

## Advante Limited Aviva Pension Scheme Annual Governance Statement – Scheme year ended 30 September 2025

In accordance with the requirements of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 ('the Regulations'), the Trustees are required to provide a statement relating to the governance of the defined contribution ('DC') benefits within the Advante Limited Aviva Pension Scheme ('the Scheme').

This statement covers the period from 1 October 2024 to 30 September 2025.

### Background to the Scheme

The Scheme was established to provide benefits on a DC basis on 1 October 1995 and closed to new members from 1 June 2014. As at 30 September 2025, there were 2 contributing members and 21 deferred members in the Scheme. From 1 October 2025, the Scheme closed to future accrual and all members are now deferred.

The Scheme operates as a bundled arrangement. This means Aviva Life & Pensions UK Limited ('Aviva') supplies ongoing administration, communication and investment management services for the Scheme.

The members meet Aviva's administration and investment charges by deduction of annual management charges. The sponsoring employer pays the costs, charges and expenses of the Scheme's governance and management, including Trustee oversight and risk management, secretarial services and professional advice to the Trustees

### Governance of the default investment arrangement

The default investment arrangement is the Aviva Managed AP Fund as defined in the Occupational Pension Schemes (Investment) Regulations 2005. There are around 20 self-select funds for members to choose from.

No review of the default investment arrangement was completed in the Scheme year. The Trustees are unable to confirm the date when a formal review of the default investment arrangement was last undertaken.

The Trustees have monitored the performance of the default investment arrangement, but have not undertaken any formal investment governance.

The asset allocation of the default investment arrangement across a range of age profiles is shown in the table below and has taken account of the statutory guidance.

Asset Allocation on 30 September 2025 - Aviva Managed AP Fund				
Asset	An average 25-year-old	An average 45-year-old	An average 55-year-old	An average person, 1 day before SPA*
Cash	1.8%	1.8%	1.8%	1.8%
Bonds	24.4%	24.4%	24.4%	24.4%
Listed Equity	63.5%	63.5%	63.5%	63.5%
Private Equity/ Infrastructure/ Private Debt **	3.4%	3.4%	3.4%	3.4%
Property	3.8%	3.8%	3.8%	3.8%
Other	3.1%	3.1%	3.1%	3.1%

\* State pension age

\*\* Aviva provides details of the allocation to 'Alternative Trading Strategies' which includes Private Equity, Infrastructure and Private Debt

No Statement of Investment Principles ('SIP') prepared in accordance with Regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 has been produced.

### Core financial transactions

The processing of core financial transactions is undertaken by the administrators, Aviva, which has implemented internal controls procedures that help ensure that such transactions are processed promptly and accurately.

Aviva states that:

*"To help assess the proportion of member transactions that have been completed accurately and within service level agreements, we have collated data based on the most common demands. Please note that this information is only available at platform level, scheme level information is not available at this time"*

Service Level Agreement	Turnaround Time (days)	Monthly Target (as at July 2022)	Monthly Average (over last 12 months)
General enquiries / amendments	5	96.33%	96.03%
Terminate policies / money out	3	90.00%	88.30%
Producing projections, valuations and quotations	3	95.37%	95.36%
Calls answered before being abandoned	N/A	95.00%	92.96%
Complaint handling	40	99.50%	99.89%

Customer experience data:

Measure	Target	Overall Year to Date Score
Transactional net promoter score	No formal target	+47.9
Customer satisfaction	85%	93.2%
Customer ease	85%	90.4%

The Trustees believe that these measures enabled them to monitor the promptness and accuracy of core financial transactions.

The Trustees and members of the Scheme have experienced a number of issues with the Aviva administration, in particular long transfer times, poor online facilities and delayed responses to queries and actions. The Trustees have lost faith with Aviva and these concerns have been raised with them directly.

## Charges and transaction costs

The annual ongoing charges levied by the investment manager and deducted from members' investments are shown in the table below.

In addition to these explicit member charges, members may also incur transaction costs. Transaction costs are defined in regulations as the costs incurred because of buying, selling, lending or borrowing investments and they can have a significant impact on members' fund values.

Transaction costs are typically categorised as explicit costs or implicit costs. Explicit costs are directly observable e.g. taxes such as stamp duty. Implicit costs cannot be observed in the same way but will result in a reduction in the total amount of money invested e.g. buying and selling spreads and market impact and can have a significant impact on net returns.

Due to the methodology used in calculating transaction costs, these costs may be negative, therefore having a positive impact on the fund. The transaction costs incurred as disclosed by Aviva are shown in the table below and are to 30 September 2025.

Aviva Fund	Total Expense Ratio p.a.	Transaction costs p.a.	Total costs p.a.
<b>Default fund</b>			
Managed AP	1.03%	0.05%	1.08%
<b>Self-select funds</b>			
Fixed Interest AP	1.01%	0.09%	1.10%
FLAS With-Profits Sub-Fund AP	0.69%	0.03%	0.72%
Global Distribution AP	1.02%	0.03%	1.05%
Higher Income AP	1.01%	0.29%	1.30%
Retirement Distribution AP	1.02%	0.03%	1.05%

There have been no performance-based fees incurred during the Scheme year, which would be calculated in accordance with Regulation 25(1)(a) of the Administration Regulations 1996.

