

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Annual Governance Statement Regarding DC Governance – March 2025

This statement has been prepared by Entrust Pension Limited (**Entrust**), the independent and sole trustee (the **Trustee**) of the Forester Group Employee Pension Scheme (the **Scheme**), in accordance with regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the **Administration Regulations**).

Governance requirements apply to defined contribution (**DC**) pension arrangements to help members achieve a good outcome from their pension savings. The Administration Regulations require the Trustee to prepare an annual statement regarding governance of the Scheme's DC benefits and to include the statement in the Annual Report.

The statement explains how the Trustee has met its legal obligations in relation to the management of the DC benefits held under the Scheme over the period 1 April 2024 to 31 March 2025 (the **Scheme Year**) in relation to:

- the investment options in which members' funds are invested;
- the requirements for processing core financial transactions;
- the charges and transaction costs borne by members;
- returns on investments;
- an illustration of the cumulative effect of these costs and charges including a comparison against three comparator schemes (see Appendix 2);
- a 'value for members' (**VfM**) assessment; and
- trustee knowledge and understanding.

On 21 October 2025 post the Scheme Year end, the DC section of the Scheme (the **DC Section**) transferred out of the Scheme under a bulk transfer without consent to a DC Master Trust. Consequently, the Scheme did not hold any DC assets or liabilities as from that date and at the subsequent date of signing the statement.

1. Statutory guidance

The Trustee can confirm that it has had regard to the following statutory guidance produced by the Department for Work & Pensions when preparing and publishing this statement:

- "reporting of costs, charges and other information: guidance for trustees and managers of occupational schemes" in relation to costs and charges and publication of the statement; and
- "completing the annual Value for Members assessment and Reporting of Net Investment Returns" statutory guidance (the **VfM Guidance**) in connection with disclosure and publication of net investment returns and carrying out and publishing information about the VfM assessment.

2. DC Section Review

During the 2022/23 Scheme year, the then trustees of the Scheme (the **Former Trustees**) and the sponsoring employer of the Scheme considered the future of the DC Section. This was prompted in the knowledge that the wider DC market offered more modern options which could provide the members with a greater range of investment and retirement options as well as greater flexibility. The Former Trustees concluded that the Scheme's DC assets should be transferred to a DC Master Trust. This project was completed in October 2025 and therefore at the date of signing this statement the Scheme held no DC Section members, assets or liabilities.

3. Default Arrangement

A default arrangement is the investment fund or funds into which pension contributions are paid when members have not made their own choice as to where they want to invest their pension savings. Members may also elect to contribute to a default arrangement if they wish.

The default arrangement for the Scheme is called the Standard Life Sustainable Multi Asset Universal Strategy (PP 10 Year). It is designed to be appropriate for members who would like the flexibility to take their money the way they want when they retire using their entire pot to generate an income or take their full tax-free lump sum and use the rest of their pot to generate an income in a way appropriate to their needs. It consists of three funds; the Standard Life Sustainable Multi Asset (PP) Growth Pension Fund, the Standard Life At Retirement - Universal (PP 10 Year) Pension Fund, and the Standard Life Sustainable Multi Asset Pre Retirement (PP Universal) Pension Fund. Depending on the period until a member's expected retirement date, the member will be invested in one or more of those three funds.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

- **Growth Fund** - members who are more than 10 years from retirement are invested in the Growth Fund, designed to increase the value of the member's fund over time. This is a risk-based fund; it can go up and down in value and investment growth is not guaranteed.
- **Pre Retirement Fund** – when a member is around 10 years from retirement, their money gradually starts to move into a fund that begins to prepare the investments for retirement.
- **At Retirement Fund** – when a member is around five years from retirement, their money gradually starts to move into a fund that aims to make sure that the member is in a more appropriate mix of investments to enable the member to take their money the way they want.

The default investment strategy is designed to be appropriate for the 'Pension Freedoms'. The strategy was implemented by the Former Trustees in March 2015 and was reviewed during 2020/21. In particular, the risk-based approach used in selecting the underlying assets and the regular reviews of performance and adherence to the investment objectives by Standard Life were considered to be valuable aspects of the default strategy. A triennial review of the investment strategy was not undertaken by the Trustee during the 2023/24 Scheme Year (or subsequently) as it was anticipated that the DC Section would shortly be transferred to a DC Master Trust. As noted above, the DC Transfer completed in October 2025 and therefore at the date of signing this statement the Scheme did not hold any DC members or assets.

4. Asset allocation disclosure

The Trustee is required to disclose a breakdown of the asset allocation of the default investment strategy for the Scheme. The below table sets out the asset allocation of the default strategy across the core asset classes noted as:

- Cash;
- Bonds;
- Listed equities;
- Private equities;
- Infrastructure;
- Property;
- Private debt;
- Other (any assets which do not fall into the above).

The below table provides a further breakdown of some of the above categories.

Asset Class	Strategic asset allocation (%) – as at 31/03/2025			
	25 year old	45 year old	55 year old	1 day prior to State pension age
Cash	-	-	-	5
Bonds	23.6	23.6	23.6	56.4
<i>Fixed Interest Government bonds</i>	1.3	1.3	1.3	4.1
<i>Index-linked government bonds</i>	1.3	1.3	1.3	1.5
<i>Investment grade bonds</i>	14.6	14.6	14.6	40.8
<i>Non-investment grade bonds</i>	6.5	6.5	6.5	10.1
<i>Securitised credit</i>	-	-	-	-
Listed equities	74.1	74.1	74.1	36.4
<i>UK equities</i>	6.9	6.9	6.9	2.5
<i>Developed Market equities</i>	63.2	63.2	63.2	30.4
<i>Emerging markets</i>	4.0	4.0	4.0	3.5
Private equities	-	-	-	-
<i>Venture capital</i>	-	-	-	-
<i>Growth equity</i>	-	-	-	-
<i>Buyout / Leveraged funds</i>	-	-	-	-
Infrastructure	-	-	-	-
Property	2.3	2.3	2.3	2.3
Private debt	-	-	-	-
Other	-	-	-	-
Total	100	100	100	100

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Note: Figures may not sum to 100% due to rounding. The Scheme no longer holds any DC benefits following the DC Transfer.

5. Core financial transactions

The Trustee has a specific statutory duty to ensure that core financial transactions relating to the DC arrangements are processed promptly and accurately. Core financial transactions include transfers of member assets out of the Scheme, switches between different investments within the Scheme and payments to and in respect of members.

