

CRYSTAL MARTIN GROUP PENSION FUND AND LIFE ASSURANCE SCHEME

YEAR ENDED 30 JUNE 2024

THE CHAIRMAN'S STATEMENT REGARDING DC GOVERNANCE: 1 JULY 2023 – 30 JUNE 2024

Introduction

This statement is produced pursuant to Regulation 17 of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 and the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018. It explains how the Defined Contribution Section (DC Section) of the Crystal Martin Group Pension Fund and Life Assurance Scheme is meeting the governance standards that apply to occupational pension schemes that provide money purchase benefits. It also confirms the position in relation to AVC holdings with Prudential and Royal London.

The Scheme is managed by Crystal Martin Pension Scheme Trustees Limited, as Trustee, whose role is to ensure that the Scheme is run in the best interests of the members, and in accordance with the Scheme's rules and the law. In preparing this statement the Trustee has followed the relevant statutory guidance for each section and noted any deviations from this.

Crystal Martin Pension Scheme Trustees Limited was appointed as Trustee on 11 July 2024, replacing the former individual trustees.

Wind-up of the Scheme was formally triggered on 31 July 2024 and the Trustee is now working with L&G to enable individual policies to be issued to the Plan's Defined Benefit (DB) members which will extinguish the Trustee of all its liabilities to the DB members. The Trustee has also agreed terms with Legal & General (L&G), to receive the assets of the DC Section at the same time as individual policies are issued to the DB members.

The Trustee is actively liaising with its advisors and the Company to discharge liabilities by the end of 2025. The AVC policies with Prudential and Royal London, held by members of the DB Section, are also due to be transferred to the L&G Master Trust. In addition, there is one AVC-only policy with Royal London which is due to be assigned to the individual members shortly.

This Statement sets out how the Trustee met the requirements of the Regulations over the period from 1 July 2023 to 30 June 2024. This statement covers the following key areas:

- The Scheme's investment arrangements including its default strategy and underlying asset allocation;
- Administration, including the processing of core financial transactions;
- Charges and transaction costs within the Scheme, including the disclosures for the impact of costs and charges;
- Net returns on investments;
- The Trustee's compliance with the statutory knowledge and understanding requirements; and
- Value for Members' assessment.

This Statement includes information about costs and charges in relation to members' investments, and a cumulative projection as required by the regulations, which is set out in Appendix 1. This information will be made available online at and signposted in members' annual benefit statements.

Investment of the DC Section funds

The Trustee is responsible for setting the Scheme's investment strategy and for appointing the provider to carry out that strategy. It must also establish a default investment for members who do not select their own investment options from the fund range that is available. This is referred to as the Default Lifestyle Investment Strategy.

The DC Section closed to new members and to future contributions in August 2013. Following the pension reforms announced in the 2014 Budget, the Trustee undertook an investment strategy review to assess the suitability of the Scheme's default investment strategy in light of the availability of more flexible options to members when they reach retirement. Following the review, the Trustee changed the Default Lifestyle Investment Strategy in 2016 and added a new self-select fund to the core range.

All DC members of the Scheme also have final salary, Defined Benefits in the Scheme. The Scheme's Default Lifestyle Investment Strategy is therefore designed to be appropriate for a majority of the members and to meet the changing investment needs of a typical DC member, as they progress through life towards retirement on the basis that the majority of members will use their DC benefits to fund their tax-free cash entitlement from the Scheme, subject to HMRC limits.

