

The Sumitomo Mitsui Banking Corporation Europe Limited Pension Scheme

Annual statement by the Chair of the Trustees for the year to 31 December 2025

Introduction

Governance requirements apply to defined contribution (“DC”) pension arrangements, to help members achieve a good outcome from their pension savings. The Trustees of The Sumitomo Mitsui Banking Corporation Europe Limited Pension Scheme (“the Scheme”) are required to produce a yearly statement describing how these governance requirements have been met.

This Statement covers the period from 1 January 2025 to 31 December 2025.

For the record

This Annual Statement regarding governance has been prepared in accordance with:

Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715) as amended by subsequent Regulations.

_____ Date: _____

Signed by the Chair of Trustees of The Sumitomo Mitsui Banking Corporation Europe Limited Pension Scheme

1 Investment strategy and underlying investments

1.1 Default arrangement

The Scheme does not have a default arrangement as it is not used as a “Qualifying Scheme” for auto-enrolment purposes. The Scheme is part of a hybrid arrangement. From 5th March 2024, the DC Section was separated from the DB Section’s investment arrangements to create a separate investment strategy that was more appropriate for DC members where their assets were moved into the L&G Future World Multi Asset Fund to help provide the opportunity for greater levels of growth and target improved member outcomes.

The Scheme is closed to new members. It originally closed to new members on 5 April 1999 but was reopened on 1 January 2003 to certain members (Sakura DC members) following the closure of the Sakura Bank Limited Retirement Benefits Scheme. The latest Statement of Investment Principles setting out the objectives of the Scheme agreed by the Trustees can be found in Appendix 1.

1.2 The underlying investment funds

During the year to 31st December 2025, members in the main DC arrangement had access to one investment fund, the LGIM Future World Multi Asset Fund. All members in the main DC arrangement were invested in this fund. The investment allocation therefore did not vary by member age or by the length of time to retirement.

1.3 Asset allocation disclosure

The following table shows the asset allocation for the Scheme’s investments, for members of different ages, as at 31 December 2025. Given all members are invested in the same fund, the asset allocation is constant irrespective of the age of the member. The asset allocation disclosure meets the DWP’s statutory guidance “Disclose and Explain asset allocation reporting and performance-based fees and the charge cap” as at January 2023.

Table 1: Asset Allocation

Asset class	Percentage allocation – average 25 y/o	Percentage allocation – average 45 y/o	Percentage allocation – average 55 y/o	Percentage allocation – average 1 day prior to the Scheme’s Normal Retirement Age, 60
Cash	2.3%	2.3%	2.3%	2.3%
Bonds	44.1%	44.1%	44.1%	44.1%
Listed equities	42.0%	42.0%	42.0%	42.0%
Private equity	0.0%	0.0%	0.0%	0.0%
Infrastructure	4.9%	4.9%	4.9%	4.9%
Property / real estate	6.3%	6.3%	6.3%	6.3%
Private debt / credit	0.0%	0.0%	0.0%	0.0%
Other assets	0.5%	0.5%	0.5%	0.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: Legal & General Investment Management as at 31 December 2025

Note: The asset allocation figures have been calculated using the fund allocation shown in the fund factsheet as at 31st December 2025. Totals may not sum to 100% due to rounding.

1.4 Additional Voluntary Contributions (“AVCs”)

Members in the Scheme invest over a range of 8 funds for their AVC with Aegon as the provider, however this is now closed to new contributions. The list of funds members are invested in are below:

Aegon Annuity Target Fund	Aegon Global Fund
Aegon European Fund	Aegon North American Fund
Aegon High Equity With Profits Fund	Aegon UK Equity Fund
Aegon Mixed Fund	Aegon International Fund

Source: Aegon as at 31 December 2025

2 Investment performance

The presentation of the investment performance takes into account the statutory guidance (i.e. The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021) issued by the Department for Work and Pensions. The Trustee has followed the statutory guidance in all areas.

This section reports on the investment returns over different periods, after the deduction of member-borne charges and transaction costs.

2.1 Investment conditions

When considering the investment performance figures, it is important to take account of market conditions over the period covered by this Statement. Over 2025, global growth remained resilient despite US trade tariffs and wider policy uncertainty. Global equity markets performed strongly over the year, returning 20.5%. This market backdrop supported positive returns from growth assets, although returns varied by asset class and investment strategy.

2.2 The Underlying investment fund

Over the year to 31st December 2025, the LGIM Future World Multi Asset Fund delivered a return of 11.67%. Put another way, this is equivalent to a rise of £116.70 for every £1,000 invested.

The fund slightly underperformed its comparator over both the one-year and three-year periods shown in the table below. The Trustees and their adviser will continue to monitor the fund during 2026. The Trustees have no concerns about the fund at this stage and are comfortable that it remains aligned with the Scheme's objectives.

From the 5th March 2024, members were solely invested in LGIM Future World Multi Asset Fund – the table below shows the fund's performance.

Table 2: The Underlying investment fund performance

Fund name	1 year		3 years (p.a.)	
	Fund	B/mark	Fund	B/mark
LGIM Future World Multi Asset Fund	11.67%	12.30%	8.74%	9.45%

Source: Legal & General Investment Management as at 31 December 2025

Note: that 5-year performance is not available as the share class was launched on 14 May 2021.

More information

Investment returns for all funds, including the AVC funds, over several periods of time to 31 December 2025 are shown in Appendix 4. Please note that certain historic performance data is not available for the fund, as explained further in Appendix 4.

3 Charges and transaction costs

The charges and costs borne by members and the employer for the Scheme's services are:

Service	By members	Shared	By the employer
Investment management	-	-	Yes
Investment transaction costs	Yes	-	-
Administration	-	-	Yes
Governance	-	-	Yes
Communications	-	-	Yes

3.1 Charges

As highlighted above, the employer pays for the investment charges, with the exception of additional expenses or "investment transaction costs" as shown above. The charges quoted in this Statement are the funds' Total Expense Ratios ("TERs"). The TER consists of a fund's Annual Management Charge ("AMC") and Operating Costs and Expenses ("OCE"). OCEs include, for example, the fund's custodian costs. While the AMC is usually fixed, the OCE, and hence the TER, can vary slightly from day to day.

The Scheme is not a qualifying scheme for auto-enrolment purposes and so the default arrangement is not subject to the charge cap.

From the 5th March 2024, members were solely invested in LGIM Future World Multi Asset fund. The charges paid by the employer for this fund are 0.31% p.a. of the amount invested or, to put another way, £3.09 per £1,000 invested

All investment charges, with the exception of transactions costs are paid for by the employer.

3.2 Transaction costs

The funds' transaction costs are in addition to the funds' TERs and can arise when:

- the fund manager buys or sells part of a fund's portfolio of assets; or
- the platform provider or fund manager buys or sells units in an underlying fund.

Transaction costs vary from day to day depending on where each fund is invested and stock market conditions at the time. Transaction costs can include: custodian fees on trades, stockbroker commissions and stamp duty (or other withholding taxes).