The core financial transactions of the DC Section are undertaken on the Trustee's behalf by Standard Life Assurance Limited (**Standard Life**) which acts as both investment manager and Scheme administrator. Standard Life has processes in place to ensure that relevant tasks are carried out within certain timeframes. Their key processes (and controls) include the following.

- Investment of contributions into the Scheme are made immediately on receipt by the investment manager. Regular contributions are made on a monthly cycle with the investments normally completed before the end of the month in which the contributions are deducted. Members can make single contributions at any time and these are normally completed within five days.
- The transfer of assets relating to members in and out of the Scheme are normally completed within ten working days of receiving correctly completed transfer documentation. This time may be longer if the administrator or the Trustee need to conduct additional due diligence, for example, because of suspected fraudulent activity.
- The transfer of assets between different funds within the Scheme is usually completed within three days following the receipt of the request from the member. Members may make switches at any time online.
- Payments from the Scheme to, or in respect of, members are normally completed within ten days of receiving the member's written confirmation. In the event of a death, the dependants are typically notified of their options within three days of receipt of notification of the death, the payment being made within ten days of receiving instructions regarding the payment of death benefits, subject to receipt of all necessary evidence.

The Trustee is provided annually with the Standard Life Pensions Internal Control Statement, which describes the activities undertaken by Standard Life to ensure the administration of its pension business is carried out in accordance with the Scheme rules, the requirements of the law and good standards of governance and internal controls. Further, the Trustee regularly monitors adherence to these standards and the requirements of the Scheme through quarterly management information reports from Standard Life.

The Trustee evaluates the performance of Standard Life on an ongoing basis. The Trustee also regularly reviews the processes and controls implemented by key service providers including consideration of internal controls and, where available, assurance reports on those controls. The Trustee can confirm that it considers the processes and controls of Standard Life and Isio to be suitably designed to achieve the objectives as regards core financial transactions and that no issues relevant to the Scheme have been identified in relation to Standard Life's or Isio's processes and controls.

In addition to the above, RSM UK Audit LLP independently audits the Scheme's financial statements on an annual basis.

There have been two complaints or disputes regarding the DC Section during the Scheme Year including in relation to administration or core financial transactions.

The Trustee is satisfied with the administration during the year. It is also satisfied that over the period covered by this statement:

- Standard Life operated appropriate procedures, checks and controls and that these were sufficiently robust to ensure that relevant financial transactions were and are dealt with effectively and in line with agreed service levels and statutory requirements;
- Standard Life has performed key financial transactions over the Scheme Year promptly and accurately; and that;
- there were no material issues or delays in relation to processing core financial transactions.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

6. Charges and transaction costs

Default Fund

The Standard Life Sustainable Multi Asset Universal (PP 10 Year) consists of three funds, as described above. The Fund Management Charge (**FMC**), the additional expenses, and the Transaction Costs (the charges paid by the member) are shown in the table below. Also included is the scheme rebate, which reduced the charges paid by members:

Fund	FMC	Scheme rebate	Additional expenses	Transaction Cost ¹	Total charge
Standard Life Sustainable Multi Asset (PP) Pension Fund	0.98%	0.80%	0.01%	0.08%	0.27%
Standard Life At Retirement - Universal (PP 10 Year) Pension Fund	0.98%	0.80%	0.01%	0.14%	0.33%
Standard Life Sustainable Multi Asset Pre Retirement (PP Universal) Pension Fund	0.98%	0.80%	0.01%	0.13%	0.32%

Note: 1. Transaction cost data was requested from Standard Life however, they have not been able to provide the information for the year to 31 March 2025 within the timescale. Data from 31 March 2024 has therefore been included.

Funds available to members under the self-select option

Fund	FMC	Scheme rebate	Additional expenses	Transaction Cost ¹	Total charge
Standard Life Managed Pension Fund	1.00%	0.80%	0.02%	0.10%	0.32%
SL Vanguard FTSE UK All Share Index Fund	1.00%	0.80%	0.02%	0.06%	0.28%
SL Mixed Bond Fund	1.00%	0.80%	0.02%	0.11%	0.33%
SL Money Market Fund (*)	1.00%	0.80%	0.01%	0.00%	0.21%
SL Deposit and Treasury Fund	1.00%	0.80%	0.01%	0.08%	0.29%
SL Nordea Global Climate and Environment Fund	1.75%	0.80%	0.00%	0.07%	1.02%
SL Schroder Sustainable Multi-Factor Equity Fund	1.22%	0.80%	0.00%	0.24%	0.66%

(*) Only available for existing holdings and future investments under existing investment instructions.

Note: 1. Transaction cost data was requested from Standard Life however, they have not been able to provide the information for the year to 31 March 2025 within the timescale. Data from 31 March 2024 has therefore been included.

The Trustee is not aware of any other information regarding the FMC or additional expenses that needs to be obtained. Legislation requires that the FMC for the default fund must not exceed 0.75%. The Trustee has negotiated charges that result in nearly all funds being well within this charge cap (including Scheme rebates), thereby minimising the influence of charges on fund selection. The same charges and expenses apply to active and deferred members.

Illustrations of the cumulative effect of costs and charges

From 6 April 2018 the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 introduced requirements relating to the disclosure and publication of the level of costs by the trustees and managers of a relevant scheme. These changes are intended to improve transparency on costs.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

To help members understand the impact that costs and charges can have on their retirement savings, the Trustee has provided two illustrations of their cumulative effect on the value of typical scheme members savings over the period to their retirement.

The illustrations have been prepared having regard to statutory guidance under Actuarial Standard Technical Memorandum 1: Statutory Money Purchase Illustrations (**SMPIs**), selecting suitable representative members, and are based on several assumptions about the future which are set out in the appendix.

Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what will happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on typical members of the Scheme, they are not a substitute for the individual and personalised illustrations which are provided to members in their annual benefit statements.

Each illustration, A and B is shown for a different type of member invested in the Standard Life Sustainable Multi-Asset Lifestyle Option, as this is the arrangement in which the majority of the Scheme's DC members have their retirement savings in. Each illustration is shown as a table as set out below.

Note to table: Where updated information was not available at the time this statement was produced, 2023/24 Scheme Year information has been used. It is noted that, following the DC Transfer, the Scheme no longer holds any DC assets or invests in any DC funds. The table shows a projection of the member's retirement savings at retirement age, with and without costs and charges applied. As the projected retirement savings are dependent on investment returns as well as the level of costs and charges, also included are some comparison figures with other investments in the Tables. For comparison purposes, also shown are projected retirement savings if the typical member were invested in the highest cost self-select fund, SL Nordea Global Climate and Environment Fund, and the lowest cost fund, SL Money Market Fund.

