VANTAGE GROUP LIMITED (1983) RETIREMENT SECURITY PLAN (the "Plan")

ANNUAL CHAIR'S STATEMENT AS AT 24th JULY 2026

Introduction

Under legislation set out in Regulation 23 of The Occupational Pension Schemes (Scheme Administration) Regulations 1996, as amended by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (together the 'Administration Regulations'), the Trustee of the Plan (the 'Trustee') is required to prepare this annual statement on governance.

Under this legislation, the Chair of Trustees must provide an annual statement which explains what action the trustee board has undertaken to meet the new governance rules. I have provided the information required by law in this statement.

2. The Plan

The Trustee of the Plan is Perrys Motor Sales, a company incorporated in England and Wales under number 00972286. Its registered address is Suite 1, 500 Pavilion Drive, Northampton Business Park, Brackmills, Northampton NN4 7YJ ("the Company").

The Plan is a group money purchase scheme, invested in with-profits funds provided by Phoenix Life. The Plan is no longer open to new members, and all contributions, by both members and sponsoring employers, stopped on 31 May 2007. This means that the Plan is "paid up".

The Plan is "trust-based", which means that it was set up under, and is governed by, a trust deed and rules. The assets of the Plan are held entirely by Phoenix Life. Each with-profits fund in Phoenix Life Limited is run as a stand-alone fund. This means that, overall, the policyholders of one fund are not affected by the state or operation of another fund.

Neither the Trustee nor any employer has access to any money in the with-profits fund. This also means that, should the Plan wind up, or any of the participating employers go out of business, the Plan's assets are separate from the employers' assets and completely safe.

3. Reviewing the default investment arrangements

The Plan is not used as a qualifying scheme for automatic enrolment.

The only investment option within the Plan is the Phoenix Life With Profit Fund, which is closed to new contributions and is managed as a legacy fund.

"With-profits" means that the contributions that were formerly paid by the members and the employers on their behalf are pooled together with money from other pension plans that are invested in the same way and invested in Phoenix Life's conventional SAL With Profits Fund.

Each member has a guaranteed value (known as the guaranteed basic sum) at the policy normal retirement age of 65, and each year, depending on the performance of the underlying assets in the fund, an annual bonus is added to the member's policy (called the reversionary bonus). Phoenix Life can add bonuses to both the basic sum assured and any revisionary bonuses – the amount of the bonuses can change, but once added to the policy, they cannot be taken away and are guaranteed at the normal retirement age of 65. The benefits provided by the Plan are what is known as defined contribution ("DC"). This means that the benefits provided are based wholly on the value of each individual member's fund within the Plan, and there is no cross-subsidy between members.

The fund is managed by The Phoenix Life Assurance Limited Board, assisted by a with-profits committee, which invests the fund's money in different types of investments, such as company shares, property, bonds (types of loans usually issued by the Government or companies), cash deposits, and alternative investments, such as hedge funds. They select a wide range of assets to hold in the with-profits fund, in line with the fund's aims.

Phoenix Life usually tries to avoid significant changes in the size of the annual bonuses from one year to the next. It does this by holding back some of the profits from good years to boost the profits in bad years, which is known as "smoothing." There is also the possibility that a final bonus might be paid, although final bonus rates have been dropping for some years now, and there is no guarantee that a final bonus will be paid.

The annual bonus rate is declared on 31 December each year and has remained unchanged at 0.05% since 31 December 2005.

The Plan provides a guaranteed annuity rate for 88% of the members of the scheme. An annuity is one of the options that a member can select when drawing their benefits from the Plan, which provides an income for life. The guaranteed annuity rates within the Plan may be higher than current market rates.

Return on Investments

The Trustee has taken account of statutory guidance and as required reports the net investment returns for the default arrangement as at 26 March 2026.

Default Fund	**Annualised Return**			
	1 Year	5 Years	10 Years	15 Years
With Profit	9.31%	9.31%	9.31%	9.31%

The fund is managed by The Phoenix Life Assurance Limited Board.

Whilst the annual bonuses have been low, the guaranteed annuity rates built into the Plan provide good value for the members.

Charges and transaction costs paid by members

The Trustee has taken account of statutory guidance when preparing this statement about charges and Transaction costs.

The annual management charge (AMC) covers all the costs and charges relating to the general administration and investment charge. The transaction costs are those incurred when the fund managers buy and sell assets within the fund. Such costs include broker commissions, commissions on futures, transfer taxes, and other fees such as bank fees, search fees, legal fees, and stamp duty.