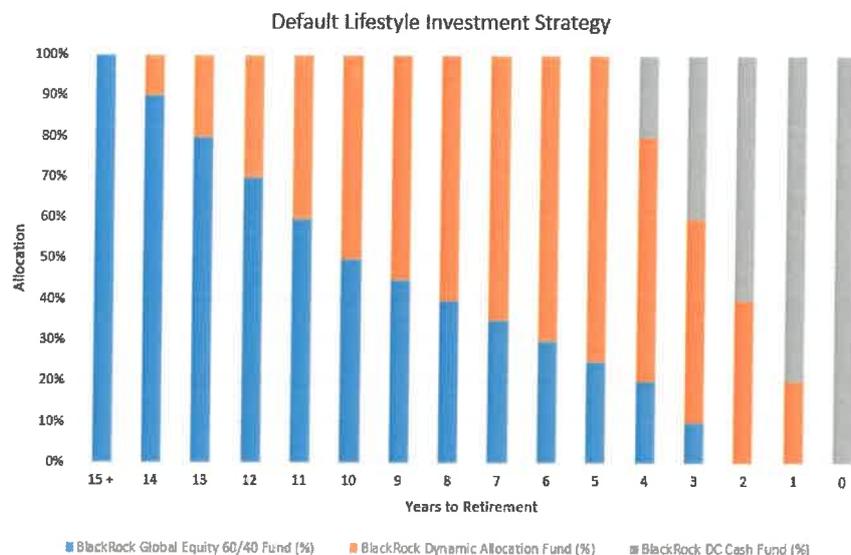
Therefore, members of the DC Section who do not make an explicit choice regarding the investment of their funds are invested in the Default Lifestyle Investment Strategy which targets taking a cash sum at retirement. If a member does not wish to be part of the Default Lifestyle Investment Strategy, they have the option to make their own investment choices.

The asset allocation of the Scheme's Default Lifestyle Investment Strategy invests in the BlackRock Global Equity 60/40 Index Fund for its growth phase, for members 15 years or more from retirement. Starting 15 years before retirement the strategy gradually begins to transfer members' savings into the Blackrock Dynamic Allocation Fund, and then the Blackrock DC Cash Fund from 5 years to retirement. The Default Lifestyle Investment Strategy is aimed at individuals planning to take their pots as cash at retirement. This asset allocation can be seen in the table below:

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In addition to the Default Lifestyle Investment Strategy, members have the option to invest in the full range of funds on the Aegon platform. To help narrow down the investment choice for members the Trustee has determined a core range of funds which it believes provide members with a good range of options. A list of the core range of funds and their fees is included in the next section.

The Trustee's Statement of Investment Principles ('SIP'), which includes a statement of principles in relation to the Scheme's Default Lifestyle Investment Strategy, has been prepared for the Scheme under Section 35 of the Pensions Act 1995 (the '1995 Act') and Regulation 2 and Regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 (the 'Investment Regulations'). This covers the Trustee's aims and objectives in relation to the Default Lifestyle Investment Strategy. A copy of the SIP, dated February 2022, is available online at: www.cmidocs.co.uk/Crystal%20Martin%20Statement%20of%20Investment%20Principles%20February%202022.pdf.

Triennial Investment Review

The Trustee's last formal review of the investment strategy was undertaken at the 17 October 2019 Trustee meeting in conjunction with Mercer, their investment adviser. This concluded that the Crystal Martin Lifestyle Investment Strategy, the Scheme's Default Lifestyle Investment Strategy, was working well and remained appropriate for members.

The recent focus of the Trustee has been the discharge of the Scheme's DB and DC assets to L&G. Whilst a formal review has not been undertaken the Trustee has continued to regularly monitor the investments to ensure that the investment strategy remains suitable.

The Trustee has been working with its advisors to assess the ongoing requirements both in the short and medium term, and as a result intends to undertake a formal review of the Default Lifestyle Investment Strategy in 2025.

Default Asset Allocation

Trustees are required under the Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 to provide further detail on default funds.

In order that members invested in the Scheme Default Lifestyle Investment Strategy can see how their savings were being invested as at 30 June 2024, the table overleaf shows the percentage of each of the main asset classes at the appropriate ages.

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Asset Class	% allocation			
	for a 25 year old	for a 45 year old	55 year old	at NRD
Cash	0.0	0.0	11.5	100.0
Bonds	0.0	0.0	12.0	0.0
Listed Equity	100.0	100.0	73.5	0.0
Private Equity	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Private Debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	3.0	0.0
Total	100.00	100.00	100.00	100.00

Source: BlackRock as at 30 June 2024.

Notes:

Normal Retirement Date (NRD) is assumed to be age 65, prior to 15 years to retirement all members in the Default Lifestyle Investment Strategy are invested in the BlackRock Global Equity 60/40 Fund.