All projected fund values are shown in 'today's' terms, and do not need to be reduced further for the effect of future expected inflation.

Illustration A: is based on an average Scheme member, age 45 and who has 20 years to go until their retirement at age 65. The member has a current fund value of £62,798 and is invested in the Standard Life Sustainable Multi-Asset Fund.

Age	Standard Life Sustainable Multi-Asset Fund			SL Nordea Climate and Environmental Fund (Highest charging)			SL Money Market Fund (Lowest charging)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
46	75,037	74,849	188	75,713	75,037	677	72,329	72,186	143
48	100,815	100,130	685	103,314	100,815	2,499	91,249	90,763	485
50	128,429	127,066	1,364	133,454	128,428	5,026	109,980	109,077	903
55	206,379	202,379	4,000	221,505	206,376	15,129	155,994	153,735	2,259
60	290,929	282,797	8,131	331,233	298,952	32,281	200,869	196,827	4,041
65	371,173	357,661	13,512	467,973	408,902	59,071	244,633	238,410	6,223

Note: SMPI return assumptions and transaction cost data for the year ending 31 March 2025 were not available at the time this statement was produced and are therefore based on 31 March 2024 data.

Illustration B: is based on a Scheme member who is aged 20 and has 45 years to go until their retirement at age 65. The member has a current fund value of £661 and is invested in the Standard Life Sustainable Multi-Asset Fund.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Projected Pension Account in today's money, based on figures for the year to 31 March 2025									
Age	Standard Life Sustainable Multi-Asset Fund			SL Nordea Climate and Environmental Fund (Highest charging)			SL Money Market Fund (Lowest charging)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
21	2,436	2,432	4	2,451	2,436	15	2,375	2,372	3
23	6,175	6,147	28	6,276	6,175	102	5,778	5,758	20
25	10,179	10,105	75	10,454	10,179	275	9,148	9,096	52
30	21,484	21,171	313	22,658	21,484	1,174	17,424	17,236	189
35	34,911	34,139	772	37,866	34,910	2,955	25,496	25,090	406
40	50,858	49,336	1,522	56,818	50,857	5,961	33,368	32,669	699
45	69,797	67,145	2,652	80,436	69,795	10,640	41,045	39,983	1,062
50	92,292	88,014	4,278	109,868	92,288	17,579	48,532	47,040	1,492
55	119,008	112,470	6,538	146,545	119,003	27,542	55,834	53,850	1,984
60	146,511	137,154	9,357	192,252	150,731	41,521	62,955	60,421	2,534
65	169,959	157,568	12,390	249,211	188,413	60,798	69,900	66,762	3,137

Members are advised to consider both the level of costs and charges and the expected return on investments (i.e. the risk profile of the strategy) in making investment decisions.

Note: SMPI return assumptions and transaction cost data for the year ending 31 March 2025 were not available at the time this statement was produced and are therefore based on 31 March 2024 data.

Assumptions and data for illustrations:

The following assumptions have been made for the purposes of the above illustrations:

1. The illustrations show the how the funds grow for the youngest member of the Plan (currently aged 20) and the median age of a member in the plan (currently age 45). The projections are to age 65 (i.e. in 45 and 20 years' time, respectively). Illustrations for the default take account of the changing risk/return profile as the member reaches retirement.
2. The starting fund size for the youngest member is assumed to be £661 which is the expected starting pot for a member aged 20. The starting fund size for the median member is assumed to be £62,798, which is the expected starting pot for a member aged 45.
3. The salary and contributions for the youngest member is £21,525 and 8.0%, which is the expected starting salary and contribution rate for a member aged 20. The salary and contributions for the median member is £58,058 and 17.0%, which is the expected starting salary and contribution rate for a member aged 45.
4. Annual inflation and salary is assumed to be 2.5% per annum.
5. The starting fund values used in the projections is representative of the average for the Scheme.
6. The average transaction costs over the last 5 years have been shown in line with statutory guidance to reduce the level of volatility, and a floor of 0% pa has been used for the transaction costs if these were negative in any year so as not to potentially understate the effect of charges on fund values over time.
7. Values shown are estimates and are not guaranteed.
8. Data used is as at 31 March 2025, unless stated otherwise.
9. The projected real (net of inflation) annual returns on assets are based on SMPI returns assumptions as at 31 March 2024 and are:
 - o SL Sustainable Multi Asset PP Pension Fund- 3.5%
 - o SL Sustainable Multi Asset Pre Retirement (PP Universal) Pension Fund- 1.5%
 - o SL At Retirement - Universal (PP 10 Year) Pension Fund- 1.5%
 - o Standard Life Managed Pension Fund- 3.5%
 - o SL Vanguard FTSE UK All Share Index Fund- 4.5%

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

- SL Mixed Bond Fund- 1.5%
- SL Money Market Fund (*)- -0.5%
- SL Deposit and Treasury Fund- -0.5%
- SL Nordea Global Climate and Environment Fund- 4.5%
- SL Schroder Sustainable Multi-Factor Equity Fund- 3.5%

7. Net investment returns

The following tables show the total investment return (net of charges and investment costs) for various periods to 31 March 2025. Values marked '-' are not available because the funds did not exist for the entire period.

Default funds

Fund	1 year	3 years	5 years
	%	% p.a.	% p.a.
Standard Life Sustainable Multi Asset (PP) Pension Fund	4.17	5.42	7.95
Standard Life Sustainable Multi Asset Pre Retirement (PP Universal) Pension Fund	4.39	3.88	5.62
Standard Life At Retirement - Universal (PP 10 Year) Pension Fund	4.63	4.26	5.04

Funds available to members under the self-select option

Fund	1 year	3 years	5 years
	%	% p.a.	% p.a.
Standard Life Managed Pension Fund	4.82	4.03	7.88
SL Vanguard FTSE UK All Share Index Fund	9.68	6.81	11.68
SL Mixed Bond Fund	0.63	-3.27	-2.87
SL Money Market Fund	5.02	3.99	2.43
SL Deposit and Treasury Fund	4.91	3.95	2.32
SL Nordea Global Climate and Environment Fund	-5.23	1.14	-
SL Schroder Sustainable Multi-Factor Equity Fund	4.32	5.62	13.63

Notes:

- Performance shown is net of investment fees.
- Performance data to 31 March 2025
- 5-year data shown is representative only, as the strategy was only implemented in 2021.

8. Value for members

Certain schemes which provide DC benefits, and which have total assets of below £100m (referred to as 'specified schemes') must carry out a more detailed VfM assessment than non-specified schemes, report the outcome in the annual governance statement, and report on the findings when completing the annual Scheme Return which is submitted to the Pensions Regulator.

