THE WELLCOME TRUST PENSION PLAN
CHAIR'S STATEMENT REGARDING DC GOVERNANCE:
1 JANUARY 2025 – 31 DECEMBER 2025

This statement is produced pursuant to Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996, as amended by subsequent legislation. It explains how the Wellcome Trust Pension Plan ("the Plan") is meeting the governance standards that apply to occupational pension schemes that provide money purchase benefits (i.e. Defined Contribution ("DC") schemes).

The Plan is a Defined Benefit ("DB") plan which provides Additional Voluntary Contributions ("AVC"s) on a money purchase basis and historically, from time to time, at the request of the employer with the agreement of the individual member, it granted money purchase benefits on severance which are facilitated via the AVC arrangement, currently with Standard Life. Whilst these money purchase benefits ("DC augmentations") are invested and treated as AVCs, these benefits are technically regarded as money purchase benefits as defined in Section 181(1) of the Pension Schemes Act 1993.

The DC augmentations derive from contributions relating to 16 members as at 31 December 2025. These money purchase benefits are invested in the AVC arrangement of the Plan. The DC augmentation funds are invested with Standard Life. The arrangement has been segregated by Standard Life as a stand-alone DC section for ease of reporting and to reflect that the contributions are not technically AVCs.

Default arrangement

Members of the Plan who have money purchase benefits which derive from DC augmentations and who do not make an explicit choice regarding the investment of their funds will be invested in the default arrangement chosen by the Trustee with the advice of its investment advisor.

The default arrangement is the Standard Life At Retirement (Multi Asset Universal) Pension Fund which is a multi-asset fund that invests in a mix of underlying funds across a range of different asset classes. The default arrangement has the following objectives;

- To have a flexible approach aiming for a "stay invested" approach;
- To be appropriate for members who are uncertain how they will use their savings at retirement or who want to take a flexible income; and
- To achieve moderate growth in a fund with relatively low volatility until such a time as the member is ready to make decisions on how to use their savings.

In monitoring the investment strategy for the default arrangement, the Trustee with the help of its investment advisor, wrote to the sole member invested in the default arrangement in September 2023 to make them aware of the investment objective and risk profile of the default arrangement and to remind them of their other options.

The default arrangement was last reviewed in June 2022 and only has one member invested in it. Given the nature of these DC augmentation benefits, no other members are expected to join the default arrangement. The Trustee recognises the next triennial review of the default arrangement is due; however, the Trustee and Wellcome have begun a broader discussion about the long-term future of the overall Plan and the best way to protect members' benefits in the years ahead. That work has continued over the past year and in the coming months the Trustee is due to consider whether an insured solution could be an appropriate next step for the Plan. This review will include an assessment of the DC/AVC assets and a proportionate assessment of the default arrangement as part of this.

The default arrangement is described in further detail in the Plan's Statement of Investment Principles (SIP). The SIP was last updated in December 2024 following implementation of the second phase of the DB Section portfolio restructure in Q4 2024 and was signed in December 2024. The next review of the SIP is due by December 2027 or sooner if any significant developments in investment policy or member demographics take place.

The Trustee monitors the performance of the Plan's investments, including the default arrangement, on an annual basis and as part of their value for members assessment and receives performance reports from the DC provider. The Trustee is satisfied with the investment performance over the period covered by this statement and believes the Plan's investment strategy remains consistent with its aims and objectives.

The Trustee has set up processes to publish relevant information on the default arrangement online at the following URL: https://wellcome.org/news-and-reports/reports and will notify members about this in their annual benefit statements.

Default Asset Allocation

To comply with the Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 ("the 2023 Regulations"), the Trustee is required to disclose the full asset allocation of the default arrangement.

Given the default arrangement is a single fund with no de-risking, a member's asset allocation would remain the same regardless of their age. The table below details the asset allocation of the default arrangement; the Standard Life At-Retirement (Multi Asset Universal) Pension Fund, as at Plan year end:

Asset Class	**% allocation**
Cash	2.50
Bonds	50.64
Listed Equity	37.01
Private Equity	0.0
Property	2.3
Infrastructure	0.0
Private Debt	0.0
Other	7.55
TOTAL	100.0

Source: Standard Life

Cash – Cash and assets that behave similarly to cash e.g. treasury bills. This only includes invested cash and not the cash balance held in the Plan bank account.