Transaction costs are paid for by members and are deducted from a member's funds before the funds' unit prices are calculated. This means that transaction costs are not readily visible, but these costs will be reflected in a fund's investment performance.

The Financial Conduct Authority ("FCA") requires fund managers and providers to calculate transaction costs using the "slippage method", which compares the value of assets immediately before and after a transaction has taken place. This can give rise to negative transaction costs where favourable stock market movements during a transaction offset the rest of the trading costs (such as stockbroker commission).

The transaction costs shown in this statement are those taken from funds while members are invested in them. The transaction costs shown here do not include any costs members may incur from time to time when buying or selling units in the provider's funds caused by the fund manager's unit price for a fund moving from a "bid" to "offer" basis (or vice versa) or any other "dilution levy" when units in that fund are bought or sold to protect the value of the fund for other investors.

3.3 Member-borne charges and transaction costs

The charges and transaction costs have been supplied by the Scheme's investment manager, Legal & General ("LGIM"), and AVC provider, Aegon.

The presentation of the charges and costs, together with the projections of the impact of charges and costs, takes into account the statutory guidance issued by the DWP.

Full details of the annualised charges and transaction costs, for all funds, for the period covered by this statement can be found in Appendix 2.

3.4 Performance-based fees

There were no performance-based fees deducted from the Scheme's main DC arrangement during the Scheme year. The Trustees have therefore not included any further assessment of performance-based fees in this Statement.

3.5 The underlying investment fund

The transaction cost in the investment fund during the year to 31 December 2025 was 0.07% of the amount invested or, put another way, £0.68 per £1,000 invested. This fund has experienced a low transaction cost over the period.

The table in Appendix 2 gives the transaction costs for each fund.

3.6 Additional Voluntary Contributions ("AVCs")

Members with AVC policies invest across a range of eight funds with Aegon. These arrangements are closed to new contributions. The charges borne by members for the AVC funds, excluding any implicit costs within the With Profits fund, ranged from 1.01% to 1.02% over the year to 31st December 2025. Put another way, this is equivalent to £10.10 to £10.20 per £1,000 invested. While these charges are high compared with most modern DC arrangements, they are broadly in line with charges seen in similar legacy AVC arrangements.

The transaction costs borne by members in the AVC funds ranged from 0.02% to 0.30% over the year to 31st December 2025. Put another way, this is equivalent to £0.20 to £3.00 per £1,000 invested.

The table in Appendix 2 shows the charges and transaction costs borne by members for each AVC fund.

3.7 AVCs invested in With Profits

Some members' AVCs are invested in the Aegon High Equity With Profits Fund. Charges and transaction costs for With Profits funds are deducted from the overall fund before bonus rates are set. This means the charges and transaction costs are effectively averaged across policyholders and it is not possible to identify the exact charges and costs borne by the Scheme's members. The implicit costs and charges for the With Profits fund also cover the cost of guarantees and reserving, as well as investment management and administration services.

3.8 Money Purchase underpin

The DC Section of the Scheme was contracted out on a Guaranteed Minimum Pension ("GMP") basis up to and including 5 April 1997. As a result, members of the DC Section who joined before 1997 have a GMP underpin. For members where the GMP underpin applies, the GMP value of the underpin is calculated on death, retirement or transfer and is compared to the value of the investments standing to the credit of that part of their pension savings account that is derived from pre-6 April 1997 contributions at the time when the Trustees disinvest them. The member is then entitled to the higher of the two amounts.

3.9 Illustration of charges and transaction costs

The Trustees have asked the Scheme's investment adviser to illustrate the impact over time of the costs and charges borne by members.

These illustrations show projected fund values in today's money before and after transaction costs and charges for typical members up to retirement. Members only pay for transaction costs and therefore the illustrations show pot sizes after transaction costs are deducted.

The tables in Appendix 3 to this Statement show these figures for the mix of investment funds which members are invested in (all members are subject to the same investment strategy), together with a note of the assumptions used in calculating these illustrations.

As an example, based on the average age of a member with DC benefits of 57, a current pension pot of £22,200 and normal retirement age of 60, the level of charges and costs seen in the last year would decrease their projected pot value at retirement in today's money from £23,189 to £23,157 (that is, by £32).

For the youngest member with DC benefits, aged 47, a current pension pot of £7,700 and normal retirement age of 60, the level of charges and costs seen in the last year would decrease their projected pot value at retirement in today's money from £9,301 to £9,246 (that is, by £55).

For members with DC benefits with an average age of 45 (i.e. members aged between 40 and 50), average current pension pot is £10,200 and normal retirement age of 60, the level of charges and costs seen in the last year would decrease their projected pot value at retirement in today's money from £12,684 to £12,598 (that is, by £86).

For members with DC benefits with an average age of 55 (i.e. members aged between 50 and 60), average current pension pot is £17,800 and normal retirement age of 60, the level of charges and costs seen in the last year would decrease their projected pot value at retirement in today's money from £19,141 to £19,098 (that is, by £43).

Appendix 3 includes more detailed illustrations and important notes of the assumptions used in calculating these illustrations. The "before costs" figures represent the savings projection assuming an investment return with no deduction of member-borne fees or transaction costs. The "after costs" figures represent the savings projection using the same assumed investment return but after allowing for transaction costs deductions.

Please note that:

- These illustrated values are shown in today's terms, and do not need to be reduced further for the effect of future inflation;
- these illustrated values are estimates using assumed rates of future investment returns and inflation which may not be borne out in practice;
- the assumptions used may differ in the future to reflect changes in regulatory requirements or investment conditions;
- these illustrated values will be affected by future, and as yet unknown, changes to the Scheme's investment funds;
- these illustrated values are not guaranteed;
- these illustrated values may not prove to be a good indication of how your own savings might grow; and
- these illustrations comply with the Technical Actuarial Standards (TAS) 100: Principles for Technical Actuarial Work.

The illustrations have been prepared in accordance with the DWP's statutory guidance on "Reporting of costs, charges and other information: guidance for trustees and managers of occupational pension Schemes" on the projection of an example member's pension savings.

4 Value for Members

Each year, with the help of their advisers, the Trustees carry out an assessment of whether the charges and transaction costs for the default arrangement and other investment options, which are borne in full or in part by members, represent good Value for Members (VFM). Value is not simply about low cost – the Trustees also consider the quality and scope of provision compared against similar schemes and available external benchmarks.

Approach

The Scheme's total assets (i.e. DB Section plus DC Section assets) are greater than £100 million, and so the Scheme is not subject to The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 ('the 2021 Regulations') which set out the requirements for a more detailed assessment for smaller schemes.

The Trustees adopted the following approach to assessing VFM for the last year:

- Services – considered the services where members bear or share the costs;
- Outcomes – weighted each service according to its likely impact on outcomes for members at retirement;
- Comparison – compared the cost and quality of each service against similar schemes and available external comparisons; and
- Rating – rated each service from poor to excellent.