The Scheme has total assets of below £100m and, consequently, the Trustee is required to carry out such a VfM assessment.

The Trustee must have regard to the VfM Guidance when undertaking the VfM assessment and must consider three factors:

- **Factor 1:** the Scheme's costs and charges;

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

- **Factor 2:** the Scheme's net investment returns;
assessing Factors 1 and 2 against at least three other comparator schemes and having discussions with at least one of the comparator schemes about transferring the members DC rights if the DC benefits were to be moved out of the Scheme; and
- **Factor 3:** administration and governance.

The comparator schemes

The comparator schemes chosen include a Master Trust arrangement capable of taking on the benefits and assets of the Scheme (the first comparator) as well as a bundled DC arrangement and an unbundled DC arrangement, both with DC assets in excess of £100m.

The costs and charges and net investment returns of the Scheme and those of the comparator schemes chosen are set out in Appendix 2 and 3 to this statement. These highlight that charges applied to members within the Scheme are competitive relative to the comparator schemes in terms of the Scheme's default investment strategy.

In addition, the net investment returns of the Scheme's default investment strategy are broadly comparable to the returns of the comparator schemes over the periods assessed. Appendix 3 provides further details of the net investment returns of the Technical Default and the three comparator schemes.

A decision was taken to roll forward and update, where it was deemed appropriate, the VfM assessment carried out in previous years following the decision taken to transfer the DC benefits to the SEI Master Trust. The VfM assessment referred to in this statement has been prepared on this basis and is reflective of the DC Transfer having now completed. The conclusions reached in previous assessments remain the same, that the Scheme does provide good value to members.

Costs and charges and net investment returns assessment

Based on the assessment of costs and charges and net investment returns alone, it appears that the Scheme does provide good value for members relative to the comparator schemes.

Governance and administration

The governance and administration part of the VfM assessment involves assessing the value provided in respect of seven key metrics. Before considering the individual metrics, it is noted that:

- Entrust is a professional independent trustee and is externally audited on an annual basis to provide assurance on its internal controls over administrative and accounting procedures. The audit considers the design suitability and operating effectiveness of these controls and is prepared in accordance with AAF 02/07. Part of the audit involves assessing that Entrust has adequate procedures for certain governance and administrative matters, some of which fall within the parameters of the seven governance and administration VfM metrics; and
- Certain administration and governance matters are outsourced to third party providers such as Standard Life which provides administrative services to the Scheme – nevertheless, the Trustee retains ultimate responsibility for these matters and ensures that suitable monitoring and assessment of third-party service providers is carried out.

Metric 1: Promptness and accuracy of core financial transactions

The Scheme scores highly in this area – core financial transactions are processed routinely and accurately within appropriate timescales and performance figures are high. Only two complaints were received during the period concerned. Further details can be found earlier in the statement.

Metric 2: Quality of record keeping

The VfM Guidance splits this metric into three areas: (1) security of data; (2) accuracy and scope of records and data kept; and (3) review of data.

Security of data is high with documented controls, policies and procedures that make sure personal data is kept, stored and processed in accordance with data protection legislation and requirements. There were no data security breaches during the Scheme Year. At the date of the last review, the Scheme's common and conditional data scores were 99.53% and 100% respectively. The Scheme undertakes triennial reviews and, in the interim period, annually assesses the need for a data review exercise before the next triennial review date. The Trustee believes that the Scheme performs well in this area.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Metric 3: Appropriateness of the default investment strategy

The Scheme's default investment strategy was last reviewed during the 2020/21 Scheme year and was updated to reflect developments in Standard Life's off the shelf default investment solutions and to provide greater ESG integration. The subsequent triennial default review was put on hold pending progress of the DC Master Trust project. Although a formal review was not carried out, the Trustee concluded that the default strategy remained appropriate. As noted above, the DC Transfer completed in October 2025 and therefore at the date of signing this statement the Scheme held no DC members or assets.

Metric 4: Quality of investment governance

The Trustee has written policies in respect of investment governance matters including in respect of decision-making, appointment of service providers and delegation, scheme management and investment strategy. It also has a Training and Development Policy and specific requirements in respect of acquiring and maintaining appropriate knowledge, understanding and experience in investment related matters (the 'Trustee knowledge and understanding' section below has further details). These policies are regularly reviewed by the Board and fall within the remit of the external audit assurance process.

Entrust has risk management policies and clear governance structures (including continuity plans) to deal with economic crises and market volatility.

The SIP contains relevant information in respect of climate change and ESG and stewardship matters – the Trustee believes that ESG factors are appropriately reflected in the overall investment approach. The Scheme's risk register also contains an entry in respect of ESG and stewardship.

The Trustee believes that it has effective oversight of the communication strategies which inform members about their investment options.

The Scheme provides good VfM on this metric.

Metric 5: Level of trustee knowledge, understanding and skills to operate the Scheme effectively

The Trustee is an independent professional trustee and has extensive knowledge, understanding and experience in pension trustee matters. The Scheme scores well on metric 5 - further details are provided in the 'Trustee knowledge and understanding' section below.

Metric 6: Quality of communication with scheme members

All relevant statutory disclosure requirements are satisfied. No complaints have been received during the relevant period on communication quality.

Standard Life is primarily responsible for producing and issuing much of the member communication and has suitable processes and procedures in place around production, issuing and ensuring that communications contain all relevant matters in an accurate, clear and concise way, are in an accessible format and that they are issued to members at appropriate times.

Members have both online and mobile access to their pension account along with modelling tools to help set retirement savings goals.

The Scheme provides good VfM on this metric.

Metric 7: Effectiveness of management of conflicts of interest

The Trustee has a Conflicts of Interest Policy which includes a process for identifying, managing and monitoring conflicts of interest. Any potential or actual conflicts of interest are captured in a Conflict of Interest Record and a log of all actual, potential and perceived conflicts is retained. All of these policies and documents are reviewed and updated on a regular basis.

In addition, Entrust staff members annually confirm whether they are aware of any conflicts in relation to any of the schemes where Entrust acts as trustee. Where a conflict is identified suitable mitigating actions and controls are put in place with suitable review procedures. Conflicts are included as an agenda item at each meeting of the Trustee.

Conflicts form part of the annual external audit process, and all staff members are aware of their responsibilities and requirements in this area.

The Scheme provides good VfM on this metric.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Governance and administration - conclusion

Having considered all seven metrics, the Trustee believes that the Scheme does provide a high standard of administration and governance.