The following describes the types of investments covered by the above asset classes:

- Cash – Cash and assets that behave similarly to cash e.g. treasury bills. It only includes invested cash and not the cash balance held by the Plan.
- 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 the Plan a part owner 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, including:
 - Venture Capital – Small, early stage businesses that may have high growth potential, albeit at significant risk.
 - Growth Equity – Relatively mature companies that are going through a transformational event with potential for growth.
- 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 – non-bank lending to companies, not issued or traded publicly
- Other – Any assets that do not fall within the above categories.

Administration

The Trustee has responsibility for ensuring the sound administration of the Scheme, including a specific duty to secure the core financial transactions (including the transfer of member assets into and out of the Scheme, transfers between different investments within the Scheme and payments to and in respect of members) relating to the DC Section are processed promptly and accurately.

The Trustee has delegated the administration of DC Scheme member records to the DC bundled Scheme administrator, Aegon. The Trustee notes that all members of the DC Section also have benefits in the DB Section. L&G took over the administration of the DB section in the middle of 2023 from Aptia. When a member retires, details of their Aegon fund are sent by Aegon to Aptia, which co-ordinates with L&G and Aegon to arrange payment of benefits from both sections.

The Trustee has agreed service levels and reporting of performance against those service levels.

The Trustee Directors regularly review Aegon's administration report, which reports on core financial transactions. These enable the Trustee to monitor that delivery is in line with the agreed service levels and member expectations.

Members will also approach the Trustee from time to time if they have questions about their benefits, or concerns or issues with the Scheme's administration. Feedback from members therefore provides a good independent check that the Scheme is operating in line with members' expectations. The Trustee is not aware of any member complaints during the Scheme year.

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The Trustee has agreed minimum timescales with Aegon for processing requests, including core financial functions, which are well within any applicable statutory timescales. The Service Level Agreements (SLAs) that have been agreed and the Scheme's performance against them from 1 January 2023 to 30 June 2024 are shown in the table below:

SLA	Description	Target Service Level %	Actual Service Level %
5 working days	Death Claim	95	92.3
5 working days	Information Request	95	100.0
3 working days	Member general details	95	100.0
1 working day	Possible claim identified	90	100.0
5 working days	Query	98	100.0
5 working days	Retirement	90	88.2
1 working day	Switch Request	100	100.0
1 working day	Transfer out claim	90	100.0
5 working days	Transfer in/ out	95	100.0
2 working days	Trustee instructed claim	95	84.6
5 working days	Answer Customer Query	95	100.0
3 working days	Bulk Data Changes	95	100.0
5 working days	Forthcoming Retirement	95	100.0
2 working days	Fund Valuation Request	95	100.0
1 working day	Information Request (Adviser)	100	100.0
10 working days	Switching	95	100.0
3 working days	Trustee Disinvestment Request	98	100.0
3 working days	TV Quote	98	100.0

Source: Aegon reports covering 1 January 2023 to 30 June 2024

From 1 January 2023 to 30 June 2024, an overall average service level of 98.2% was achieved by Aegon, including an overall average service level of 94.1% between 1 January 2023 to 31 December 2023, and 100.0% between 1 January 2024 and 30 June 2024.

Aegon's processes to ensure the accuracy and timeliness of the authorisation and processing of core financial transactions are as follows (based on their 2023 AAF report, published in March 2024):

The documentation received in support of all financial transactions requested on a member's account is fully reviewed for completeness before processing may commence. Checklists are in place to help ensure that all necessary information for financial transactions has been received and that all regulatory and service level requirements have been met. Checklists are reviewed by an authorised member of the Member Servicing team. An authorised member of the team also reviews the financial transactions that have been keyed into the Recordkeeping System for completeness and accuracy.

All requests for financial transactions are scanned onto the Automated Workflow Distributor ("AWD") and tracked to help ensure that they are actioned on a timely basis and completed in accordance with agreed service standards.

The team runs and reviews a report daily to verify that the dealing deadline is met. These reports identify those members with a partially processed transaction and identified cases are investigated and actioned appropriately.

Before single contributions and transfer in's are invested, an Authority to Bank form is completed to confirm that the relevant reviews have been completed. The form is reviewed and approved by an authorised administrator.