The VFM assessment only considers the services where members bear or share the costs. The costs of each service are borne by:

Category	Paid for by members	Paid for jointly	Paid for by the Company
Investment management – main DC arrangement	N	N	Y
Investment transactions – main DC arrangement	Y (via fund performance)	N	N
AVC charges	Y	N	N
AVC transaction costs	Y (via fund performance)	N	N
Administration	N	N	Y
Communications	N	N	Y
Scheme management and governance	N	N	Y

For the main DC arrangement, the Company pays the investment management, administration, communications, scheme management and governance costs. Members in the main DC arrangement only bear transaction costs, which are deducted from the fund and reflected in performance.

Members with AVC policies bear the charges and transaction costs for those arrangements. We have therefore considered the main DC arrangement and AVC arrangements separately where appropriate.

Results for the year ending 31 December 2025

The Scheme provided **AVERAGE** VFM in the year ending 31 December 2025.

Value for Members

The rationale for the rating of investment services (being the only area of the Scheme where members bear or share the costs) was in outline:

Service and weighting	Rating	Rationale
Investment 100%	Average	<p>Members in the main DC arrangement only bear transaction costs, which are reflected in fund performance. The Company pays the investment management charge for the main DC arrangement. This means member-borne costs for the main DC arrangement are low compared with similar schemes.</p> <p>Members with AVC policies do, however, bear charges under those arrangements. These AVC charges are high compared with most modern DC arrangements, although they are broadly in line with charges seen in similar legacy AVC arrangements. The main DC arrangement also uses a single static fund rather than a glidepath that automatically de-risks as members approach retirement. Taking these points together, we have rated investment as Average.</p>
Administration 0%		Not rated as members do not bear or share in these costs.
Communication 0%		Not rated as members do not bear or share in these costs.
Governance 0%		Not rated as members do not bear or share in these costs.

A key consideration in our assessment is that the Company pays the investment management, administration, communication, scheme management and governance costs for the main DC arrangement. Members in the main DC arrangement only bear transaction costs, which are reflected in fund performance.

Members with AVC policies do, however, bear charges under those arrangements. These charges are high compared with most modern DC arrangements, although they are broadly in line with charges seen in similar legacy AVC arrangements.

The main DC investment strategy has improved since the assets were separated from the DB Section's investment arrangements. However, the arrangement remains limited compared with the wider DC market. Members are invested in a single static fund and the strategy does not automatically de-risk as members approach retirement.

We have therefore assessed the Scheme as providing an 'Average' VFM for the year ending 31 December 2025. The Trustees have agreed an action plan for the next year to improve value where appropriate and obtain any missing information. This action plan, along with details of the missing information and value assessment limitations, are detailed in sections 7 and 8 of this Chair's Statement. Full details of the approach used to assess value can be found in the VFM assessment.

5 Administration

The Trustees appointed the Scheme's administrator (Hymans Robertson LLP) with effect from 1 March 2019 to administer the Scheme on their behalf.

5.1 Core financial transactions

The Trustees have a duty to ensure that core financial transactions are processed promptly and accurately. For the Scheme, these include payments to and in respect of members, retirements and transfers out of the Scheme.

During the year to 31st December 2025, these transactions were carried out on the Trustees' behalf by the Scheme's administrator, Hymans Robertson LLP. The Scheme does not receive contributions and does not facilitate member investment switching. As a result, the main core financial transactions during the year related to benefit payments, retirements and transfers.

5.2 Service levels

The Scheme has a service level agreement ("SLA") in place with the Scheme's administrator which prescribes the level of service expected in relation to various administrative tasks, including:

- provision of retirement pack and quotation of benefits within 7 working days of member request; payments of benefits notified to the Trustees within 5 working days; provision of transfer value quotation within 15 working days of member request;
- payment of transfer value notified to the Trustees within 5 working days;
- provision of leaver option pack within 7 working days of member request;
- response to members enquiries within 7 working days; and
- provision of deferred benefit statements (for those members of the DC Section who also have a DB Section pension and who wish to learn the current value of their DB pension) upon request within 7 working days.

The Scheme's administrator aims to ensure that 95% of all these processes are complete within these service levels. The Scheme's administrator has on average achieved the SLA's described above over the Scheme year.

The Trustees understand that the Scheme's administrator monitors its performance against these service levels by:

- Maintaining compliance with ISO, the international standard for establishing, implementing, maintaining and continually improving an Information Security Management System ("ISMS");
- Maintaining accreditation with the Pensions Administration Standards Association ("PASA");
- Monitoring daily transactions;
- Monitoring daily workflow items;
- Regular internal audits of administration procedures; and
- Reviewing the level, causes and resolution of complaints.

The Trustees monitored core financial transactions and administration service levels during the year by:

- Receiving and reviewing quarterly reports from the Scheme's administrator on the processing of financial transactions and other administration processes against the agreed service levels;
- considering the reasons for and resolution of any breaches of service standards; and

- considering member feedback including any complaints.

The Scheme's administrator has confirmed to the Trustees that there are adequate internal controls to ensure that core financial transactions relating to the Scheme were processed promptly and accurately during the Scheme year.

The Trustees are satisfied that the service standards have continued to be competitive.

5.3 Data quality

The Trustees receive reports from the Scheme's administrator on the quality of the Scheme's common and conditional data. Common data is the key information needed to identify members and calculate benefits, such as dates of birth. Conditional data is the additional information needed to administer the Scheme correctly.

As at 11th May 2026, the Scheme's common data score was 95% and its conditional data score was 31%. These scores relate to both the DB and DC Sections of the Scheme, as the administrator is unable to produce separate data quality scores for each Section.

The Trustees understand that the conditional data score is affected by the way historic data was passed to the current administrator by previous administrators. The Trustees also note that The Pensions Regulator's guidance on measuring data quality has changed, which affects comparisons with prior years.

The Trustees continue to monitor data quality. Given the planned transfer of the remaining DC and AVC assets out of the Trust to a bundled provider, future activity will focus on maintaining the data needed to administer remaining benefits and support any transition activity while those benefits remain in the Scheme.

5.4 Cyber security

The Trustees are conscious of the growing threat of cyber-attacks on pension Scheme information.

The Trustees have confidence in the Scheme administrator's robust systems and are content that their cyber security arrangements are effective and up to date.

The Scheme administrator undertakes a number of checks to ensure its processes relating to the Scheme adhere to appropriate information security controls.

Independent external checks are carried out regularly and include:

- Annual reviews and tests of a large number of data security controls;
- An independent annual internal controls assurance audit by a firm of Chartered Accountants. In addition to procedural operating controls, they report on information technology, covering access rights to systems and data; integrity and resilience of the Scheme's information processing environment; maintenance and development of systems hardware and software; and recovering from processing interruptions; and
- An external consultancy company carries out an updated range of penetration tests covering an array of cyber-threats designed to identify areas of vulnerability. The tests can include network security testing, remote access and remote worker security testing and application security testing.

Internal checks, carried out by the Scheme administrator, include:

- Internal audits on the controls within the ISO 27001 Statement of Applicability (being an international standard for establishing, implementing, maintaining and continually improving an Information Security Management System);
- Periodic information security risk assessments on selected information assets against a range of possible vulnerability threats; and

- Managerial spot-checks to ensure compliance with information security policies.