Overall conclusion on VfM and next steps

After assessing the costs and charges and net investment returns as referenced above alongside the administration and governance requirements, the Trustee believes that the Scheme does offer good value to members.

9. Trustee Knowledge and Understanding

The comments in this section of the statement relate to the Trustee dealing with the whole Scheme and are not restricted to the DC arrangements.

Sections 247 and 248 of the Pensions Act 2004 requires the Trustee to be conversant with

- the governing documents of the Scheme;
- relevant funding and investment documents including the Statement of Investment Principles and the Statement of Funding Principles; and
- any documents relating to the administration of the Scheme.

They also require the Trustee to have, or to have access to, appropriate knowledge and understanding of:

- the law relating to pensions and trusts;
 - the principles relating to:
 - the funding of occupational pension schemes; and
 - investment of the assets of such schemes; and
 - such other matters as may be prescribed
- to enable it to properly exercise its functions as trustee and to run a scheme effectively.

Section 248 is applicable to the Scheme from 1 June 2023, when Entrust was appointed as corporate trustee.

KU and skills is one of the metrics considered as part of the annual VfM assessment as noted above. The Scheme scores highly on this part of the assessment.

The Trustee: its KU and skills related policies and procedures and their application to the Scheme

The Trustee is an independent, professional trustee. All of the Trustee's staff are employees of the national law firm, Gateley plc. The core staff at the Trustee, referred to as **Practitioners**, are qualified solicitors, actuaries, trainee solicitors and other relevant employees working in the Gateley Pensions Department.

The Trustee has a number of policies which set out the management procedures for its business and detail the Trustee's approach to pension scheme trusteeship, the governance and risk management of the pension schemes to which Entrust is appointed trustee. These include policies in relation to KU, skills and decision-making.

The Scheme Management Policy sets out the requirements in respect of the constitution of the Practitioner team responsible for any scheme appointment. One of the requirements is that the Board ensure that the team has, or has available to it, the necessary level of KU and skills required to appropriately manage the appointment. Each team includes at least a Trustee Director (who is a Director of Entrust) and a Trustee Associate.

The Practitioners have a wide and differing range of skills, experiences and backgrounds including in relation to pensions legal advisory, actuarial, investment and administration – although two Practitioners primarily work on the Scheme, all Practitioners are available (and do) provide input in relation to Scheme-related matters where appropriate and when necessary.

The Trustee Director and Trustee Associate (and other Practitioners) are able to provide suitable leadership for the Scheme – this is demonstrated by their experience, qualifications, background and appointments held (relevant Practitioners have been and are responsible for numerous other pension schemes as well as the Scheme).

An annual assessment takes place by the Board of the continuing suitability of the appointment of the Trustee to the Scheme and whether the team of Practitioners responsible for the Scheme has the necessary level of KU and

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

skill to properly manage the appointment. The Trustee's performance and effectiveness is also assessed annually as part of the work relating to the annual governance statement.

Decisions on the Scheme are made in accordance with Entrust's Organisational & Decision Making and Scheme Management Policies. The Practitioner team responsible for the Scheme maintain day-to-day oversight of the Scheme, they liaise regularly on Scheme matters and deal with matters as and when they arise/need to be dealt with.

Relevant matters are considered and dealt with at Board level – the Board is able to meet on an ad hoc basis as and when required to deal with relevant issues. Entrust reviews stewardship matters quarterly, and the overall management and governance of the Trustee business and the Scheme and knowledge, understanding and skills annually. Quarterly meetings are held with Isio in its capacity as provider of administration, actuarial and investment consultancy services. Liaison with other service providers, for example, legal advisers, takes place as and when required.

The Trustee is subject to an annual independent audit on its internal administrative and accounting internal controls and procedures under AAF02/07. Part of the audit involves assessing that Entrust has adequate procedures for maintenance of knowledge and training.

Trustee training and development programme

The Trustee has a Training and Development Policy. This covers both the induction of new Practitioners for training and development purposes and the continued requirements for existing Practitioners.

Upon induction, Practitioners are required to complete all Core Modules of the Pensions Regulator's Trustee Toolkit within six months and thereafter to complete any new Core Modules added to the Trustee Toolkit within six months.

All Practitioners (including newly inducted individuals) must engage in training which is relevant to their role and develop KU in key areas.

The training programme for Practitioners is designed to ensure that each Practitioner has relevant knowledge, understanding and skills of core KU matters and that this is continually developed, maintained and remains appropriate for their role.

Practitioners must also develop and maintain KU and skills by attending appropriate training, seminars and by self-directed studying where this is necessary.

Practitioners attend a rolling programme of fortnightly internal training sessions which cover legal, industry, and regulatory developments and topic related training relevant to the role of a pension scheme trustee – a written update note is provided for each session. Those individuals that cannot attend a session will read the written note that has been produced. This internal training is provided by the Gateley Pensions Department's professional support lawyer and, where relevant, external sources. Practitioners also attend appropriate external training provided by pension professionals and associations. They also have access to Perspective (a pensions legislative and regulatory resource tool) and Practical Law (an online legal know how service). Part of the service provided by these resource tools includes regular (usually daily and/or weekly) alerts on relevant pensions developments.

Accredited professional pension trustees

All eligible Practitioners are either accredited professional pension trustees or are currently going through the accreditation process. Amongst other requirements, accreditation involves successful completion of the Pensions Management Institute's Certificate in Pension Trusteeship consisting of an examination on Professional Trusteeship and another on Soft Skills. All accredited individuals must complete at least 25 hours of continuing professional development (CPD) each calendar year – all relevant Practitioners completed at least 25 hours in 2024 and are expected to meet the 25 hour CPD requirement by the end of 2025.

Training during the Scheme Year

Training which has taken place during the Scheme Year has covered a broad range of topics including on: Virgin Media Limited v NTL Pension Trustees Limited (section 37 actuarial confirmation), pensions dashboards, Mansion House reforms, lifetime allowance abolition, the Pension Schemes Bill, the new funding and investment regime for DB schemes, inheritance tax changes, legal privilege, and refund of surplus. Practitioners maintain up to date documented individual training logs.

Trustee review of KU and skills matters

Each Practitioner undertakes an annual performance review, part of which includes consideration of training and identification of any areas in respect of which further development and training is required. The Board also carries

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

out a formal annual review of the Trustee's skills and KU in relation to relevant pensions and trusts law, funding and investment principles.

The individual and collective results of the Practitioner and Board reviews are used to design the following year's training and development for individual Practitioners and the Trustee as a whole. The assessments which took place during the Scheme Year showed that there was strong knowledge across all the core areas of KU.