On a daily basis, the Servicing team review the payments received to ensure that they have been processed. Any exceptions are investigated.

Batch scheduling systems are utilised to manage the automated investment allocation changes process and to help ensure any errors are rectified.

Aegon employs an independent auditor to prepare their AAF report. The 2023 report confirmed that the administrator's description of their control procedures over their administration and governance activities was fairly presented and that controls were suitably designed. No exceptions were noted.

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The Trustee is satisfied that there were no material issues with the administration of the Scheme during the Scheme Year to 30 June 2024.

In light of 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) have been met.

Charges – Default Lifestyle Investment Strategy and additional funds

The law requires the Trustee to disclose the charges and transaction costs borne by DC scheme members and to assess the extent to which those charges and costs represent good value for money for members. These costs are not limited to the ongoing charges on member funds, but should also include trading costs incurred within such funds.

Below are the details of the Total Expense Ratio (TER) and transaction costs for the funds used within the Default Lifestyle Investment Strategy:

Fund	TER (%)	Transaction Costs* (%)
AGN BLK Global Equity (60:40) Index Fund	0.32	0.03
AGN BLK Dynamic Allocation Fund	0.46	0.23
AGN BLK DC Cash Fund	0.30	0.02

Source: Aegon as at 30 June 2024.

*Transaction costs have been calculated using the 'Slippage Method' and were provided by Aegon as at 30 June 2024.

There were no performance-based fees being charged for the Scheme as at 30 June 2024.

The allocation to the above funds within the Default Lifestyle Investment Strategy varies depending on time until retirement. The annual charges that apply for the Crystal Martin Lifestyle Investment Strategy are therefore an average of the funds that are invested in at any given time. However, the TERs for each of the funds used within the Default Lifestyle Strategy are well below the charge cap of 0.75% per annum, as set out by the Regulator.

In addition to the Default Lifestyle Investment Strategy, members have the option to invest in the full range of funds on the Aegon platform. To help narrow down the investment choice for members, the Trustee has determined a core range of funds, which they believe provide members with a good range of options. Below is the list of the core funds available, along with the accompanying TER:

Core Fund	TER (%p.a.)	Core Fund	TER (%p.a.)
AGN BLK 50:50 Global Equity Index	0.36	AGN BLK Dynamic Allocation Fund	0.46
AGN BLK Alpha Smaller Companies	0.75	AGN BLK Diversified Growth	0.69
AGN BLK Emerging Markets Equity	0.80	BLK DC 60/40 Global Growth	0.75
AGN BLK Cash	0.30	AGN BLK UK Growth	0.75
AGN BLK 60/40 Global Equity Index	0.32	AGN BLK Index Linked Gilt	0.40
AGN BLK Pre Retirement	0.51	AGN BLK Property	1.13

Source: Aegon as at 30 June 2024

At 30 June 2024, one member was invested in the AGN BLK 50:50 Global Equity Index. Transaction costs for this were 0.05% (using the slippage method at 30 June 2024 and sourced from Aegon). Transaction costs for the other funds listed in the table above were not obtained at the time of writing, given there were no members invested in them.

At 30 June 2024, three members have self-selected the Aegon BLK American Flexible Equity and the Aegon BLK 50/50 Global Growth funds. The accompanying TERs and transaction costs for these funds are listed in the table below:

Additional Fund Range	TER (%p.a.)	Transaction Costs* (%p.a.)
AGN BLK American Flexible Equity Index	0.90	0.14
AGN BLK 50:50 Global Growth Fund	0.36	0.27

Source: Aegon as at 30 June 2024

*Transaction costs have been calculated using the 'Slippage Method' and were provided by Aegon as at 30 June 2024.

In accordance with regulation 23(1)(ca) of the Administration Regulations, as inserted by the 2018 Regulations, Aegon has assisted the Trustee with preparing an illustration detailing the impact of the costs and charges typically paid by a member of the Scheme on their retirement savings pot. The statutory guidance provided has been considered when providing these examples, which can be found in Appendix 1.

The illustrations, take into account the following elements:

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- Savings pot size;
- Contributions;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time.