The Trustees expect that the Scheme administrator will report any security breach immediately and ensure that members are notified as soon as possible, if as a result of the breach there is a high risk of individuals' rights and freedoms being adversely affected.

The Trustees have received training on cyber security and are aware of the roles and responsibilities associated with identifying cyber risk and cyber breaches. The Trustees have a cyber incident response plan where the final draft of the Cyber Policy was approved by the Trustees at the November 2025 meeting. This was the first time that this policy was compiled. Cyber security is on the risk register and is reviewed on a triennial basis. The Trustees have access to specialist expertise to investigate the nature of any cyber breach.

5.5 Own Risk Assessment (“ORA”)

The Own Risk Assessment (ORA) is an assessment of how well the Scheme's governance systems are working and how effectively the Trustees manage the risks faced by the Scheme. The Trustees have been kept up to date by their advisers on the requirement to prepare an ORA. The Trustees will prepare their first ORA within the required timescales, which is currently by 31st December 2026.

During the year, the Trustees considered policies linked to The Pensions Regulator's General Code of Practice and received training on the ORA in November 2025.

5.6 Overall

The Trustees are satisfied that over the period covered by this Statement:

- the administrator was operating appropriate procedures, checks and controls and operating in accordance with the SLA;
- core financial transactions were processed promptly and accurately;
- there have been no material administration errors in relation to processing core financial transactions;
- the wider administration of the Scheme achieved the agreed service standards;
- the Scheme's common data is accurate and up-to-date;
- the Scheme's cyber security arrangements are effective; and
- An action plan is in place to improve the quality of the data held by the Scheme.

5.7 Bulk transfer of assets

There was no bulk transfer of assets during the Scheme year. After the Scheme year end, a bulk transfer of all DC-only members to the Standard Life Master Trust was completed in February 2026.

5.8 Security of assets

The situation regarding the security of where pension contributions are invested is complex. It can vary from scheme to scheme and from fund to fund within each scheme. To-date there have only been a few instances where members of schemes such as ours have seen their benefits reduced because of a financial failure of an investment provider or fund manager.

The Trustees believe that the current structure is appropriate for members when compared to other possible structures. The investment fund invested over the year to 31 December 2025 is a Life Fund which means that it is subject to protection under the Financial Services Compensation Scheme (“FSCS”) in the event of the financial failure of LGIM. Additionally, assets in the LGIM Life Fund are ring-fenced from the rest of the Legal & General Group which means that, in the event of the insurer facing financial difficulties, the rest of the Legal & General Group is unable to draw on the assets in the Life Fund.

The Trustees recognise the importance of the security of members' assets and will continue to keep this under review. The Trustees take the security of assets into account when selecting and monitoring the fund used by the Scheme.

No material changes were made to the main DC investment fund during the Scheme year. The Trustees remained comfortable that the structure of the LGIM Future World Multi Asset Fund provided appropriate protections for members' assets during the year.

6 Trustee knowledge and understanding

The Trustees are required to maintain appropriate levels of knowledge and understanding to run the Scheme effectively. Section 247 and 248 of the Pensions Act 2004 requires that each Trustee must:

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

The Trustees have measures in place to comply with the legal and regulatory requirements regarding knowledge and understanding of relevant matters, including investment, pension and trust law.

6.1 Current practices

The Trustees' current practices to maintain and develop their level of knowledge and understanding of matters relating to the Scheme are:

- There is an induction process for newly appointed Trustees who are asked to complete the Pensions Regulator's "Trustee Toolkit" within 6 months of becoming a Trustee and who are also provided with key documents and sources of information in relation to the Scheme and management of pension schemes;
- Trustees are encouraged to undertake further study and qualifications which support their work as Trustees;
- The Trustees have a plan in place for ongoing training appropriate to their duties;
- The effectiveness of these practices and the training received are reviewed annually;
- Training is provided to ensure that Trustees maintain a working knowledge of the Scheme's Trust Deed and Rules, the Scheme's Statement of Investment Principles as well as the investment concepts and principles relevant to the Scheme, contract documents in relation to administration of the Scheme and the law and legislation relating to pension schemes and trusts;
- The Trustees carry out regular assessments to confirm and identify any gaps in their knowledge and skills;
- The Trustees conduct regular assessments of the management of the risks and opportunities relating to climate change;
- The Trustees also receive quarterly "hot topics" from their adviser covering technical and legislative changes affecting defined contribution (and additional voluntary contribution) schemes in general.

6.2 Trustee training

The Trustees, with the help of their advisers, regularly consider training requirements to identify any knowledge gaps and this awareness is used in the setting of the Trustees' training priorities throughout the year. The Trustees' investment advisers proactively raise any changes in governance requirements and other relevant matters as they become aware of them. The Trustees' advisers typically deliver training on such matters at Trustee meetings if they are material.

Individual training records are maintained and reviewed annually by the Chair of Trustees to identify knowledge gaps. If any gaps are identified these are addressed within the Trustees' priorities for the year ahead which is used to inform future training sessions.

All the Trustees have completed the Pensions Regulator's Trustee Toolkit (the Trustee Toolkit is a free online learning programme from The Pensions Regulator aimed at trustees of occupational pension schemes and designed to help trustees meet the minimum level of knowledge and understanding required by law). A training log is maintained in line with best practice, and the training programme is reviewed annually to ensure it is up to date. Additionally, the Scheme has a structured induction process for new trustees. No new trustees over the year have been appointed, and all current trustees have access to the Trustee toolkit.

During the period covered by this Statement, the Trustees received training on the following topics:

Date	Topic	Aim/benefit	Trainer
18/05/2025	Training on Cyber Security	For the trustees to be aware of the steps they need to take to increase their resilience to cyber attacks and ensure they have the right protections and controls in place	A&O Sherman

6.3 Governing documentation

All the Trustees have access to copies of and are familiar with the current governing documentation for the Scheme, including the Trust Deed & Rules (together with any amendments) and Statement of Investment Principles ("SIP"). The Trustees refer to the Trust Deed and Rules as part of deciding to make any changes to the Scheme, and, where relevant, deciding individual member cases, and the SIP is formally reviewed at least every three years and as part of making any change to the Scheme's investments.

The Trustees review their effectiveness as a Trustee Board regularly, this includes considering their familiarity with the Scheme's documentation, Pensions Regulations and the Pensions Regulator's GCOP. This last took place in May 2023. The Trustees refer to the Trust Deed and Rules when making decisions about the Scheme and member benefits. They also review the Statement of Investment Principles at least every three years and when making any material change to the Scheme's investments.

6.4 Skills, experience and diversity

The Trustees regularly consider the mix of skills, experience and diversity on the Trustee Board. This includes diversity of background, experience and thinking. Where vacancies arise, the Trustees seek, where they are able to do so, to appoint new trustees who support the overall effectiveness of the Trustee Board.

The Trustees use a questionnaire to evaluate their knowledge and identify training needs. No trustee effectiveness review took place during the Scheme year. The next review is due to take place in early 2026 and will feed into the Scheme's Own Risk Assessment. This is expected to take the form of a questionnaire for all Trustees, followed by discussion at a Trustee Board meeting.

