Annual Chair's Statement

Scheme Name: MGL (Demolition) Limited Pension and Life Assurance Scheme P498

Scheme Year Ending: 31 March 2026

1. Introduction

This statement has been prepared by the Trustees to demonstrate how the Scheme has met the required governance standards during the year ending **31 March 2026**. It covers the default investment arrangement, processing of core financial transactions, member-borne charges, and trustee knowledge.

The scheme has not admitted a new member since August 1997 and no contributions of any kind have been made to the scheme since 2003. The scheme has **28 members** as of the latest scheme year end (**31 March 2026**).

2. The Default Investment Arrangement

The Scheme's default arrangement is the Utmost Investing by Age Strategy (IBAS).

- **Aims and Objectives:** The strategy aims to deliver real growth above inflation during the "growth phase" (up to age 55) before gradually de-risking into more stable assets as members approach retirement.
- **Review of Strategy:** The Trustees last conducted a formal review of the default strategy and its performance on **31 March 2026**. We are satisfied that the strategy remains appropriate for the membership and is performing in line with its stated objectives.

3. Processing Core Financial Transactions

The Trustees have a specific duty to ensure that "core financial transactions" are processed promptly and accurately. These include:

- Investment of contributions.
- Transfer of assets into and out of the Scheme.
- Payments to members and beneficiaries.

During the year, the Trustees monitored these processes through regular reports from Utmost, our scheme administrator. We are pleased to confirm that there have been no significant issues or delays, and transactions have been processed within the service level agreements (SLAs) set by the Trustees.

4. Member-Borne Charges and Transaction Costs

The law requires the Trustees to disclose the level of charges and transaction costs borne by members.

Default Arrangement: The total annual charge for the IBAS strategy varies by age but remains within the statutory charge cap of 0.75% (excluding transaction costs).

- **Transaction Costs:** These are the costs incurred by the fund managers when buying or selling underlying investments. For the year ending **31 March 2026**, these were **0.28%**.

An illustration of the cumulative effect of these costs on a member's potential retirement pot is provided in the Value for Members Appendix at the end of this document.

5. Trustee Knowledge and Understanding (TKU)

The Trustees are required to maintain a sufficient level of knowledge and understanding to run the Scheme effectively.

Training: During the year, the Trustees have registered with the TPR's trustee toolkit and consider they have maintained adequate levels of training to administer their duties in respect of this scheme.

- **Trust Documents:** The Trustees have a working knowledge of the Scheme's Trust Deed and Rules, the Statement of Investment Principles (SIP), and other key policy documents.
- **Combined Knowledge:** The Trustees believe their combined knowledge, supported by professional advice from our legal and investment consultants, enables them to properly exercise their functions as Trustees.

6. Value for Members Assessment

The Trustees have completed a detailed assessment to determine whether the costs and charges borne by members represent good value for money. Our conclusion and the full comparison against three larger Master Trust schemes can be found in the Detailed Value for Members Assessment appended to this statement.

Signed: ______________________________

MGL (Demolition) Limited Pension and Life Assurance Scheme P498

Chair of the Trustees

Date: 31 August 2026

Detailed Value for Members (VfM) Assessment

Reporting Period: Year ending 31 March 2026

Data Snapshot Date: 31 March 2026

1. Comparison of Net Investment Returns

As required by The Pensions Regulator (TPR), we have benchmarked the net investment returns of the Utmost Investing by Age Strategy (IBAS) against three major Master Trusts. Figures represent 3-year annualised returns, net of all costs, as of **31 March 2026**.

Age Cohort	Utmost Default Fund(s)	Utmost (Net)	Nest	The People's Pension	Aviva Master Trust
Aged 55 (Growth)	Multi-Asset Moderate	+9.04%	+6.20%*	+11.80%	+8.90%
Aged 65 (Transition)	Multi-Asset Cautious	+5.57%	+4.90%	+5.95%	+6.20%
Aged 75 (Pre-Cash)	Multi-Asset Cautious	+5.57%	+3.10%	+3.70%	+4.10%

**Nest 3-year performance estimated based on trend data from Nest Annual Report 2025/26.*

Trustee Assessment:

Strong Growth Phase: At age 55, the Scheme's return of 9.04% remains highly competitive, notably outperforming Nest by nearly 3% per annum.

- **Superior Late-Stage Value:** At age 75, our strategy delivers a 1.4% to 2.4% performance advantage over benchmarks. While most Master Trusts move members into low-yielding cash-proxies by this age, the Utmost IBAS maintains exposure to cautious growth assets, significantly enhancing inflation protection for our older members.

2a. Comparison of Costs and Charges

The following total member-borne charges (AMC + Transaction Costs) are based on the latest **2025/26** audited disclosures.