The illustration includes all member costs, including the TER, transaction costs and inflation. It is important to note that the values shown are estimates and are not guaranteed. The term of investment has been based on the youngest member of the Plan. These show how different costs and charges can impact the pension pot over certain periods of time, based on a selection of investment funds.

The illustrations initially provided by Aegon do not include the least and most expensive funds and the 5 year average of the transaction costs is to 31 December 2023, rather than to 30 June 2024. The Trustee is working with Aegon to update the illustrations and will arrange for these to be published once available.

Additional Voluntary Contributions (AVCs)

Members have historically been offered arrangements with Prudential and Royal London in which to invest their AVCs and some funds remain with Prudential and Royal London:

Provider	Fund	TER (% p.a.)	Transaction Costs (% p.a.)
Prudential	With Profits Cash Accumulation	*	0.16 (average over 5 years to 31 December 2023)
Royal London	RLP Managed	1.00	0.02 (to April 2024)

Source: Prudential and Royal London

*There is no explicit fund management charge or aggregate transaction cost for the Prudential With Profits Cash Accumulation Fund. Prudential in their 2024 bonus declaration leaflet have confirmed "investments are currently subject to a fund charge of 0.96% although the charge isn't guaranteed to remain at this level and may change in the future. The fund charge is allowed for in the bonus rates".

The member with Prudential is invested in a With Profits arrangement. The Trustee notes that With Profits AVCs provide smoothing and guarantees for members that maybe perceived as more valuable than the ability to switch into other types of investments, but also that it is difficult to obtain information about expenses and transaction costs for these funds.

Net Investment Performance

The Trustee receives performance monitoring reports from Aegon on a quarterly basis and reviews these to check that performance is in line with expectations.

The 2021 Regulations require trustees of relevant occupational pension schemes to report on the net investment returns for their default arrangement(s) and for each fund that Scheme members are, or have been able to select, and in which scheme members are invested during the scheme year. Net investment returns refer to the returns on funds minus all transaction costs and charges. The Regulations also require net investment returns to be provided for the default investment strategy at illustrative member ages.

The tables below, which have been produced in line with statutory guidance, contain the net investment return for the Scheme's Default Lifestyle Investment Strategy and funds members were invested in during the year to 30 June 2024.

Default Lifestyle Investment Strategy

Annualised returns to 30 June 2024		
Age since start of period	1 year (%)	5 years (% p.a.)
25	15.1	7.4
45	15.1	7.4
55	13.4	4.9

Source: Aegon and Mercer calculations as at 30 June 2024

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Self-Select Funds

Annualised Net Returns to 30 June 2024		
Fund	1 Year (%)	5 Years (% p.a.)
AGN BLK Global Equity (60:40) Index Fund	15.1	7.4
AGN BLK Dynamic Allocation Fund	11.7	3.7
AGN BLK DC Cash Fund	5.2	1.6
Aegon BLK American Growth (BLK)	21.6	14.8
Aegon BLK 50/50 Global Growth	16.2	9.1

Source: Aegon as at 30 June 2024, Funds in bold are also used in the Default Lifestyle Investment Strategy

AVC Funds

Annualised Net Returns		
Fund	1 Year (%)	5 Years (% p.a.)
Prudential With-Profits Fund	4.3	5.5
Royal London RLP Managed Fund	11.8	1.2

Source: Prudential, as at 31 December 2023, and Royal London, as at 31 March 2024.

*Performance as at 30 June 2024 was not available at the time of writing.

Trustee knowledge and understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as trustees properly. This requirement is underpinned by guidance in the Pension Regulator's General Code of Practice. The comments in this section relate to the Trustee as a body in dealing with the whole Scheme and are not restricted to the DC Section.

The focus of the Trustee board over the year to 30 June 2024 continued to be arranging the discharge of the Scheme's assets to L&G and the ongoing activities reflect this.

As noted earlier, with effect from 11 July 2024, Crystal Martin Pension Scheme Trustees Limited was appointed as the sole Trustee and the individual Trustees resigned. The individual Trustees formed the board of Directors for the sole Trustee.