Conversance with the governing, administration, funding and investment documents of the Scheme

Relevant Practitioners working on the Scheme must ensure that they are conversant with the governing documents of the Scheme, relevant funding, investment, and administration documents. The Scheme has an indexed file of key Scheme documents including: the Scheme trust deed and rules; financial, investment, administration and appointment documents; and member communications. These documents are kept electronically and updated on an ongoing basis.

A Scheme Information Form is also maintained which contains key Scheme information. The Scheme also has and maintains a risk register and business plan. Each of these documents is considered by the Board at least annually and reviewed and considered in the interim by relevant Practitioners where it is appropriate to do so.

The Practitioners responsible for the Scheme reviewed relevant Scheme documents upon becoming involved with the Scheme. Practitioners working on the Scheme refer to these documents as necessary during each Scheme year to ensure that they are and remain familiar with them and when considering relevant matters. For example, reference will be made to the governing Scheme documents as part of considering and deciding to make Scheme amendments and, where relevant, deciding matters relating to funding, investment, beneficiaries, benefits, and governance. During the Scheme Year relevant Practitioners have referred to the governing documents when making trustee decisions on investments, updating the DB SIP, considering actuarial valuation matters, updating the Scheme's risk management documents and when undertaking the Trustee's annual review of the Scheme's systems of governance.

Professional advisers and contact with the sponsoring employer

Advice and assistance from professional advisers is obtained as appropriate during each Scheme year to ensure that the Scheme is operated and the Trustee exercises its functions effectively. Advice is provided both in writing and during meetings and telephone/video calls.

Isio proactively raise relevant developments as they become aware of them and provide appropriate assistance accordingly in relation to administration, actuarial and investment consultancy matters. Legal advice is provided by Mills & Reeve as and when required by the Trustee.

Service provider performance is subject to ongoing monitoring by the Trustee and the Board considers relevant service providers' performance on a quarterly basis. The skills and experience of a service provider is a key criterion considered by the Trustee when selecting a provider and quality of service forms part of the post-appointment performance assessment.

Practitioners are able to identify when advice is required from an adviser and third party service provider, understand and assess advice received and challenge advisers where necessary. Practitioners are also comfortable in requesting further details, supporting evidence and to ask for clarification of advice provided as needed.

The Trustee liaises with the sponsoring employer on a regular basis as regards the Scheme. At certain times this will be on a more frequent and in-depth basis than at other times - the frequency of contact will differ depending on specific circumstances. For example, more in-depth and frequent contact will be required on specific Scheme projects such as the DC Review and when a DB scheme funding triennial valuation is due.

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

During the Scheme Year and in the following period, the Trustee has:

- had regular discussions with advisers and the sponsoring employer about the Scheme generally including on funding and investment arrangements;
- liaised with advisers and the sponsoring employer regarding the impact of the current economic environment on the Scheme;
- liaised with Isio regarding the actuarial valuation for the Scheme (DB);
- attended quarterly operational meetings and quarterly investment meetings with Isio to discuss the Scheme and relevant actuarial, legal, investment and regulatory developments; and
- obtained and reviewed administration and investment reports.

Tom Neale

Director

For and on behalf of Entrust Pension Limited

October 2025

Rachel Stevens

Director

For and on behalf of Entrust Pension Limited

October 2025

Forester Group Employee Pension Scheme
Annual governance statement regarding DC governance
1 April 2024 – 31 March 2025

Appendix 1 – Statement of Investment Principles

Statement of Investment Principles

1. Introduction

1.1 This Statement sets out the principles governing decisions about the investment of the assets of the Forester Group Employee Pension Scheme ("the Scheme"). The Scheme comprises a Staff Plan and an Employee Pension Plan, the latter incorporating the Fieldworkers Plan. The Statement is issued by the Trustee to comply with Section 35 of the Pensions Act 1995 as amended by the Pensions Act 2004 and the Occupational Pensions Schemes (Investment) Regulations 2005.

1.2 The former Trustees consulted Mr M Cox, Forester Life's Investment Portfolio & Liquidity Manager, and a former Trustee, a person they believe to have the appropriate knowledge and experience of financial matters, to give the advice required by the Pensions Act 2004.

1.3 The former Trustees consulted the Principal Employer – Forester Holdings (Europe) Limited – about the content of this Statement.

1.4 The investment powers of the Trustee are set out in Clause 8 of the Trust Deed and Rules. This Statement is consistent with those powers. Neither the Statement nor the Trust Deed and Rules restrict the Trustee's investment powers by requiring the consent of the Principal Employer.

2. Description of the Scheme

2.1 The Staff Plan benefits are final salary defined benefits, where the benefits are related to pensionable salary and pensionable service to 31 March 1996 or earlier withdrawal. The resultant preserved pension is revalued to retirement date. Some pensioner benefits are paid from the Plan, while other pensioners have their benefits secured by annuities purchased by the Trustee in the pensioner's name. Pensions increase, both in deferment and payment, in line with the Retail Prices Index (RPI), subject to a maximum increase of 5% in any year.

2.2 The Employee Pension Plan benefits are defined contribution benefits, where the benefits are dependent on the accumulated contributions of the member and the employer to retirement. Except for members of the Fieldworkers Plan, investments are selected by members from a menu of investment sub-funds (pooled pensions products) that is selected by the Trustee. Each post-31 March 1996 member is allowed to indicate how he or she wishes his or her member's account and future payments into such account to be invested as between the available investment sub-funds. Some pensioner benefits are paid from the Plan; other pensioners have their benefits secured by annuities purchased by the Trustee in the pensioner's name. The type of pension will depend upon choices made by the member at retirement.

2.3 The Scheme provides death-in-service benefits on a fully insured basis.

2.4 In order to meet the Scheme's objectives, a full valuation of the Scheme is performed no less frequently than every three years, using asset return assumptions developed by the Scheme Actuary. The Trustee will consider the asset allocation of the Scheme in the light of this valuation and can revise the asset allocation and/or investment strategy, if necessary, with a view to achieving the Scheme's objectives. The Principal Employer is also providing additional funding into the scheme.

3. Choosing investments

3.1 The Trustee's policy in relation to defined contribution liabilities (excluding the Fieldworkers Plan) is to offer a default investment arrangement that complies with the requirements of a Qualifying Workplace Pension Default Fund under automatic enrolment rules plus a core range of investment funds suitable for the Scheme's membership profile. With respect to the defined benefit liabilities, the Trustee's policy is to set the investment guidance and objectives, as below, for the outsourced investment managers to adhere to.