6.5 Trustee advisers

The Trustees have appointed suitably qualified and experienced actuaries, legal advisers, investment consultants and benefit consultants to provide advice on the operation of the Scheme in accordance with its Trust Deed and Rules, legislation and regulatory guidance.

The Trustees review the effectiveness of its advisers annually and periodically reviews the appointment of its advisers.

6.6 Reviews

The Trustees undertook the following reviews during the last year:

Date	Review of
June 2025	Role of the Chair
June 2025	Member nominated trustee policy
June 2025	Managing advisers and service providers
June 2025	Administration policy
June 2025	Risk management terms of reference
November 2025	Scheme continuity plan
November 2025	Conflicts of interest policy
November 2025	Internal controls policy
December 2025	GDPR policy

6.7 Overall

Taking into account the knowledge and experience of the Trustee, along with the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisors (e.g. investment consultants, legal advisors), the Trustees believe they are well placed to exercise their functions as Trustees of the Scheme properly and effectively.

7 Our key actions last year and plans for the next year

During the last year the Trustees undertook the following (over and above “business as usual”):

- Worked with the administrator to improve data quality.
- Assessed the options available to improve value for members, including transferring member benefits out of the current arrangements, post scheme year end all DC only members were transferred to the Standard Life Master Trust.

In the coming year (which will be covered by the next Statement), the Trustees intend to carry out the following:

- Consider next steps to improve value for members with AVC policies, including whether the current charges and fund range remain appropriate.
- Continue to monitor whether the main DC investment strategy remains suitable for members, noting that it uses a single static fund rather than a glidepath that automatically de-risks as members approach retirement.
- Continue to work with the administrator to improve data quality.
- Continue to assess the options available to improve value for members, including transferring remaining member benefits out of the current arrangements.

The Trustees believe this work will help support better outcomes for members. The Trustees’ longer-term plan is to transfer the remaining DC and AVC assets out of the Trust to a bundled provider. The timing of this transition is still to be confirmed. While any assets remain within the Trust, the Trustees will continue to meet their responsibilities, but significant changes or enhancements are expected to be limited.

8 Missing information

The 5-year performance of the fund that members are currently invested in, LGIM Future World Multi Asset Fund, is not available as the share class was launched on 14 May 2021.

Full details of the average of the administration and investment charges for the Aegon High Equity With Profits Fund, including any additional charges in respect of guarantees, are not currently available up to the scheme end year. The Principles and Practices of Financial Management of with-profits business do not explicitly state a numerical average for these charges, so the exact percentage cannot be determined.

The member illustrations have been produced using 2-year averaged transaction costs as opposed to 5-year averaged transactions costs, this is due to the change in investment strategy in the previous year and the 5-year data not being available.

Apart from the above, the Trustees are satisfied that they have obtained relevant information on charges and transaction costs.

Appendix 1

Statement of Investment Principles

This is the Statement of Investment Principles (the “Statement”) made by the Trustees of The Sumitomo Mitsui Banking Corporation Europe Limited Pension Scheme (“the Scheme”) in accordance with the Pensions Act 1995 (as amended). The Statement, which was approved by the Trustees on 11 December 2025, is subject to periodic review at least every three years and without delay after any significant change in investment policy

In preparing this Statement, the Trustee has consulted with the employer to the Scheme (“The Sumitomo Mitsui Banking Corporation Europe Limited Pension Scheme”) and has taken and considered written advice from the Investment Practice of Hymans Robertson LLP.

The Trustees are aware of the Myners Code of Conduct for Investment Decision Making and has reviewed its responsibilities and activities in the context of the Code.

The Trustees are supportive of the UK Stewardship Code which seeks to improve the quality of engagement between institutional investors and investee companies. Where appropriate, the Trustees expect investment managers to comply with the code and to produce a statement of their commitment to the code.

Scheme objective

To guide it in the strategic management of the assets and control of the various risks to which the Scheme is exposed, the Trustee has adopted the following objectives:

Defined Benefit Section

- To ensure that the assets will be sufficient to meet the Scheme’s Statutory Funding Objective.
- Invest residual assets to provide for the accrual of future benefits for active members over time

Defined Contribution Section

- To maximise the value of members’ retirement benefits, within an acceptable level of risk.
- To provide members with a degree of choice and flexibility to meet their risk and return requirements.
- To avoid over complexity in investment for ease of transparency and in order to keep administration costs to a reasonable level.

For employee members, benefits are based on service completed but take account of future salary increases. The value of liabilities is calculated on the basis agreed by the Trustee and the Scheme Actuary. The funding position is monitored regularly by the Trustee and formally reviewed at each triennial actuarial valuation, or more frequently as required by the Pensions Act 2004.

Buy-in policy

In November 2025, the Trustees entered into an insurance policy (“the Policy”) with Pension Insurance Corporation (“PIC”) which covers all benefits due to deferred, pensioner members of the Scheme as well as benefits accrued by the active members until 30 May 2025. The vast majority of the Scheme’s assets were transferred to PIC as an insurance premium at the time.

Under the policy, PIC makes monthly payments to the Scheme to match the insured liabilities and cover benefit payments to members. PIC covers the longevity risks of members as well as the investment risks of the assets under the Policy. In entering the Policy, the Trustee received written advice as necessary from their professional advisers.

PIC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Trustee carried out extensive due diligence assessment on PIC, noting the regulatory environment in which the insurer must operate.

Suitability

The Trustee has taken advice from the Scheme's risk transfer advisers who have confirmed appropriate knowledge and experience of the management of and investment of trust schemes, to ensure that the Policy is suitable.

Investment strategy

The majority of the Scheme's assets now consist of the Policy, whereby the liabilities of the Scheme are secured by this matching asset.

The Scheme's assets outside of the Policy are held in a strategy which aims to:

- hedge the remaining liabilities (e.g. ongoing accrual of benefits for active members and potential changes to the liabilities due to GMP equalisation); and
- preserve the value of assets / generate modest returns to ensure sufficient funds are available to meet future objectives of the Trustees.

In order to meet these objectives, the Trustee has agreed a suitable strategic asset allocation for the Scheme, consisting of gilts, investment grade corporate bonds and cash.

Choosing investments

The Trustee has appointed the insurance provider PIC to manage the Policy which secures the vast majority of the Scheme's liabilities. PIC is solely responsible for management of assets backing the Policy and ensuring that sufficient funds are available to meet its obligations to the Scheme.

In addition, the Trustee has appointed Legal & General Asset Management ("L&G") to manage the Scheme's residual investments. L&G are authorised under the Financial Services and Markets Act 2000 to undertake investment business. The Trustees, after taking appropriate advice, have chosen to invest in L&G pooled funds. L&G have some discretion on the implementation of the investment strategies of each fund. The Trustees are satisfied that the pooled funds selected are consistent with the objectives of the Scheme's residual holdings, particularly in relation to diversification, risk, expected return and liquidity.

Kinds of investment to be held

The Scheme may invest in quoted and unquoted securities of UK and overseas markets including equities and fixed interest and index linked bonds, cash, property and commodities either directly or through pooled funds.

