Tussauds Group (UK) Pension Plan – Defined Contribution (“DC”) Section
Chair’s Annual Statement – 31 December 2025

Introduction

This statement is produced pursuant to Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996, as amended by subsequent legislation. It explains how the Tussauds Group (UK) Pension Plan (“the Plan”) is meeting the governance standards that apply to occupational pension schemes that provide money purchase benefits (i.e. those provided in the DC Section of the Plan). It covers the period to the Plan year end, 31 December 2025.

The DC Section of the Plan is subject to a Guaranteed Minimum Pension (“GMP”) underpin. This means that, where an individual’s accumulated pot is not sufficient to secure the GMP benefits at retirement, a top up is paid from other Plan assets.

Funds under management

The following table details the investments held by the DC Section, as of 31 December 2025:

Legal & General Investment Management (“LGIM”) Fund	Fund code	Value
Cash	H	£881,404
Future World Global Equity Index – GBP Hedged	GPFC	£4,149,266
Future World Global Equity Index	GPER	£3,364,808
Over 15 Year Gilts Index	AM	£4,748,752
Total		**£13,144,229***

*Values may not total due to rounding

The Trustee also made available a facility for members to pay in additional voluntary contributions (“AVCs”) to boost Defined Benefit section benefits. Contributions are invested with Utmost Life & Pensions (“Utmost”). There are no longer any AVCs held with LGIM, as all members have either transferred out or taken their benefits.

The following table details the investments held in the AVC Section with Utmost:

Utmost Fund	Value
Multi-Asset Moderate	£11,747
Multi-Asset Cautious	£14,161
Managed	£2,589
UK FTSE All Share Tracker	£9,399
Total	**£37,895**

*Values may not total due to rounding

Default arrangement

Members of the Plan who have not made an explicit choice regarding the investment of their funds are invested in the default strategy arrangement chosen by the Trustee with the advice of their investment consultant. There are no remaining active members in the Plan and therefore no ongoing contributions into the Plan.

It should be noted that as the Plan was contracted out, a GMP underpin applies to the DC members. As a result, the Trustee is mindful of this underpin in setting suitable investment options. Under current market conditions, this underpin exceeds the DC fund for some members and, as such, the liability for their benefits is effectively defined benefit in nature.

The lifestyle strategy for the default is shown below:

Years to retirement	Proportion invested in LGIM fund			
	Future World Global Equity Index	Future World Global Equity Index – GBP hedged	Over 15 Year Gilt Index	Cash
5+	25%	25%	37.5%	12.5%
4	20%	20%	45%	15%
3	15%	15%	52.5%	17.5%
2	10%	10%	60%	20%
1	5%	5%	67.5%	22.5%
0	0%	0%	75%	25%

*Totals may not equal 100% due to rounding

The default investment arrangement was last reviewed in 2023 which resulted in significant changes to the lifestyle strategy. Allocations to the Over 15 Year Gilts Index and Cash funds were introduced during the growth phase, and the de-risking period was shortened to 5 years. There were no changes made to the strategy in the final 5 years to retirement.

This strategy is tailored towards members who will withdraw their 25% tax-free lump sum and purchase an annuity with the remainder of their savings.

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

Asset Allocation on 31 December 2025	% Allocation for an average 25-year-old	% allocation for an average 45-year-old	% allocation for an average 55-year-old	% allocation for an average person, 1 day before State Pension Age
Cash	5%	5%	5%	9%
Bonds	46%	46%	46%	91%
Listed Equity	49%	49%	49%	0.0%
Private Equity	0.0%	0.0%	0.0%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property	0.0%	0.0%	0.0%	0.0%
Private Debt	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%

The default arrangement is described in further detail in the Plan's DC Strategy Summary, which was released in February 2024.

The Plan's investment strategy and SIP is normally reviewed at least every three years or as soon as any significant developments in investment policy or member demographics take place. The Trustee has set up processes to publish relevant information on the default arrangement online and notifies members about this in their annual benefit statements. The latest SIP was published in July 2025. A copy of the SIP d can be found at:

https://schemes.vidett.com/wp-content/uploads/Tussauds-SIP-2025-07-.pdf

Costs and transaction charges

The law requires the Trustee to disclose the charges and transactions costs borne by DC Section members and to assess the extent to which those charges and costs represent good value for money for members.