Bonds – Loans made to the bond issuer, usually a government or a company, to be repaid at a later date.

Listed Equity – Shares in companies that are listed on global stock exchanges. Owning shares makes shareholders part owners of the company, entitled to a share of the profits (if any) payable as dividends

Private Equity – Unlisted equities that are not publicly traded on stock exchanges. Encompasses a broad range of investment styles.

Infrastructure - Physical structures, facilities, systems, or networks that provide or support public services including water, gas and electricity networks, roads, telecommunications facilities, schools, hospitals, and prisons

Property – Real estate, potentially including offices, retail buildings which are rented out to businesses.

Private Debt – Other forms of loan that do not fall within the definition of a 'Bond'.

Other – Any assets that do not fall within the above categories.

Processing Plan transactions

The Trustee has a specific duty to ensure that core financial transactions for and in respect of the Plan's members are processed promptly and accurately. These include the transfer of member assets out of the Plan, switches between different investments within the Plan and payments to and in respect of members.

These transactions are undertaken on the Trustee's behalf by the Plan administrator, Aptia, and the DC provider, Standard Life. The Trustee periodically reviews the processes and controls implemented by those organisations and considers them to be suitably designed to achieve these objectives. The Trustee has a service level agreement ("SLA") in place with the Plan administrator which covers the accuracy and timeliness of all core transactions and receives regular reports to monitor the performance against those service levels. The processes adopted by the Plan administrator to help meet the SLA include a central financial control team separate to the administration team, daily monitoring of bank accounts and a check by a senior individual on investment and banking transactions. During the period covered by this statement, 97% of work was completed within SLAs. These service level standards are noted in the table below.

Work Type	Service Standard
Benefit Quotation	10 Working Days
Benefit Payments	5 Working Days
Death Benefit Quotation	1 Working Day
General Member Correspondence	10 Working Days
Invoice Payment	20 Working Days
Investment / Disinvestment Request	5 Working Days
Member Updates	5 Working Days
HMRC Enquires	20 Working Days
Plan Event Work	As agreed with the Trustees

The Trustee continues to monitor performance against SLAs on a quarterly basis, with the administration reports produced quarterly by the Plan administrator which are discussed at each quarterly meeting by the Trustee. In addition, the Trustee receives an annual Assurance Report on Internal Controls (AAF 01/06) from Aptia. These reports focus on administration and the controls and processes that are in place to ensure member data is secure and processed in a timely manner.

Given the above, the Trustee considers that the requirements for processing core financial transactions specified in the Administration Regulations (The Occupational Pension Schemes (Scheme Administration) Regulations 1996) are being met.

Charges and transaction costs – default arrangement and additional funds

The law requires the Trustee to disclose the charges and transactions costs borne by DC scheme members and to assess the extent to which those charges and costs represent good value for members. Transaction costs are not limited to the ongoing charges on member funds but should also include trading costs incurred within the funds. We have taken account of statutory guidance when preparing this section of the report.

Transaction costs have been provided by the Plan's DC provider and they are calculated using the "slippage cost" methodology. That is, the transaction costs represent the difference between the expected trading price of a security within a fund and the price at which the trade is actually executed at (as typically a trade is executed a few working days after an order is placed). Therefore, in a buy order, for example, if the execution price is less than the expected price, a transaction cost may be negative.

Details of the Total Expense Ratios (TERs) payable as well as the transaction costs are as follows:

Default Arrangement	TER (% p.a.)*	Transaction Cost (% p.a.)
Standard Life At Retirement (Multi Asset Universal) Pension Fund	0.55	0.13

Source: Standard Life. Total Expense Ratios and Transaction Costs are for the 12 months to 31 December 2025.

The TER is lower than the 0.75% charge cap for default arrangements. It is not a requirement to assess transaction costs against this cap. There is currently no agreed framework for assessing transaction costs and these transaction costs should be viewed in conjunction with overall performance, as well as individual fund characteristics.

The 0.75% charge cap on the TER only applies to the default arrangement (if used as a default for auto-enrolment purposes), hence some of the following self-select funds exceed this figure.

Furthermore, Standard Life has confirmed there are no performance-based fees incurred for any of the funds within the DC section.