The Scheme may also make use of contracts of insurance (including annuity contracts provided by insurance companies), derivatives and contracts for difference (or in pooled funds investing in these products) for the purpose of efficient portfolio management or to hedge specific risks. The Trustees consider all of these classes of investment to be suitable in the circumstances of the Scheme.

Investment Strategy

The investment funds used for the residual assets are expected to deliver a specific performance target, which overall will align to deliver the broader Scheme investment strategy. The Trustees ensure that all manager engagements have clearly defined benchmarks, objectives and management parameters.

The Trustees will invest in pooled funds where the objectives of the fund and the policies of the investment manager will be evaluated by the Trustees to ensure that they are appropriate for the needs of the Scheme. The trustees are satisfied that the pooled funds selected are consistent with the objectives of the Scheme, particularly in relation to diversification, risk, expected return and liquidity.

Investment Management Remuneration

Remuneration for each mandate is determined at the inception of each mandate based on commercial considerations and typically set on an ad valorem basis. Where appropriate to the nature of the mandate, the term of the mandate and the role the mandate plays within the investment strategy, the Trustees may agree to a fee structure where the manager is incentivised to deliver outperformance relative to an agreed benchmark, typically in conjunction with a lower ad valorem fee. The Trustees periodically review the fees paid to all its managers against industry standards.

Investment Time Horizon

The Trustees recognise the long-term nature of its liability profile and appoints its managers to invest in such a way that generates long term sustainable returns. The Trustees will carry out necessary due diligence on the underlying investment decision making process, to ensure the manager makes investment decisions over an appropriate time horizon aligned with the Scheme objective.

The duration of each mandate is determined by the Trustees at the inception of each mandate. For open-ended investments, the Trustees generally engage managers on an ongoing basis with no pre-determined term of appointment. For such mandates, the Trustees expect the minimum duration of the appointment will be three years, this being the period over which performance of the mandate can be appropriately evaluated although all mandates are subject to ongoing review against various financial and non-financial metrics in addition to their continued appropriateness within the investment strategy. For close-ended investments, the Trustees expect the term of the appointment to be the lifetime of the investment.

Balance between different kinds of investments

The majority of the Scheme's assets are now held in the Policy, which covers the vast majority of the Scheme's liabilities. As such, the Trustee accepts that the principles of balance between investments are only applicable to the residual assets i.e. those not connected to the insurance policies.

The strategic asset allocation of the Scheme includes a mix of asset classes to provide diversification of returns. The Scheme's investment manager will hold a mix of investments within its mandates which reflects its views relative to its respective benchmarks. The underlying assets in the Scheme's residual investment funds are predominantly in regulated markets. Any exposure to unregulated markets would be expected to provide diversification or risk reduction benefits.

Risk

The Scheme is exposed to a number of risks which pose a threat to the Scheme meeting its objectives. The principal risks affecting the Scheme are:

Funding risks

- Financial mismatch – The risk that Scheme assets fail to grow in line with the developing cost of meeting the Scheme's remaining uninsured liabilities as they accrue.
- Changing demographics –The risk that longevity improves and other demographic factors change, increasing the cost of the remaining uninsured Scheme benefits, as they accrue.
- Systemic risk - The possibility of an interlinked and simultaneous failure of several asset classes and/or investment managers, possibly compounded by financial 'contagion', resulting in an increase in the cost of meeting the Scheme's liabilities. Climate change is a particular systemic risk that has the potential to cause economic, financial and demographic impacts.

The Trustee purchased the Policy which secures the vast majority of the Scheme's liabilities. All members covered by the Policy continue to be members of the Scheme, and the Trustee continues to have ultimate responsibility for payment of benefits to these members.

The Policy exposes the Scheme to a degree of insurance provider risk, i.e. the risk that PIC fail to meet their obligations to the Scheme and its members. The Trustee expects the insurance provider risk to be

addressed through the supervisory regime applicable to insurance companies within the UK. The Trustee also monitors the monthly payments of benefits from the insurer to the Scheme. The Trustee will also meet regularly with PIC to discuss the firm's investment strategy, financial performance and administration of the Policy, amongst other considerations.

The Trustees keep mortality and other demographic assumptions, which could influence the cost of benefits, under review. These assumptions are considered formally at triennial valuations and the Trustees may enter into insurance contracts (bulk annuities or longevity swaps) to reduce these demographic risks.

Asset risks

- Concentration - The risk that a significant allocation to any single asset category and its underperformance relative to expectation would result in difficulties in achieving funding objectives.
- Illiquidity - The risk that the Scheme cannot meet its immediate liabilities because it has insufficient liquid assets.
- Currency risk – The risk that the currency of the Scheme's assets underperforms relative to Sterling (i.e. the currency of the liabilities).
- Manager underperformance - The failure by the fund managers to achieve the rate of investment return assumed in setting their mandates.
- Environmental, Social and Governance ("ESG") risks – the extent to which ESG issues are not reflected in asset prices and/or not considered in investment decision making leading to underperformance relative to expectations.
- Climate risk - The extent to which climate change causes a material deterioration in asset values as a consequence of factors including but not limited to policy change, physical impacts and the expected transition to a low-carbon economy.

The Trustee recognises that purchase of the Policy introduced some concentration and illiquidity (as the Policy cannot be sold) risk. However, given the contractual and regulatory protection associated with the Policy, the Trustee is comfortable that on balance, this is a suitable investment for the Scheme.

Across the residual assets, the risks are mitigated by investing across a range of liquid asset: gilts, corporate bonds and cash. The Trustee also monitors the Scheme's investments against its strategic asset allocation and mandate specific rebalancing ranges. Each of the mandates has a defined objective, performance benchmark and manager process which, taken in aggregate, constrain risk within the Trustee's expected parameters.

The decision to appoint only one investment manager to manage the residual assets does involve some degree of risk (from potential underperformance of that manager) which the Trustee accepts as a reasonable compromise given the size of the residual asset portfolio and the needs of the Scheme.

The Trustee does not expect the manager to take excess short term risk and will regularly monitor the manager's performance against the benchmarks and objectives set on a short, medium and long term basis.

The Trustee's approach to the consideration of ESG risks and climate risk is set out in further detail below.

Other provider risk

- Transition risk - The risk of incurring unexpected costs in relation to the transition of assets among managers.
- Custody risk - The risk of loss of Scheme assets, when held in custody or when being traded.
- Credit default - The possibility of default of a counterparty in meeting its obligations.

The Trustees monitor and manage risks in these areas through a process of regular scrutiny of its providers, and audit of the operations it conducts for the Scheme, or has delegated such monitoring and

management of risk to the appointed investment manager as appropriate (e.g. custody risk in relation to pooled funds). When carrying out significant transitions, the Trustees seek professional advice.

Expected return on investments

The investment strategy aims to achieve a return on Scheme assets which is sufficient over time to match growth in the Scheme's pension liabilities and maintain the strong funding position.

Realisation of investments

The Scheme's residual assets (i.e. those not held in the Policy) are held in highly liquid funds and may be realised quickly if required.