3.2 The Trustee carefully considers the Scheme's Investment Objectives, shown in section 4, when designing the range of investment options to offer its members of the Employee Pension Plan. The Trustee acknowledges that members will have different attitudes to risk and different aims for accessing their retirement savings. Therefore, while seeking good member outcomes net of fees, they also consider the level of risk that is appropriate based on the anticipated needs of the membership profile of the Scheme.

Statement of Investment Principles (continued)

3.3 The day-to-day management of the Scheme's assets are delegated to the Scheme's investment managers, Standard Life Investments for the Employee Pension Plan and Legal & General Investment Management Limited for the Staff Plan assets. The investment managers are authorised and regulated by the Financial Conduct Authority and are responsible for stock selection and the exercise of voting rights.

3.4 The Trustee is prepared to consider active strategies based around Liability-Driven Investment (LDI), provided they are first satisfied that there is good evidence that the information ratio of such a strategy merits diverging from a basic LDI position.

3.5 The Trustee reviews the appropriateness of the Scheme's investment strategy on a continual basis. The review includes consideration of the competence of the investment managers with respect to their performance within any guidelines set.

4. Investment Objectives

4.1 To be able to meet benefit payments as they fall due.

4.2 To provide a default investment option that is suitable for active and deferred members of the Employee Pension Plan who do not make a fund choice.

4.3 To offer an appropriate range of investment options within the Employee Pension Plan so that members who wish to make their own investment choices have the ability to do so, recognising that members may have different needs and objectives.

4.4 To achieve good member outcomes net of fees and subject to acceptable levels of risk.

4.5 The Trustee aspires to a position whereby the defined benefit liabilities are matched as accurately as reasonably possible, having regard to the latest actuarial information, by a combination of cash, conventional and index-linked bonds (i.e. Liability-Driven Investment).

4.6 The expected volatility of returns achieved is managed through appropriate diversification between asset types in order to control the level of volatility and risk in the value of members' pension pots.

4.7 The Trustee expects cash and fixed-interest investments to give gross returns (before investment fees) equivalent to the current market redemption yields. The Trustee's central expectation for equity returns is the return on long-dated gilts plus 3% per annum, though with considerable variation from year to year.

5. Kinds of investments to be held

5.1 The Trustee is permitted to invest directly or indirectly in a wide range of assets including equities, bonds, cash, property, derivatives and alternatives, subject to complying with relevant legislation.

6. The balance between different kinds of investments

6.1 For the Employee Pension Plan (excluding the Fieldworkers Plan), members can choose from an appropriate range of investment options. Where members do not choose where their contributions, and those made on their behalf by the employer, are invested, the Trustee will invest these contributions in the default investment option.

6.2 The Trustee considers the merits of both active and passive management strategies for the various elements of the Scheme's portfolio and may select different approaches for different asset classes.

6.3 The Trustee is aware that for the defined benefit liabilities the appropriate balance between different kinds of investments will vary over time and the asset allocation may change as the membership profile evolves.

6.4 The investment managers will maintain a diversified portfolio of stocks or bonds within each of the funds offered under the Scheme.

Statement of Investment Principles (continued)

7. Risks

7.1 The Trustee has considered the following risks for the defined benefit parts of the Scheme with regard to its investment policy and the liabilities.

Risk versus the liabilities – The Trustee will monitor and review the investment strategy with respect to liabilities following each actuarial valuation. The investment strategy will be set with consideration of the appropriate level of risk required for the funding strategy as set out in the Scheme's Statement of Funding Principles.

Covenant risk – The creditworthiness of the employer and the size of the pension liability relative to the employer's earnings are monitored on a regular basis. The appropriate level of investment risk is considered with reference to the strength of the employer covenant.

Solvency and mismatching – This risk is addressed through the asset allocation strategy and ongoing triennial actuarial valuations. The Trustee is aware that the asset allocation required to minimise the volatility of the solvency position may be different from that which would minimise the volatility on the Scheme's funding basis.

Asset allocation risk - The asset allocation is monitored on a regular basis by the Trustee.

Investment Manager risk - The Trustee monitors the performance of each of the Scheme's investment managers on a regular basis in addition to having meetings with each manager from time to time as necessary. The Trustee has a written agreement with each investment manager, which contains a number of restrictions on how each investment manager may operate.

Concentration/Market risk - Each investment manager is expected to manage broadly diversified portfolios and to spread assets across a number of individual shares and securities.

Liquidity risk - The Scheme invests in assets such that there is a sufficient allocation to liquid investments that can be converted into cash at short notice given the Scheme's cashflow requirements. The Scheme's administrators assess the level of cash held in order to limit the impact of the cashflow requirements on the investment policy.

Currency risk - The Scheme's liabilities are denominated in sterling. The Scheme may gain exposure to overseas currencies by investing in assets that are denominated in a foreign currency or via currency management.

Loss of investment - The risk of loss of investment by each investment manager and custodian is assessed by the Trustee. This includes losses beyond those caused by market movements (e.g. default risk, operational errors or fraud).

7.2 In the defined contribution part of the Scheme, the investment risk lies with the members themselves. However, the Trustee has considered the risks set out above in 7.1 where relevant. The Trustee has also considered a number of risks when designing and providing suitable investment choices to members. The main investment risks affecting all members in the defined contribution part are:

Inflation risk – The risk that the investments do not provide a return at least in line with inflation, thus eroding the purchasing power of the retirement savings. The Trustee makes available investment options that are expected to provide a long-term real rate of return.

Conversion risk – The risk that fluctuations in the assets held, particularly in the period before retirement savings are accessed, lead to uncertainty over the amount likely to be received. For those members in the default investment fund there are lifestyle arrangements in place so that in the run up to retirement the investments gradually start to more closely match how the trustee expects members to access their retirement savings.

Retirement income risk – The risk that a member's retirement income falls short of the amount expected, whether this is due to lower investment returns than expected or insufficient contributions being paid. The Trustee periodically reviews the appropriateness of the investment options offered to ensure member outcomes can be maximised. Annual communications to members encourage them to regularly review the level of their contributions, but ultimately this is a risk that lies with each member.

Statement of Investment Principles (continued)

Illiquid policy

The Trustee is required to state its policy on investing in illiquid assets for the Scheme's default investment arrangement. As defined by the Pensions Regulator, illiquid assets are those that cannot easily or quickly be sold or exchanged for cash and include any such assets held in a collective investment scheme.

The Trustee recognises the potential benefits from illiquid investments (assets of a type which cannot easily or quickly be sold or exchanged for cash), including improved diversification and enhanced risk adjusted returns.