Self-Select Funds

The Trustee also makes available a range of funds that may be chosen by members as an alternative to the default arrangement. These funds allow members to take a more tailored approach to managing their own pension investments. The following funds were invested in by members with DC assets and incur annual charges and transaction costs:

Fund	TER (% p.a.)	Transaction Cost (% p.a.)
SL Sustainable Multi Asset (PP) Pension Fund	0.50	0.09
Standard Life Managed Pension Fund	0.52	0.08
SL Vanguard FTSE Developed Europe ex UK Pension Fd	0.53	0.01
SL abrdn MyFolio Core II Pension Fund	0.74	0.12
Standard Life North American Equity Pension Fund	0.51	0.00
SL Jupiter Merlin Balanced Portfolio Pension Fund	2.10	0.00
Standard Life Sustainable Multi Asset (AP) Pn Fd	0.51	0.13
Standard Life Overseas Equity Pension Fund	0.53	0.18
Standard Life Future Advantage 1 Pension Fund	0.51	0.06
SL Vanguard Emerging Markets Stock Index Pension	0.78	0.04
SL Baillie Gifford Managed Pension Fund	0.81	0.06
SL At Retirement Universal (PP 10 Year) Pension Fd	0.49	0.03
SL Vanguard FTSE UK All Share Index Pension Fund	0.53	0.07
SL BlackRock Overseas Equity Pension Fund	0.52	-0.03
SL iShares North American Equity Index Pn Fd	0.51	0.02
Standard Life Future Advantage 2 Pension Fund	0.50	0.00
Standard Life Pre Ret (MyFolio Core Universal) Pn	0.74	0.12
SL iShares Pacific ex Japan Equity Index Pn Fd	0.55	0.03
SL BNY Mellon Global Balanced Pension Fund	0.85	0.02
SL Vanguard FTSE Developed World ex UK Pension Fd	0.53	0.02
SL Vanguard US Equity Pension Fund	0.53	0.00
SL BNY Mellon Multi-Asset Growth Pension Fund	0.93	0.05
SL HSBC World Selection Balanced Portfolio Pn Fd	1.26	0.00

Source: Standard Life. Total Expense Ratios and Transaction Costs are for the 12 months to 31 December 2025.

AVC Funds

In addition to the members DC assets, members can pay AVCs to supplement their Defined Benefit (DB) section benefits. The AVC arrangements are reviewed at the same time as the main Plan benefits, and the facilities are also provided by Standard Life. The following unit linked funds were invested in by members:

Fund	TER (% p.a.)	Transaction Cost (% p.a.)
Standard Life Managed Pension Fund	0.52	0.08
Standard Life UK Equity Pension Fund	0.51	0.00
Standard Life Stock Exchange Pension Fund	0.53	0.12
Standard Life Money Market Pension Fund	0.51	0.01
SL BNY Mellon Multi-Asset Growth Pension Fund	0.93	0.05
Standard Life At Retirement (Multi Asset Univ) Pn	0.55	0.13
SL abrdn MyFolio Core V Pension Fund	0.84	0.19
SL Vanguard US Equity Pension Fund	0.53	0
Standard Life Global Equity 50:50 Pension Fund	0.52	0.02
SL abrdn MyFolio Index III Pension Fund	0.46	0.02
SL At Retirement Universal (PP 10 Year) Pension Fd	0.49	0.07
Standard Life Future Advantage 1 Pension Fund	0.51	0.06
SL abrdn MyFolio Core IV Pension Fund	0.84	0.17
Standard Life International Equity Pension Fund	0.53	0.11
Standard Life Overseas Equity Pension Fund	0.53	0.04
SL Sustainable Multi Asset Growth (10 Year) Pn Fd	0.50	0.09
SL iShares Continental European Equity Index Pn	0.52	0.00
SL abrdn All China Sustainable Equity Pension Fund	1.45	0.34
SL BNY Mellon Multi-Asset Diversified Return Pn	0.92	0.06
SL abrdn MyFolio Core III Pension Fund	0.80	0.15
SL iShares Pacific ex Japan Equity Index Pn Fd	0.55	0.03
Standard Life Multi Asset Mgd (20-60% Shares) Pn	0.52	0.06
SL iShares North American Equity Index Pn Fd	0.51	0.05
Standard Life Future Advantage 2 Pension Fund	0.50	0.07
SL Sustainable Multi Asset (PP) Pension Fund	0.50	0.09
Standard Life European Equity Pension Fund	0.52	0.16
SL M&G Global Sustain Paris Aligned Pension Fund	1.17	0.00
SL BNY Mellon Global Balanced Pension Fund	0.85	0.02
Standard Life Deposit and Treasury Pension Fund	0.51	0.02
Standard Life Property Pension Fund	0.53	0.19
SL Vanguard FTSE UK All Share Index Pension Fund	0.52	-0.03