The insurance contract with PIC is illiquid. This is recognised by the Trustee as it is not expected to be sold in the future.

Manager engagement Performance Evaluation

The Trustees review the nature of Scheme investments on a regular basis, with reference to suitability and diversification. The Trustees seek and considers written advice from a suitably qualified person when determining the appropriateness of each manager and mandate for the Scheme, particularly in relation to diversification, risk, expected return and liquidity. If, at any time, investment in a security or product not previously known to the Trustees is proposed, appropriate advice is sought and considered to ensure its suitability.

The Trustees monitor its managers performance against their respective benchmark on a quarterly basis over a long-term time horizon. The manager is expected to provide explanation for any significant deviations away from benchmark.

Portfolio turnover

For the Scheme's residual assets, the Trustees have expectations of the level of turnover within each mandate which is determined at the inception of the mandate, based on the Trustees' knowledge of the manager, investment process and the nature of the portfolio. Whilst the Trustees expect performance to be delivered net of costs, including the costs of trading within the portfolio, the Trustees expect managers to report on at least an annual basis on the underlying assets held within the portfolio and details of any transactions over the period.

The Trustees will challenge its managers if there is a sudden change in portfolio turnover or if the level of turnover seems excessive.

The Trustee will request turnover costs incurred by the asset manager over the Scheme reporting year.

Consideration of financially material factors in investment arrangements

The Trustees recognise that the consideration of financially material factors over the appropriate time horizon of the investments, including ESG factors, is relevant at different stages of the investment process.

Strategic considerations

The strategic benchmark for the residual assets has been determined using appropriate economic and financial assumptions from which expected risk/return profiles for different asset classes have been derived. These assumptions apply at a broad market level and are considered to implicitly reflect all financially material factors.

Given the inherent uncertainty, the Trustees have not made explicit allowance for the risks of climate change in setting their strategic benchmark.

Structural considerations

Given the discretion afforded to the Investment Manager, the Trustee expects that the Investment Manager will take account of all financially material factors including the potential impact of ESG factors in the

implementation of their mandate.

Selecting investment managers

In passive mandates, the Trustees recognise that the choice of benchmark dictates the assets held by the investment manager and that the manager has minimal freedom to take account of factors that may be deemed to be financially material. The Trustees accept that the role of the passive manager is to deliver returns in line with the benchmark and believe this approach is in line with the basis on which their current strategy has been set. The Trustees will review the index benchmarks employed for the Scheme on at least a triennial basis.

In selecting new investment managers for the Scheme, where relevant to the investment mandate, the Trustees explicitly considers potential managers' approach to responsible investment and the extent to which managers integrate ESG issues in the investment process as a factor in their decision making.

The Trustees meet with the Scheme's investment manager regularly, and the manager is expected to address manager performance and company engagement. The manager will be challenged on their approach where this is not aligned to the Trustees' policies.

The Trustees expect its investment consultants to provide input and analysis to assist the Trustees in assessing their manager's performance. Where necessary, the Trustees will highlight any areas of concern identified during such reviews to the manager as part of its engagement process and request that the manager takes appropriate action. This may include concerns over performance, risk management, stewardship practices, investment process and operational issues and, where such concerns are raised, the Trustees will require the manager to demonstrate levels of improvement. Failure to achieve the desired improvements will result in the mandate being reduced or terminated.

Consideration of non-financially material factors in investment arrangements

Given the objectives of the Scheme, the Trustees have not considered any non-financially material factors in the development and implementation of their investment strategy. The Trustee has not imposed any restrictions or exclusions to the investment arrangements based on non-financially material factors.

Stewardship

The Trustees recognise that stewardship encompasses the exercise of voting rights, engagement by and with investment managers and the monitoring of compliance with agreed policies.

Voting and engagement

The Trustee has adopted a policy of delegating voting decisions to their Investment Manager on the basis that voting power will be exercised by them with the objective of preserving and enhancing long term shareholder value. The Investment Manager is expected to exercise the voting rights attached to individual investments in accordance with their own house policies and taking account of current best practice including the UK Stewardship Code.

On an annual basis, the Trustees will request their Investment Manager provides details of any change in their policies.

The Trustees annually reviews the investment manager's adherence to the UK Stewardship Code, UNPRI and other relevant industry codes or standards where applicable. In the event that a manager does not adhere to a recognised set of principles for responsible investment, the Trustees should take reasonable steps to ensure that they are comfortable with the policy that the manager has in place in respect of this.

The Trustees do not engage directly but believe it is appropriate for their investment managers to engage with key stakeholders which may include corporate management, regulators and governance bodies, relating to their investments in order to consider the management of conflicts of interest and improve corporate behaviours, improve performance and mitigate financial risks. Where necessary, the investment

manager is expected to notify the Trustees of any issue on which it may be beneficial for the trustees to undertake further engagement. The Trustees will review engagement activity undertaken by their investment managers as part of its broader monitoring activity

Although PIC is solely responsible for management of the assets backing the Scheme's insurance policy (including any engagement with the underlying issuers), the Trustee will periodically discuss with the insurer its approach to stewardship, including voting and engagement activity as relevant.

Monitoring

The Trustees review manager voting activity on an annual basis in conjunction with their investment adviser. Where the Trustees deem it appropriate, any issues of concern will be raised with their manager for further explanation.

Additional Voluntary Contributions (AVCs)

The Trustee gives members the opportunity to pay AVCs to AEGON Scottish Equitable. A range of funds is available for investment at members' discretion.

Appendix 1: Asset Allocation Benchmark – residual assets

Asset Class	Benchmark Allocation
Income Assets	0-35.0%
Corporate Bonds	0-35.0%
Matching Assets	65-100.0%
Gilts	0-50%
Index-Linked Gilts	Allocation across Gilts, ILGs and cash to match any residual liabilities
Cash/ cash-like	0-100%

The Trustees will further refine the asset allocation over time as their objectives for any residual assets are confirmed.

Appendix 2: Version Control

Version	Commentary	Date
1.0	Original statement (Hymans format) incorporating Scheme ESG & RI commitments	June 2019
2.0	Statement updated for October 2020 regulatory requirements	June 2020
3.0	Asset allocation benchmark updated to reflect the Scheme's de-risking in December 2021 and equity fund consolidation in March 2022. The wording on the first Trustee objective (DB) has also been tweaked to reflect a 'favourable return' on passive index funds being misleading.	June 2022
4.0	Asset allocation benchmark updated to reflect the Scheme's equity de-risking in March 2023.	May 2023
5.0	Asset allocation benchmark updated to reflect the addition of corporate bonds to the Scheme's overall allocation.	December 2023
6.0	Updated to reflect buy-in contract with Pension Insurance Corporation	December 2025

Appendix 2

Table of funds and charges

The funds' charges (as "Total Expense Ratios" or "TERs", as described in paragraph 3.1 above) and transaction costs in the last year used for the funds were:

Fund	Charges		Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested	% p.a. of the amount invested	£ p.a. per £1,000 invested
Future World Multi-Asset Fund	0.31	3.09	0.07	0.68

Source: Legal & General Investment Management as at 31 December 2025

The table below shows the charges and transaction costs borne by members for each AVC fund.