The Trustee Directors are conversant with, and have demonstrated a working knowledge of, the Scheme Documents such as Trust Deed and Rules, Statement of Investment Principles and Statement of Funding Principles as well as policies and documents setting out the Trustee's compliance as part of the general running of the Scheme in the period to 30 June 2024.

The Trustee Directors are experienced in their roles, with two of the Trustee Directors having been in place for over 10 years, and there is an Independent Trustee representing PAN Trustees UK LLP.

The experience of the Trustee Directors and the assistance of their advisers, both at meetings, and outside meetings as required, helps the Trustee Directors to make sure that the Scheme is administered in accordance with its governing documents and policies, as well as the overriding pensions legislation, as well as the Statement of Investment Principles (SIP).

The Trustee Directors receive professional advice from Mercer and CMS to support them in reviewing the performance of the Scheme and in governing the Scheme in line with the Trust Deed and Rules. The advice received along with their own experience allows them to properly exercise their function as Trustee Directors. If there are any ambiguities over the interpretation of the Rules, legal advice is sought from CMS.

The Trustee Directors also demonstrated a knowledge of the Scheme rules, overriding pensions legislation and the importance of due process and due diligence when going through the process of seeking to discharge the Scheme's liabilities and wind up the Scheme.

The Trustee Directors have put in place arrangements for ensuring that they take personal responsibility for keeping themselves up-to-date with relevant developments and carry out a self-assessment of training needs. The Trustee Directors review these self-assessments and arrange for training to be made available to individual Trustee Directors or to the Trustee body as appropriate. All of the existing Trustee Directors have completed the Pension Regulator's Trustee Toolkit

In addition, the Independent Trustee representing PAN Trustees UK LLP is an accredited member of the Association of Professional Pension Trustees and a Fellow of the Institute and Faculty of Actuaries with over 30 years' experience working with pension trustee boards, investment sub-committees and governance oversight committees. Their experience spans schemes from FTSE 100 PLCs to SMEs, with UK and overseas parent companies working on both defined benefit and defined contribution arrangements.

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Whilst there have been no changes to the Trustee Board during the year, the induction process for new Trustee Directors is as follows:

- Newly appointed individuals to have completed the Pensions Regulator's Trustee toolkit within six months of initial appointment;
- Supplemented with targeted individual training based on analysis of learning needs; and
- Facilitate familiarisation with the Scheme, stakeholders, advisers and providers and working methods.

During the Scheme year, the Trustee Directors undertook a number of activities that involved giving detailed consideration to pensions and trust law, the Scheme's governing documents and Investment Principles aligned with their focus to discharge the Scheme's assets. This allowed them to exercise their knowledge and understanding and to further strengthen their capabilities. These included:

- Considered the Trust Deed and Rules in relation to exercising their discretion in respect of the Scheme wind up during the Trustee meeting in September 2023.
- Considered communications to members around the updates regarding the transition to L&G.
- Considered and investigated the position regarding indemnities from the Company and the insurance of run-off risks.
- Considered and discussed GMP Equalisation.
- Reviewed all legislative requirements around schemes in wind-up, including regulator interaction and DC governance.

Taking account of actions taken individually and as a Trustee body, and the professional advice available to them, the Trustee Directors consider that they are enabled to properly exercise their functions as Trustee of the Scheme.

Value for Members

When assessing the charges and transaction costs which are payable by members, the Trustee is required to consider the extent to which these represent good value for members.

Given the wind-up for the Scheme was triggered on 31 July 2024, the Trustee is not required to undertake the more detailed assessment for schemes with assets under £100m. However, the Trustee is committed to ensuring that members continue to receive value for money whilst assets are held for them in the Scheme and so has undertaken an assessment of value with this in mind.

The Trustee also considered the two legacy AVC providers in their assessment of value, noting that fees are consistent with other legacy arrangements based on fund type and that the member invested in the With Profits funds also has the benefit of underlying guarantees which also provide additional value.

The Trustee concluded in its assessment during January 2025 that for the year to 30 June 2024 members received reasonable value for money.

The reasons underpinning the Trustee's assessment are:

- Investment performance was reasonable in the context of the funds and the objectives of the funds.
- The fees borne by members represent reasonable value for money in the context of the outcomes targeted by such funds and the current market rates for similar investments levied on members of schemes with a similar membership profile.
- Members' were both communicated with and had their benefits settled in a timely manner
- Members' have the advisory costs of running the Scheme paid for by the Company

Governance statement

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 (together 'the Regulations').