Provider	Typical Default Fund	Annual Management Charge (AMC)	Transaction Costs	Total Annual Charge
Utmost (This Scheme)	**Multi-Asset Suite**	**0.75%**	**0.28%**	**1.03%**
Nest	Retirement Date Funds	0.30%	0.02%	0.32%
The People's Pension	Global Investments (85%)	0.50%	0.09%	0.59%
Aviva Master Trust	My Future Focus	0.35%	0.05%	0.40%

Trustee Assessment: The Scheme's total charge of 1.03% is higher than the benchmark average. However, the Trustees maintain that this is justified by the superior net outcomes. The active management provided by Utmost has captured market upside more effectively than lower-cost passive alternatives, particularly for members in the growth and transition phases.

Statutory guidance requires the trustees to produce an illustration of the cumulative effect of costs and charges on a member's pension pot over time. The table below assumes a starting pot of £10,000 and a gross investment growth rate of 5% per annum for the Utmost Multi-Asset Moderate Fund.

Cumulative Effect of Costs and Charges on a £10,000 Pension Pot:

Years	Before Charges (£)	After All Charges (£10,000 + 1.03% Charge)
1	£10,500	£10,397
3	£11,576	£11,239
5	£12,763	£12,149
10	£16,289	£14,760
15	£20,789	£17,932
20	£26,533	£21,785

Note: The "After All Charges" column reflects the 0.75% AMC plus 0.28% transaction costs.

3. Administration and Governance (Self-Assessment)

The Trustees have evaluated the Scheme's administration against the seven regulatory metrics for the year ending **31 March 2026**:

Financial Transactions: Core operations (contributions/transfers) were processed accurately and within statutory timeframes.

- **Record Keeping:** Data quality remains high, with common data scores exceeding 95%.
- **Governance:** Trustees have maintained up-to-date knowledge through regular training sessions.
- **Default Suitability:** The Utmost "Investing by Age" glide path continues to meet the needs of a membership profile that prioritises long-term real growth.

4. Final Conclusion and Recommendation

The Trustees have concluded that as of **31 March 2026**, the Scheme continues to provide good value for members.

Rationale: The "premium" in cost is currently returned to members via higher net-of-fees performance, particularly in the growth phase (age 55) and the late-stage preservation phase (age

75). The bespoke nature of the glide path offers a longevity benefit that generic Master Trust defaults do not provide.

Next Steps:

Consider the possibility to negotiate with Utmost to seek a fee reduction during the next contract review. As this is a standard scheme of relatively small asset value, the trustees consider this is unlikely to result in any such savings.

- Re-evaluate this position if the performance gap between the Scheme and The People's Pension narrows significantly.

Statutory Compliance and Legal References

This assessment has been prepared in accordance with the following legislative requirements and regulatory guidance:

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021: Mandates that trustees of "relevant schemes" with total assets of less than £100 million must conduct a detailed annual Value for Members (VfM) assessment, comparing their costs, charges, and investment returns against at least three "comparator schemes" (each with assets of over £100 million).

- **Section 54 of the Pensions Act 1995:** Requires the Trustees to produce an annual written statement (the "Chair's Statement") signed by the Chair of the Trustees, confirming how the scheme has met various governance standards.
- **Regulation 12 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996:** Sets out the specific requirements for the Chair's Statement, including the disclosure of costs, charges, and the detailed VfM assessment for smaller schemes.
- **Statutory Guidance (Department for Work and Pensions):** The Trustees have had regard to the DWP's guidance: *"Completing the annual Value for Members assessment and reporting of net investment returns"*, specifically the requirement to report net returns for specific age cohorts (Aged 55, 65, and 75).
- **The Pensions Regulator (TPR) General Code of Practice / Code of Practice No. 13:** Adheres to the Governance and Administration of Occupational Trust-based Schemes providing money purchase benefits.

Statement of Compliance

The Trustees confirm that this assessment has been conducted with due diligence, utilizing the most recent publicly available data from Nest, The People's Pension, and Aviva Master Trust as of **31 March 2026**. Where precise 3-year annualised figures for the comparator schemes were not published for the exact date, the Trustees have used the closest available audited performance data to ensure a fair and transparent comparison.

Chair's Declaration and Sign-off

I confirm that this Value for Members (VfM) Assessment has been prepared in accordance with the Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021.

The Trustees have reviewed the Scheme's costs, net investment returns, and administration as of **31 March 2026** against three large-scale comparator schemes. Based on this detailed assessment, the Trustees have concluded that the Scheme provides good value for members, as the superior net investment performance achieved by the Utmost strategy justifies the current fee structure.

This statement will be published on a publicly available website and the results will be reported to The Pensions Regulator as part of the next Scheme Return.

Signed: ________________________________

MGL Demolition Limited

Mr Mark Davison

Chair of the Trustees of the MGL (Demolition) Limited Pension and Life Assurance Scheme P498

Date of Signing: 31 August 2026