Fund	TER (% p.a.)	Transaction Cost (% p.a.)
SL abrdn MyFolio Index II Pension Fund	0.46	0.02
Standard Life Ethical Pension Fund	0.51	0.12
SL iShares Japan Equity Index Pension Fund	0.51	0.00
SL abrdn MyFolio Core I Pension Fund	0.71	0.09
SL Liontrust UK Growth Pension Fund	1.37	0.06
SL iShares UK Gilts All Stocks Index Pension Fd	0.51	0.04
SL Sustainable Multi Asset Pre Ret (PP Univ) Pn Fd	0.49	0.08
Standard Life Far East Equity Pension Fund	0.58	0.45
SL BlackRock Gold & General Pension Fund	1.35	1.09
SL Vanguard Emerging Markets Stock Index Pension	0.72	0.03
SL Janus Henderson Cautious Managed Pension Fund	1.19	0.17
Standard Life Sustainable Multi Asset Growth Pn	0.49	0.10
Standard Life Overseas Tracker Pension Fund	0.50	0.01
SL M&G Global Emerging Markets Pension Fund	1.25	0.21
Standard Life Index Linked Bond Pension Fund	0.51	-0.04
SL HSBC Islamic Global Equity Index Pension Fund	0.66	0.01
SL Vanguard FTSE Developed World ex UK Pension Fd	0.52	0.02
SL RGI Institutional UK Listed Smaller Companies Pn	1.10	0.00
SL Vanguard FTSE UK Equity Income Index Pension Fd	0.52	0.40
SL Vanguard FTSE Developed World (GBP Hedged)Pn Fd	0.53	0.03
SL Vanguard FTSE Developed World Pension Fund	0.55	0.02
SL iShares UK Equity Index Pension Fund	0.51	0.02
Standard Life UK Equity Pension Fund	0.51	0.02
SL Fidelity Special Situations Pension Fund	1.00	0.17
Standard Life North American Equity Pension Fund	0.51	0.05
SL abrdn Global Smaller Companies Pension Fund	1.29	0.29
SL Schroder Strategic Credit Pension Fund	1.07	0.11
SL Fidelity Asia Pension Fund	1.68	0.16
SL Baillie Gifford Managed Pension Fund	0.81	0.23
SL BlackRock UK Absolute Alpha Pension Fund	1.63	1.60
SL Fidelity Global Special Situations Pension Fund	1.67	0.17

Source: Standard Life. Total Expense Ratios and Transaction Costs are for the 12 months to 31 December 2025.

There are also three With-Profits funds held within the Standard Life AVC arrangement. Due to the nature of With-Profits funds, there is no explicit TER borne by members as this is incorporated into bonus rate announcements. Standard Life were unable to confirm the implicit TER.

Fund	TER (% p.a.)	Transaction Cost (% p.a.)
Pension Millennium With-Profits Fund	n/a*	0.03
Pension With-Profits Fund	n/a*	0.03
Pension Millenium With-Profits 2006 Fund	n/a*	0.03

Source: Standard Life. Total Expense Ratios and Transaction Costs are for the 12 months to 31 December 2025.

*Standard Life has advised that there are no explicit TERs for their with-profits funds and were unable to confirm the implicit TER.

The Trustee carried out a formal Value for Members ("VFM") assessment for the 12-month period covered by this statement. The VFM assessment considered performance, charges and wider member features such as Plan governance and management, administration and communications. Details can be found in the 'Value for Members' section of this Statement.

Cumulative effect of charges

Using the charges and transaction cost data provided by Standard Life, and in accordance with regulation 23(1)(ca) of the Administration Regulations, the Trustee has prepared illustrations detailing the impact of the costs and charges typically paid by a member of the Plan on their retirement savings. The statutory guidance has been considered when providing these examples.