The Chair's Statement regarding DC governance was approved by the Trustee on 30 January 2025 and signed by Mr D Sadler, as Chair of the Crystal Martin Group Pension Fund and Life Assurance Scheme.

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APPENDIX 1

The example illustration shown below includes the Default Lifestyle Investment Strategy which the majority of the members of the Scheme are invested in. The illustration also presents the Aegon BlackRock All Stocks UK Gilt Index (BLK) and Aegon BlackRock 60/40 Global Equity Index Tracker (BLK) funds to show examples of Self-Select funds in use within the scheme as at 30 June 2024.

Example illustration

Purpose of this example illustration

This isn't a personal illustration, it is based on the assumptions detailed later on in this document. The purpose of the illustration is to show how fund related costs and charges can affect the overall value of the funds you invest in over time.

	Fund transactional costs and charges total (%)		
	CM Lifestyle*	Aegon BlackRock Cash (BLK)	Aegon BlackRock American Flexible Equity (BLK)
Growth	2.43% to 3.00%	2.43%	2.99%
AMC	0.30% to 0.42%	0.30%	0.90%
AAE	0.00% to 0.04%	0.00%	0.00%
TC	0.01% to 0.34%	0.01	0.15

* As the Lifestyle investment option consists of multiple investment funds we have shown the range of growth and fund costs & charges.

Growth is the assumed growth rate for the fund after taking into account assumed price inflation of 2% per annum.

AMC is the Annual Management Charge, which is a yearly management charge expressed as an annual percentage but calculated and deducted on a daily basis from the fund.

AAE are the Additional Annual Expenses, which are an estimate of any additional fees and expenses that may apply, such as fees for custody, administration and trustee services that may be incurred in addition.

TC are the Transaction Costs, which are an estimate of explicit and implicit costs incurred as a result of buying, selling, lending or borrowing of investments in the fund, based on the average of the actual annual transaction costs for the period 01/07/2020 to 30/06/2024.

The impact of transactional costs and charges on fund values (£)

The 'Before Charges' column shows each fund value without any transaction costs, charges or expenses being applied to the fund's holdings.

The 'After all charges' column shows the fund's holdings after transaction costs, charges and expenses have been deducted.

Years	CM Lifestyle*		Aegon BlackRock Cash (BLK)		Aegon BlackRock American Flexible Equity (BLK)	
	Before Charges	After all charges	Before Charges	After all charges	Before Charges	After all charges
1	42177	41977	41943	41813	42189	41748
3	44607	43926	43895	43488	44671	43286
5	47143	45865	45937	45230	47300	44881
10	54013	50826	51468	49897	54568	49129
14	59559	54956	56369	53975	61179	52815

About this illustration

Your current age is 51 and retirement age is 65. This is based on the age of the youngest person in the scheme.

The existing fund value is £41,000 which is based on the median value of the total holdings within the scheme. We calculate this by listing the total holdings of each member in the scheme, from the lowest to the highest value and selecting the value in the middle.

No future contributions will be paid.

We've shown the default CM Lifestyle Investment Option that the majority of members invest in.

We've also shown the Aegon BlackRock Cash (BLK) and Aegon BlackRock American Flexible Equity (BLK) funds to show examples of Self-Select funds in use within the scheme.

Investment growth

The value of your investments will grow at a rate appropriate to the funds you're invested in and inflation will be 2.0% every year. This is an illustrative growth rate only. The investment growth achieved may be more or less than this and may vary depending on the fund(s) you're invested in.

The assumed growth rate used for each fund is shown above. This rate is based on our view of potential long-term returns of the main asset classes (equities, property, corporate bonds, government bonds and cash) and will vary depending on the fund(s). The growth rates for mixed asset funds are derived from the asset class growth rates based on the investment objectives and long-term asset allocation of the funds.

If the growth rate we've used is:

- the same as the rate of inflation this reduces the growth rate, after making an allowance for inflation, to 0%;
- less than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.