Fund	Charge		Transaction costs	
	% p.a.	£ per £1,000	% p.a.	£ per £1,000
Scheme Number 24301				
Aegon Annuity Target Fund	1.01	10.10	0.05	0.50
Aegon European Fund	1.02	10.20	0.30	3.00
Scheme Number 26012				
Aegon High Equity WP Fund	1.01	10.10	0.11	1.10
Aegon Global Fund	1.02	10.20	0.09	0.90
Aegon North American Fund	1.02	10.20	0.02	0.20
Scheme Number 70613 [1]				
Aegon Mixed Fund	1.02	10.20	0.09	0.90
Aegon UK Equity Fund	1.01	10.10	0.22	2.20

Aegon International Fund	1.02	10.20	0.11	1.10
Aegon North American Fund	1.02	10.20	0.02	0.20
Aegon European Fund	1.02	10.20	0.30	3.00

Source: Aegon as at 31 December 2025

[1] Includes 0.4% Fund Charge Rebate for Paid Up Members

Appendix 3

Tables illustrating the impact of charges and costs

The following tables show the potential impact of transaction costs borne by typical members on projected values in today's money at several points up to retirement. The Scheme is closed to new contributions, so no future contributions have been assumed. All members in the main DC arrangement are invested in the LGIM Future World Multi Asset Fund, so the illustrations assume a fixed allocation to that fund and no change in investment strategy.

3a. For the "average" member age 57 with normal retirement age of 60 invested in LGIM Future World Multi Asset Fund

Years to retirement	Before costs and charges £	After costs and charges are taken £
3	£22,200	£22,200
2	£22,525	£22,515
1	£22,855	£22,834
0	£23,189	£23,157

Source: Hymans Robertson LLP

3b. For the youngest member aged 47 with normal retirement age of 60 invested in LGIM Future World Multi Asset Fund

Years to retirement	Before costs and charges £	After costs and charges are taken £
13	£7,700	£7,700
12	£7,813	£7,809
11	£7,927	£7,920
10	£8,043	£8,032
9	£8,161	£8,146
8	£8,280	£8,261

7	£8,401	£8,378
6	£8,524	£8,497
5	£8,649	£8,618
4	£8,776	£8,740
3	£8,904	£8,864
2	£9,034	£8,989
1	£9,167	£9,117
0	£9,301	£9,246

Source: Hymans Robertson LLP

3c. For members aged between 40 and 50 (an average age of 45) with normal retirement age of 60 invested in LGIM Future World Multi Asset Fund

Years to retirement	Before costs and charges £	After costs and charges are taken £
15	£10,200	£10,200
14	£10,349	£10,345
13	£10,501	£10,491
12	£10,654	£10,640
11	£10,810	£10,791
10	£10,969	£10,944
9	£11,129	£11,099
8	£11,292	£11,256
7	£11,457	£11,416

6	£11,625	£11,577
5	£11,795	£11,741
4	£11,968	£11,908
3	£12,143	£12,077
2	£12,320	£12,248
1	£12,501	£12,421
0	£12,684	£12,598

Source: Hymans Robertson LLP

3d. For members aged between 50 and 60 (an average age of 55) with normal retirement age of 60 invested in LGIM Future World Multi Asset Fund

Years to retirement	Before costs and charges £	After costs and charges are taken £
5	£17,800	£17,800
4	£18,060	£18,052
3	£18,325	£18,308
2	£18,593	£18,568
1	£18,865	£18,831
0	£19,141	£19,098

Source: Hymans Robertson LLP

The assumptions used in these calculations were:

- The “before costs” figures represent the savings projection assuming an investment return with no deduction of transaction costs.
- The “after costs” figures represent the savings projection using the same assumed investment return but after allowance for transaction costs.

- The opening DC pot size is:

- Illustration 3a: £22,200, which was the average pot size for all members;
- Illustration 3b: £7,700, which was the pot size for the youngest member;
- Illustration 3c: £10,200, which was the average pot size for members aged between 40 and 50; and
- Illustration 3d: £17,800, which was the average pot size for members aged between 50 and 60

- A contribution in current day terms of £0 p.a. (as the Scheme no longer accepts contributions).

- Inflation is assumed to be 2.5% p.a.

- The level of costs and charges are assumed to remain fixed throughout the illustration period.

- The gross investment return and transaction costs for each fund was:

Fund	Gross return % p.a.	Transaction costs % p.a.
LGIM Future World Multi Asset Fund	4.0	0.05

The assumptions as used in the Statutory Money Purchase Illustrations included with members' benefit statements have otherwise been used.

Please note that these illustrated values:

- have been produced using 2-year transaction costs as opposed to 5-year averaged transactions costs, this is due to changes in the investment strategy over the year and the 5-year data not being available;
- are shown in today's terms, and do not need to be reduced further for the effect of future inflation;
- are estimates using assumed rates of future investment returns and inflation which may not be borne out in practice;
- use assumptions that may differ in the future to reflect changes in regulatory requirements or investment conditions;

- will be affected by future, and as yet unknown, changes to the Scheme's investment options;
- are not guaranteed;
- may not prove to be a good indication of how your own savings might grow; and
- comply with the Technical Actuarial Standards (TAS) 100: Principles for Technical Actuarial Work.

Appendix 4

Investment performance

The presentation of the investment performance takes into account the statutory guidance issued by the DWP. The Trustees have followed the statutory guidance in all areas. The Trustees note that the strategy in place is not one where the net return varies with age (such as a lifestyle strategy or TDF (target date fund)) so have not set out the age specific returns.

The investment performance for each of the funds during periods up to 31 December 2025 net of all costs and charges expressed as an annual geometric compound percentage were:

Fund	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
LGIM Future World Multi-Asset Fund	11.67	8.74	N/A	N/A

Source: LGIM.

Where performance is marked as N/A this means longer term performance is not available due to the inception date of the fund in question.

Additional Voluntary Contributions (“AVCs”)

Fund	1 year (% p.a.)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)
Aegon Annuity Target Fund	3.7	-1.7	-12.2	-2.6
Aegon European Fund	26.5	13.0	8.5	8.6
Aegon High Equity With Profits Fund*	11.6	7.8	5.7	5.7
Aegon Mixed Fund	13.8	9.5	5.2	7.1
Aegon Global Fund	14.3	14.4	8.3	11.3
Aegon North American Fund	9.5	17.4	13.2	14.3
Aegon UK Equity Fund	20.6	10.6	8.3	6.3

Aegon International Fund	12.9	16.0	8.5	13.2
--------------------------	------	------	-----	------

Source: Aegon

*The Aegon High Equity With Profits Fund offers a guarantee that the unit price will not fall if held to maturity. The investment returns shown above for this fund represent the investment return net of annual management charges but does not incorporate the charges for guarantees (this charge was 0% from 2018 to 2022, the most recent data available at this time). Actual with-profits payouts also incorporate the effects of smoothing of investment returns and will therefore not necessarily reflect the returns shown.