To represent the range of funds available to members, the Trustee is required to show the effect on a member's savings from investing in the following funds (with the DC section's relevant funds/strategies listed in brackets):

- The default investment option (*Standard Life At Retirement (Multi Asset Universal) Pension Fund*)
- The most expensive fund (*SL Jupiter Merlin Balanced Portfolio*)
- The least expensive fund (*SL Vanguard US Equity Pension Fund*)

We have taken account of statutory guidance when preparing this section of the report.

The compounding effect of charges on a member's retirement savings can be illustrated as follows:

"Average" member illustrations						
	Standard Life At Retirement (Multi Asset Universal) Pension Fund *(the default option)*		SL Jupiter Merlin Balanced Portfolio *(the most expensive fund)*		SL Vanguard US Equity Pension Fund (least expensive fund)	
Years from now	**Before Charges**	**After Charges and costs deducted**	**Before Charges**	**After Charges and costs deducted**	**Before Charges**	**After Charges and costs deducted**
1	£23,870	£23,700	£24,350	£23,790	£24,310	£24,180
2	£24,273	£23,924	£25,244	£24,107	£25,165	£24,891
3 (retirement)	£24,679	£24,150	£26,174	£24,427	£26,052	£25,629

"Young" member illustrations						
	Standard Life At Retirement (Multi Asset Universal) Pension Fund *(the default option)*		**SL Jupiter Merlin Balanced Portfolio** *(the most expensive fund)*		**SL Vanguard US Equity Pension Fund** **(least expensive fund)**	
Years from now	**Before Charges**	**After Charges and costs deducted**	**Before Charges**	**After Charges and costs deducted**	**Before Charges**	**After Charges and costs deducted**
1	£23,110	£22,940	£23,570	£23,030	£23,530	£23,400
5	£24,700	£23,820	£27,240	£24,280	£27,030	£26,300
10	£26,830	£24,960	£32,650	£25,930	£32,140	£30,430
15	£29,160	£26,160	£39,130	£27,700	£38,220	£35,220
20	£31,680	£27,420	£46,890	£29,580	£45,450	£40,750
22 (retirement)	£32,748	£27,936	£50,416	£30,374	£48,709	£43,199

Assumptions

The above illustrations have been produced for an "average" member of the Plan based on the Plan's membership data. Illustrations have also been done for a "young" member of the Plan using different assumptions. Each individual fund illustrations assume 100% of the member's assets are invested in that fund up to Plan retirement age. The results are presented in real terms, i.e. in today's money, to help members have a better understanding of what their pension pot could buy in today's terms, should they invest in the funds above as shown.

Age • "Average" member • "Young" member	62 *(the median age of the Plan's membership)* 43 *(the youngest member)*
Plan Retirement Age	65
Starting Savings Value • "Average" member • "Young" member	£23,480 *(the median pot size of the Plan's membership)* £22,730 *(the median pot size of the youngest 10% of Plan members)*
Inflation	2.5% p.a.
Charges	Fund charges are determined by taking the TER as at 31/12/25 and a 5-year average (where available) of the transaction costs incurred. The charges per annum used are as follows: • Standard Life At Retirement (Multi Asset Universal) Pension Fund – 0.72% • SL Jupiter Merlin Balanced Portfolio – 2.28% • SL Vanguard US Equity Pension Fund– 0.54%

Expected future nominal returns on investment: • Standard Life At Retirement (Multi Asset Universal) Pension Fund • SL Jupiter Merlin Balanced Portfolio • SL Vanguard US Equity Pension Fund	 1.5% above inflation 3.5% above inflation 3.5% above inflation

Net return on Investments

From 1 October 2021, the Trustee is required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges. This information must be recorded in the annual chair's statement and published on a publicly accessible website.

The tables below show performance, net of all charges and transaction costs, of all funds invested in by members during the Plan year.

Standard Life At Retirement (Multi Asset Universal) Pension Fund	Annualised net returns to 31 of December 2025 (%)		
Age of member	**1 year**	**3 Years**	**5 years**
25, 45 & 55	12.1	8.8	4.1

Source: Standard Life.
Performance shown net of all charges and transaction costs. No lifestyling in the default arrangement, so performance is the same across member ages.