## Cumulative costs and charges

The Trustees have conducted an analysis of the cumulative impact of the member-borne costs and charges for typical members of the Scheme, which is set out in the Appendix A.

## Net investment returns

The following tables reflects the performance of each fund over varying periods based on investment after charges have been deducted and has considered the statutory guidance when preparing this section of the statement. They have been calculated on a geometric basis, assume a £10,000 investment fund and are to 30 September 2025.

Aviva Fund	1 year	5 years p.a.	10 years p.a.
<b>Default fund</b>			
Managed AP	12.3%	7.5%	6.9%
<b>Fixed Interest AP</b>			
Fixed Interest AP	2.8%	-3.8%	0.2%
<b>FLAS With-Profits Sub-Fund AP</b>			
FLAS With-Profits Sub-Fund AP	5.8%	3.0%	4.6%
<b>Global Distribution AP</b>			
Global Distribution AP	9.9%	4.9%	4.9%
<b>Higher Income AP</b>			
Higher Income AP	14.2%	10.9%	6.5%
<b>Retirement Distribution AP</b>			
Retirement Distribution AP	10.0%	4.9%	4.4%

Performance is not available from Aviva over a 3-year period.

There are no guarantees applicable to the FLAS With-Profits Sub-Fund AP.

## Value for members

Under the Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021, trustees of 'specified schemes' providing DC benefits are required to carry out an assessment of their scheme's value for members.

Following the Department for Work & Pensions ('DWP') guidance, an assessment of value for members has been carried out for the Scheme which considered the following aspects.

- Costs and charges
- Net investment performance
- Governance and administration

As part of the assessment the costs and charges and net investment performance were benchmarked against three large modern alternative pension arrangements.

Looking at the charges levied for members, all funds are significantly higher than those available from the comparator providers.

The default and self-select funds have all generally underperformed the comparator arrangements.

Aviva provide the administration, communication and investment management services on behalf of the Trustees. The Trustees remain responsible for the governance and monitoring of these.

Given the information collated for the governance and administration assessment areas, the Trustees believe that the Scheme does not meet all the minimum standards in these areas.

Overall, the Trustees have concluded that the Scheme does not meet the requirements to provide value to members.

The Trustees acknowledge this and first outlined their intention to wind up the Scheme in 2024. The Trustees have been exploring the options available to secure the assets of the Scheme, however have experienced some delays in completing this work. The Trustees are now in a position where this work can progress and should a wind up of the Scheme proceed, the Trustees will write to each member individually to set out the full details of what this means.

### Trustee knowledge & understanding

In accordance with Section 248 of the Pensions Act 2004, the Trustees are required to maintain sufficient knowledge and understanding to fulfil their duties.

The Trustees have received relevant training and general updates when appropriate.

The Trustees hold copies of the Trust Deed & Rules and review the provisions as queries arise.

The Trustees have appointed independent professional advisers to provide support in complying with governance standards.

The Trustees have sufficient knowledge and understanding of the law relating to pensions and trusts, as well as sufficient knowledge and understanding of the relevant principles relating to the funding and investment of occupational schemes.

Overall, the Trustees' combined knowledge and understanding, together with available advice, enables them to properly exercise their functions.



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Stan Chapman

Chair of the Trustees

Date: 30 April 2026

## Appendix A

The Trustees have taken account of the statutory guidance when preparing these illustrations. The assumptions used to calculate the cumulative pension costs are based on actual scheme information and are as set out under the tables.

Projected pension pot in today's money						
Fund Years	Aviva Managed AP (default fund)		Aviva Higher Income AP (highest cost self-select fund)		FLAS With-Profits Sub-Fund AP (lowest cost self-select fund)	
	Before charges	After all costs and charges	Before charges	After all costs and charges	Before charges	After all costs and charges
1	£29,827	£29,514	£30,011	£29,634	£29,653	£29,444
3	£31,553	£30,569	£32,140	£30,944	£31,004	£30,353
5	£33,378	£31,662	£34,420	£32,311	£32,416	£31,291
10	£38,417	£34,569	£40,852	£36,001	£36,234	£33,762
15	£44,217	£37,742	£48,487	£40,112	£40,502	£36,429
20	£50,892	£41,206	£57,548	£44,692	£45,272	£39,306
25	£58,576	£44,989	£68,303	£49,795	£50,605	£42,410
30	£67,419	£49,119	£81,067	£55,480	£56,566	£45,760
33	£73,353	£51,776	£89,844	£59,199	£60,474	£47,896

### Assumptions:

1. Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation
2. The starting pot size is assumed to be £29,000
3. The illustration is based on the youngest member who has 33 years to go until their retirement at age 65. The member has a current fund value of £29,000 and no future contributions are assumed.
4. Inflation is assumed to be 2.5% each year
5. Values shown are estimates and are not guaranteed
6. The projected growth rate for each fund is as follows:

Aviva Managed AP Fund	2.85% above inflation
Aviva Higher Income AP Fund	3.49% above inflation
Aviva FLAS With-Profits Sub-Fund AP	2.25% above inflation