown are:

- the fund with the highest costs – this is the Crest Secure Fund
- the fund with the lowest costs – this is the RLP Fixed Interest Fund.

Default Arrangement

Projected Pension Account in today's money:

	Balanced Retirement Investment Strategy			
	Average Member – Aged 50		Youngest Member – Aged 25	
Years to retirement	Before charges	After all charges and costs deducted	Before charges	After all charges and costs deducted
40	n/a	n/a	£85,000	£85,000
30	n/a	n/a	£155,761	£142,035
20	n/a	n/a	£285,430	£237,340
15	£85,000	£85,000	£383,906	£304,477

	Balanced Retirement Investment Strategy			
	Average Member – Aged 50		Youngest Member – Aged 25	
10	£110,119	£104,311	£497,356	£373,651
7	£127,032	£116,217	£573,747	£416,297
5	£139,361	£124,595	£629,430	£446,311
3	£150,428	£131,553	£679,414	£471,235
1	£158,577	£135,932	£716,218	£486,918
0	£161,941	£137,490	£731,416	£492,500

Self-select Funds

Projected Pension Account in today's money:

	Crest Secure Fund – Most Expensive		RLP Fixed Interest Fund – Least Expensive	
Years to retirement	**Before charges**	**After all charges and costs deducted**	**Before charges**	**After all charges and costs deducted**
40	£85,000	£85,000	£85,000	£85,000
30	£98,291	£85,416	£107,136	£97,350
20	£113,660	£85,833	£135,037	£111,494
15	£122,224	£86,043	£151,604	£119,319
10	£131,433	£86,253	£170,203	£127,694
7	£137,288	£86,379	£182,441	£132,998
5	£141,335	£86,463	£191,085	£136,656
3	£145,502	£86,548	£200,138	£140,414
1	£149,792	£86,632	£209,620	£144,276
0	£151,984	£86,674	£214,528	£146,247

Notes

1. *Projected Pension Account values are shown in today's terms and do not need to be reduced further for the effect of inflation.*
2. *The starting Pension Account value is assumed to be £85,000, which represents the latest estimate of the average fund value rounded to the nearest £1,000.*
3. *For the Scheme, the average age is assumed to be 50 and the youngest age is 25.*
4. *Inflation is assumed to be 2.50% p.a. and no further contributions are assumed.*
5. *Values shown are estimates and not guranteed.*
6. *The projected gross (before charges and inflation) growth rate for the fund choices are as follows:*
    - *Default Strategy: from 4.0% p.a. to 9.0% p.a., depending on proximity to retirement*
    - *Crest Secure Fund: 4.0% p.a.*
    - *RLP Fixed Interest Fund: 4.9% p.a.*
7. *Transaction costs for Crest Secure Fund are already included in the quoted annual bonus rate for the fund, meaning there is no additional charge taken from a client's policy after the annual bonus is paid.*