Self-select fund	Annualised net returns to 31 of December 2025 (%)		
	1 year	**3 Years**	**5 years**
SL Sustainable Multi Asset (PP) Pension Fund	13.1	12.7	7.6
Standard Life Managed Pension Fund	15.3	10.3	6.4
SL Vanguard FTSE Developed Europe ex UK Pension Fd	13.1	16.9	12.3
SL abrdn MyFolio Core II Pension Fund	9.8	7.2	2.9
Standard Life North American Equity Pension Fund	11.0	17.2	13.5
Standard Life At Retirement (Multi Asset Univ) Pn	12.1	8.8	4.1
SL Jupiter Merlin Balanced Portfolio Pension Fund	17.3	10.3	8.0
Standard Life Sustainable Multi Asset (AP) Pn Fd	13.1	12.8	7.5
Standard Life Overseas Equity Pension Fund	14.4	15.4	11.7
Standard Life Future Advantage 1 Pension Fund	7.3	6.6	N/A
SL Vanguard Emerging Markets Stock Index Pension	22.8	11.2	3.6
SL Baillie Gifford Managed Pension Fund	8.5	9.1	0.3
SL At Retirement Universal (PP 10 Year) Pension Fd	10.1	9.0	4.7
SL Vanguard FTSE UK All Share Index Pension Fund	23.4	13.0	11.1
SL BlackRock Overseas Equity Pension Fund	14.4	15.4	11.7
SL iShares North American Equity Index Pn Fd	10.1	18.0	13.7
Standard Life Future Advantage 2 Pension Fund	10.0	9.1	N/A
Standard Life Pre Ret (MyFolio Core Universal) Pn	9.8	7.2	2.9
SL iShares Pacific ex Japan Equity Index Pn Fd	28.5	13.9	8.4
SL BNY Mellon Global Balanced Pension Fund	12.4	10.8	8.6
SL Vanguard FTSE Developed World ex UK Pension Fd	13.1	16.9	12.3
SL Vanguard US Equity Pension Fund	9.3	18.4	14.5

Self-select fund	Annualised net returns to 31 of December 2025 (%)		
	1 year	3 Years	5 years
SL BNY Mellon Multi-Asset Growth Pension Fund	17.8	10.8	9.4
SL HSBC World Selection Balanced Portfolio Pn Fd	11.0	9.8	6.0
SL Sustainable Multi Asset (PP) Pension Fund	13.1	12.7	7.6

Source: Standard Life
** Fund returns noted as "n/a" indicate where fund performance is not available for the specified performance period. This is typically due to the fund launching during the specified performance period.*

AVC fund	Annualised net returns to 31 of December 2025 (%)	
	1 year	5 years
Standard Life Managed Pension Fund	15.3	6.4
Standard Life UK Equity Pension Fund	25.5	10.5
Standard Life Stock Exchange Pension Fund	18.5	9.5
Standard Life Money Market Pension Fund	4.0	2.7
SL BNY Mellon Multi-Asset Growth Pension Fund	17.8	9.4
Standard Life At Retirement (Multi Asset Univ) Pn	12.1	4.1
SL abrdn MyFolio Core V Pension Fund	14.7	6.8
SL Vanguard US Equity Pension Fund	9.3	14.5
Standard Life Global Equity 50:50 Pension Fund	19.7	11.2
SL abrdn MyFolio Index III Pension Fund	12.5	5.7
SL At Retirement Universal (PP 10 Year) Pension Fd	10.1	4.7
Standard Life Future Advantage 1 Pension Fund	7.3	N/
SL abrdn MyFolio Core IV Pension Fund	13.0	5.7
Standard Life International Equity Pension Fund	17.3	10.3
Standard Life Overseas Equity Pension Fund	14.4	11.7
SL Sustainable Multi Asset Growth (10 Year) Pn Fd	13.3	N/A
SL iShares Continental European Equity Index Pn	26.4	9.6
SL abrdn All China Sustainable Equity Pension Fund	20.5	-7.4
SL BNY Mellon Multi-Asset Diversified Return Pn	13.9	5.2
SL abrdn MyFolio Core III Pension Fund	11.4	4.3
SL iShares Pacific ex Japan Equity Index Pn Fd	28.5	8.4
Standard Life Multi Asset Mgd (20-60% Shares) Pn	13.1	3.9
SL iShares North American Equity Index Pn Fd	10.1	13.7
Standard Life Future Advantage 2 Pension Fund	10.0	N/
SL Sustainable Multi Asset (PP) Pension Fund	13.1	7.6