Illiquid assets could be held within the Scheme's default arrangement through the Multi Asset Fund via an allocation in listed and unlisted property.

The current investment in illiquid assets is the result of the default arrangement's strategic asset allocation. Allocations to illiquids are held during all phases of the default lifestyle profile, with the global real estate exposure starting to reduce slightly once members are 10 years from their retirement age.

While the Trustee's policy on investing in illiquids is currently limited to investments in property, the Trustee will keep this policy under review, considering whether to, and if so, how to expand the type and range of illiquid assets in which it invests in the future. This decision will be taken in conjunction with the DC provider given the Scheme uses an "off-the-shelf" approach for its default arrangement.

8. Expected Return on investments

8.1 The Trustee has regard to the relative investment return, net of fees, and risk that each asset class is expected to provide. The former Trustees had been advised on these matters by Mark Cox (Forester Life's Investment Portfolio & Liquidity Manager), who is deemed to be appropriately qualified. However, the day-to-day selection of investments is delegated to the investment managers.

8.2 The Trustee recognises the need to distinguish between nominal and real returns and to make appropriate allowance for inflation when making decisions and comparisons.

9. Realisation of investments

9.1 The investment managers have responsibility for buying and selling investments. This role includes considering the liquidity of the investments in the context of the likely needs of members and the payment obligations of the Scheme.

10. Environmental, Social and Governance (ESG) and Stewardship Policy

10.1 The Trustee believes that environmental, social, and corporate governance (ESG) factors can be material to the assessment of investment value and mitigation of investment risk (to varying degrees across companies, sectors, regions and asset classes and through time). The Trustee believes that ESG factors should be considered by the investment managers – where relevant and material to the specific investment mandate under consideration. The former Trustees had reviewed the extent to which the fund managers analyse and integrate ESG risks and opportunities into their investment process and monitored their approach to the integration of ESG risks and opportunities on an on-going basis. However, the Trustee does not impose constraints solely on the basis of ESG factors when selecting investments.

10.2 The Trustee expects fund managers to use rights (including voting rights) wholly in the economic interests of the members.

Stuart Evans
Director
For and on behalf of Entrust Pension Limited
31 October 2024

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

Appendix 2 - Illustrations of costs and charges against three comparator schemes

The tables below sets out the Scheme's costs and charges against three comparator schemes. The information provided relates to the 2024/25 Scheme year.

	Forester Group Employee Pension Scheme				Comparator 1			
	AMC (%)	T-costs (%)	FMC (%)	Total Charges (%)	AMC (%)	T-costs (%)	FMC (%)	Total Charges (%)
Default – age 65	0.01	0.14	0.18	0.33	0.06	0.08	0.14	0.28
Default – age 55	0.01	0.08	0.18	0.27	0.06	0.08	0.14	0.28
Default – age 45	0.01	0.08	0.18	0.27	0.06	0.08	0.14	0.28
Default – age 25	0.01	0.08	0.18	0.27	0.06	0.08	0.14	0.28
Self Select Fund 1	0.02	0.06	0.20	0.28	0.00	0.16	0.14	0.30
Self Select Fund 2	0.02	0.10	0.20	0.32	0.25	0.25	0.17	0.67
Self Select Fund 3	0.02	0.11	0.20	0.33	0.03	0.00	0.15	0.18
Self Select Fund 4	0.01	0.08	0.20	0.29	0.00	0.02	0.14	0.16

	Comparator 2				Comparator 3			
	AMC (%)	T-costs (%)	FMC (%)	Total Charges (%)	AMC (%)	T-costs (%)	FMC (%)	Total Charges (%)
Default – age 65	0.23	0.10	0.04	0.37	0.02	0.19	0.39	0.60
Default – age 55	0.17	0.11	0.04	0.32	0.09	0.17	0.30	0.56
Default – age 45	0.17	0.11	0.04	0.32	0.11	0.13	0.22	0.46
Default – age 25	0.17	0.11	0.04	0.32	0.11	0.13	0.22	0.46
Self Select Fund 1	0.07	0.09	0.00	0.16	0.01	0.07	0.21	0.29
Self Select Fund 2	0.26	0.18	0.05	0.49	0.03	0.26	0.48	0.77
Self Select Fund 3	0.07	0.01	0.02	0.10	0.01	0.14	0.20	0.35
Self Select Fund 4	0.13	0.02	0.00	0.15	0.07	0.02	0.14	0.23

Notes:

- Scheme transaction cost data was requested from Standard Life; however, they have not been able to provide the information for the year to 31 March 2025 within the timescale. Data shown is therefore as at 31 March 2024.
- The T-costs for Comparator 1 default – age 65 was not provided, and has been assumed to be the same as for a member age 55.

Appendix 3 – Illustrations of annualised net investment returns against three comparator schemes

	Forester Group Employee Pension Scheme		Comparator 1		Comparator 2		Comparator 3	
	Annualised returns (% p.a.)		Annualised returns (% p.a.)		Annualised returns (% p.a.)		Annualised returns (% p.a.)	
	1 year	5 years	1 year	5 years	1 year	5 years	1 year	5 years
Default – age 25	15.3	5.6	14.0	6.4	8.4	5.1	16.0	7.5
Default – age 45	15.3	5.6	14.0	6.4	8.4	5.1	14.9	7.1
Default – age 55	13.6	5.0	13.5	5.1	7.8	5.0	8.8	3.6
Self Select Fund 1	8.1	5.2	7.5	5.3	6.2	4.8	8.1	5.2
Self Select Fund 2	10.7	5.6	6.4	0.8	8.8	4.7	6.3	0.7
Self Select Fund 3	3.0	-1.7	4.0	-3.7	6.3	-0.4	-0.9	-4.4

Forester Group Employee Pension Scheme

Annual governance statement regarding DC governance

1 April 2024 – 31 March 2025

	Forester Group Employee Pension Scheme		Comparator 1		Comparator 2		Comparator 3	
	Annualised returns (% p.a.)		Annualised returns (% p.a.)		Annualised returns (% p.a.)		Annualised returns (% p.a.)	
	1 year	5 years	1 year	5 years	1 year	5 years	1 year	5 years
Self Select Fund 4	4.9	1.4	5.1	1.6	5.0	1.6	5.1	1.7

Notes:

The annualised net returns for the schemes at 5 years are based on the Total Expense Ratio and Transaction Costs for the Scheme year 2023/24. Net Investment returns and their respective comparators are shown as at 31 March 2024 due to a lack of available information as at 31 March 2025.