The annual management charges (AMC) and transaction costs of the fund are calculated within the fund itself rather than for each individual plan or scheme, with the aim of smoothing out the ups and downs of investment values. The exact scheme-specific charges are therefore not available, and the charges shown are an indication only and will not precisely reflect the plan charges.

Default Fund	**AMC**	**Transaction Costs**	**Total**
With Profit Fund	0.50%	0.23%	0.73%

The Company currently meets all advisory costs associated with operating the Plan together with any additional bespoke member communications commissioned.

Good Value for Money

The Trustees must undertake a comprehensive assessment of the extent to which the Plan offers good value for the members. The assessment was completed by an external provider, MHA Wealth.

The assessment concluded that the Plan's overall benefits and services represented good value for money in comparison to the cost payable by the members.

The main reason for this is that the Plan provides 88% of the members with guaranteed annuity rates. The Trustees are unable to assign the members benefits to replacement policies in the members own name and retain the current guaranteed annuity rates. The reason being that the guaranteed annuity rates are on a non-unisex basis and, following the EU Gender Neutral Directive, since 21 December 2012 insurers are no longer able to issue new policies on a non-unisex basis, which would mean the members would lose the current guarantees.

The Plan administration remains good with no complaints from any of the members, however, there are gaps in the member data that the Trustees have made every effort to complete. This has been difficult as none of the members worked for the current sponsoring employer and the member data was not fully supplied by the previous sponsoring employer. The Trustees have made significant efforts to trace and complete the member data records during the year.

As the Plan is paid up and none of the members were employed by the sponsoring employer, the use of digital services is limited. The annual member statements provided by Phoenix Life and issued by the Trustees remain clear and concise.

Requirements for processing financial transactions.

The Trustees must ensure that the core financial transactions are processed both promptly and accurately. With the Plan paid up, the core financial transactions are:

- transfer of members' assets to and from the Plan, and
- payments out of the Plan to members and other beneficiaries, such as widows and widowers.

As part of its services, Phoenix Life looks after these administration services and as an integral part of the Plan, the Trustee does not have a bespoke service level agreement in place. The Company monitors the core financial transactions on behalf of the Trustee.

There have been no complaints from the members/beneficiaries in the previous 12 months.

Trustee knowledge and understanding ("TKU")

The Pensions Act 2004 (sections 247-249) requires trustees to have knowledge and understanding of the law relating to pensions and trusts, and the principles relating to the funding of occupational schemes and the investment of scheme assets. Trustees are also required to be conversant with their own scheme's policy documents.

The Trustee of the Plan is Perrys Motor Sales Limited, and the company directors individually have the same responsibilities as an individual in relation to the Plan.

As the Plan is closed to new members and paid up, the level of knowledge and understanding requirements on the directors, acting as trustees, is not as onerous as it would be for a larger, more complex pension scheme that is not invested wholly in an insurance policy. The directors, as Trustee, therefore only hold board meetings for the Plan annually rather than quarterly.

The Directors have a broad range of knowledge, with some acting as trustees of a defined benefit scheme, and provide a variety of skills, experience, and backgrounds.

Should the Trustee consider that its knowledge and understanding is insufficient in any instance, it will take appropriate professional advice.

Conflicts of interest

As the Plan's assets are wholly invested with Phoenix Life, and the Plan is funded on a DC basis, the Trustee considers that there is no conflict of interest between its role as Trustee and Principal Employer of the Plan.

Nevertheless, it is aware that, should any conflict of interest arise, it will be necessary for it to consider its position. The result may be that it may (for example) take independent legal advice or appoint a professional trustee, at least for the duration of the conflict.

The Trustees have a robust conflict of interest policy in place with written procedures to identify, manage, and monitor conflicts of interest effectively. The Trustees have a conflict of interest register in place to keep a record of any conflicts, and there are controls in place to ensure that any conflicts are declared upon the appointment of a new Trustee (or director to the company) and other service providers.

The conflicts of interest policy and procedures in place are reviewed at each Trustee meeting.

Raising Queries

If you have any queries regarding the contents of this statement, or require more information, please contact the Company Secretary at Perrys Motor Sales Limited, Suite 1, 500 Pavilion Drive, Northampton Business Park, Brackmills, Northampton NN4 7YJ.

It is expected that the Perrys Company Secretary will be able to answer your queries fully and provide further information; however, if they cannot, or if you are not satisfied with the response, it will be referred to the Trustee.