AVC fund	Annualised net returns to 31 of December 2025 (%)	
	1 year	5 years
Standard Life European Equity Pension Fund	25.0	8.7
SL M&G Global Sustain Paris Aligned Pension Fund	5.1	9.9
SL BNY Mellon Global Balanced Pension Fund	12.4	8.6
Standard Life Deposit and Treasury Pension Fund	4.0	2.7
Standard Life Property Pension Fund	4.1	3.0
SL Vanguard FTSE UK All Share Index Pension Fund	23.4	11.1
SL abrdn MyFolio Index II Pension Fund	10.2	3.8
Standard Life North American Equity Pension Fund	11.0	13.5
Standard Life Ethical Pension Fund	5.3	1.6
SL iShares Japan Equity Index Pension Fund	17.5	6.2
SL abrdn MyFolio Core I Pension Fund	7.4	1.8
SL Liontrust UK Growth Pension Fund	1.2	5.3
SL iShares UK Gilts All Stocks Index Pension Fd	4.9	-5.8
SL Sustainable Multi Asset Pre Ret (PP Univ) Pn Fd	11.0	4.9
Standard Life Far East Equity Pension Fund	17.3	3.8
SL BlackRock Gold & General Pension Fund	144.8	19.7
SL Vanguard Emerging Markets Stock Index Pension	22.8	3.6
SL Janus Henderson Cautious Managed Pension Fund	12.4	4.7
Standard Life Sustainable Multi Asset Growth Pn	14.0	8.7
Standard Life Overseas Tracker Pension Fund	12.6	12.8
SL M&G Global Emerging Markets Pension Fund	31.5	10.1
Standard Life Index Linked Bond Pension Fund	-0.2	-10.9
SL HSBC Islamic Global Equity Index Pension Fund	12.1	14.3
SL Vanguard FTSE Developed World ex UK Pension Fd	13.1	12.3
SL RGI Institutional UK Listed Smaller Companies Pn	0.7	-2.8
SL Vanguard FTSE UK Equity Income Index Pension Fd	32.1	14.2
SL Vanguard FTSE Developed World (GBP Hedged)Pn Fd	19.8	12.7
SL Vanguard FTSE Developed World Pension Fund	13.5	12.2
SL iShares UK Equity Index Pension Fund	22.5	11.1
Standard Life UK Equity Pension Fund	25.2	10.5
Standard Life Property Pension Fund	4.1	3.0
SL Fidelity Special Situations Pension Fund	25.5	13.2

AVC fund	Annualised net returns to 31 of December 2025 (%)	
	1 year	5 years
SL At Retirement Universal (PP 10 Year) Pension Fd	10.1	4.7
Standard Life Overseas Tracker Pension Fund	12.6	12.9
Standard Life North American Equity Pension Fund	11.0	13.5
Standard Life Managed Pension Fund	15.3	6.4
SL abrdn Global Smaller Companies Pension Fund	-1.4	-1.4
SL Schroder Strategic Credit Pension Fund	7.5	4.2
SL Fidelity Asia Pension Fund	24.7	1.4
SL Baillie Gifford Managed Pension Fund	8.5	0.3
SL BlackRock UK Absolute Alpha Pension Fund	1.1	4.6

Source: Standard Life
** Fund returns noted as "n/a" indicate where fund performance is not available for the specified performance period. This is typically due to the fund launching during the specified performance period.*

Value for members

The Trustee conducts a Value for Members (VFM) assessment on an annual basis and has a good understanding of the membership demographics of the Plan.

The Trustee carried out a VFM assessment for the 12-month period covered by this statement. The VFM assessment considered charges, performance and wider member features such as Plan governance and management, administration and communications. The statutory requirement is to focus only on costs and charges borne by members.

In the Trustee’s view, the Plan continues to provide reasonable overall value for members as:

- Charges are reasonable as 14 of the DC Section funds, representing 80% of DC assets, have charges below the peer group median. Following last year’s VFM assessment, the Trustee secured an additional 0.10% to the discount from standard fund charges received by Plan members; increasing the total discount to 0.50% per annum.
- Overall fund performance is reasonable as the funds have all delivered strong, positive returns over the 3-year period assessed. Some active multi-asset and equity funds have underperformed relative to their objective due to broad market returns being increasingly dominated by a narrow sector and/or small number of large US technology companies over the 3-year period assessed, however these funds have charges below the peer group median. The Trustee will continue to regularly monitor fund performance.
- The Trustee believes wider features of the Plan also contribute towards delivering value and believes the Plan provides good value when assessed against governance and management (for example, the improvement in fund charges secured by the Trustee), administration and communications features including online access and member tools.

The Trustee recognises the specific nature of the arrangement to provide augmented benefits as part of a member’s severance package whilst retaining the link with the main Plan benefits and the potential value of this feature to a member. The Trustee will continue to monitor manager performance and continue to assess value for members on an annual basis. The Trustee has set up processes to publish relevant information on the costs and charges of the default arrangement and self-select funds online and notifies members about this in their annual benefit statements.

Trustee’s knowledge and understanding

The Trustee takes the Trustee Knowledge and Understanding requirements set out in sections 247 and 248 of the Pensions Act 2004 seriously. The sections of the Pensions Act set out the requirement for Trustee to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of Plan assets and other matters to enable them to exercise their functions as Trustee Directors properly. This requirement is underpinned by guidance in the Pension Regulator’s Codes of Practice 07 and 13 which the Trustee adheres to and is described below.

The Trustee has put in place arrangements for ensuring that each Trustee Director takes personal responsibility for keeping themselves up-to-date with relevant developments. In addition, at each quarterly trustee meeting current issues are noted with an opportunity to discuss key developments. Furthermore, specific items that may need a decision are considered and discussed, with the Trustee taking legal advice where necessary.

The Trustee Directors' training needs are considered regularly. Training is made available to individual Trustee Directors or to the Trustee body as appropriate. Mercer provides regular trustee training, with a detailed training log kept to support the Trustee Directors in complying with the standards set out by the Regulator. Trustee Directors also receive and attend training provided by external parties. In addition, the Trustee conducts an annual review of its effectiveness which includes a review of training and development needs.

New Trustee Directors are required to complete the Pensions Regulator's online training modules within 6 months of being appointed.

The members of the Trustee Board did not undertake any DC related training during the Plan year. Therefore, the most recent previous training still pertains to the following pension related matters. However, the Trustee has undertaken additional governance related training in the new Plan year which will be detailed in next year's Statement.

- Pensions Dashboard training – December 2024
- End Game Options training – December 2024

Some of the policies adopted by the Trustee relating to the administration of the Plan generally are reviewed at regular intervals and therefore the Trustee is familiar with these.

Taking account of actions taken individually and as a Trustee body, and the professional advice available to us, as well as the support of the Employer, the Trustee considers that it is enabled properly to exercise its functions as Trustee of the Plan.

In particular:

- at least two of the Trustee Directors have the relevant financial knowledge and experience to enable the Trustee to comply with its duties in relation to investment of the Plan's assets and one of the Independent Trustee Directors was formerly the Head of Investment Risk at Wellcome Trust;
- the remaining Trustee Directors have backgrounds enabling them to understand the demographics and the needs of the Plan members.
- In addition to the training detailed above, as a professional Trustee, Michele Hirons-Wood meets an even higher standard of knowledge and understanding than would be required from a lay trustee.

Given the extent of the above, the Trustee is therefore satisfied that the Trustee Directors have demonstrated a working knowledge of the Plan's Trust Deed and Rules, Statement of Investment Principles and all other documents setting out the Trustee's current policies. The Trustee is supported on technical matters by professional advisers where required and this includes attendance of professional advisers at relevant Trustee meetings. Further, the relevant skills and experience of those advisors is a key criterion when evaluating advisor performance or selecting new advisors.

This statement has been prepared in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 as amended by the Occupational Pension Schemes (Charges and Governance) 2015 The Chair's statement regarding DC governance was approved by the Trustee and signed on their behalf by:

[Insert signature]

Ms M Hirons-Wood

Chair of the Trustee Board

Date: [insert date]

Appendix – Statement of Investment Principles – ensure December 24 signed version is appended