These transaction costs are not limited to the ongoing charges on member funds but should also include trading costs incurred within such funds. We have taken account of statutory guidance when preparing this section of the report.

Within the default investment arrangement there have been no performance-based fees incurred during the Plan year, which would be calculated in accordance with Regulation 25(1)(a) of the Administration Regulations 1996.

Details of the Total Expense Ratios (TERs) payable for each underlying fund as well as the transaction costs within the default arrangement are as follows:

LGIM Funds – DC Section	Fund code	TER	Transaction Costs	Total Cost
Cash	H	0.13%	0.14%	0.27%
Future World Global Equity Index – GBP Hedged	GPFC	0.25%	0.04%	0.29%
Future World Global Equity Index	GPER	0.23%	0.03%	0.26%
Over 15 Year Gilts Index	AM	0.10%	0.06%	0.16%

The default investment option is a lifestyle strategy, which means the charges and transaction costs vary over time. The charges for the default are shown in the table below.

Years to retirement	TER	Transaction Costs	Total Cost
5+	0.17%	0.06%	0.23%
4	0.16%	0.06%	0.22%
3	0.15%	0.07%	0.22%
2	0.13%	0.07%	0.20%
1	0.12%	0.08%	0.20%
0	0.11%	0.08%	0.19%

The available funds, together with the associated fees, for those AVCs held with Utmost are shown below are:

Utmost Funds - AVC	AMC	Transaction Costs	Total Cost
Multi-Asset Moderate	0.75%	0.19%	0.94%
Multi-Asset Cautious	0.75%	0.23%	0.98%
Managed	0.75%	0.16%	0.91%
UK FTSE All Share	0.50%	0.10%	0.60%

Net investment returns

The following tables reflect the performance of each fund over varying periods based on investment returns after charges have been deducted and have taken account the statutory guidance when preparing this section of the statement. They have been calculated on a geometric basis and assume a £10,000 investment fund.

Annualised returns to 31 December 2025						
LGIM Funds – DC Section	1 year	3 years	5 years	10 years	15 years	20 years
Cash	4.3%	4.7%	3.0%	1.6%	1.2%	1.7%
Future World Global Equity Index *	14.7%	17.1%	n/a	n/a	n/a	n/a
Future World Global Equity Index – GBP Hedged *	20.5%	20.9%	n/a	n/a	n/a	n/a
Over 15y Gilts Index	3.6%	-2.1%	-12.2%	-2.1%	1.5%	2.1%

* Performance since fund inception.

The default investment option is a lifestyle strategy, which means performance returns will differ for members at different ages. The table below shows age-related returns at ages 25, 45 and 55, based on a member with a target retirement age of 65.

As the lifestyle strategy de-risks in the final 5 years to retirement, the investment returns for a 25-, 45- and 55-year-old are the same.

Age Related Returns (%)				
Age	1 year	3 years	5 years	10 years
25	10.7%	9.3%	n/a	n/a
45	10.7%	9.3%	n/a	n/a
55	10.7%	9.3%	n/a	n/a

The fund performance has been manually calculated using the underlying investment funds of the bespoke default strategy. The default was launched in 2023 and therefore performance information is limited to 3 years.

Annualised returns as of 31 December 2025			
Utmost Funds - AVC	1 year	3 years	5 years
Multi-Asset Moderate	14.6%	11.4%	6.6%
Multi-Asset Cautious	9.9%	7.3%	2.3%
Managed	17.6%	11.2%	7.9%
UK FTSE All Share	23.2%	12.8%	11.0%

The Trustee wishes to ensure that the investments provide good value for members. Periodic reviews are undertaken to ensure the investments (net of fees) continue to deliver appropriate returns in accordance with the Plan's investment objectives. The Trustee is satisfied that the investment performance (net of fees) remains in line with the stated objectives for the funds. However as noted below, the comparable performance has been less positive.

Cumulative costs and charges

The Trustee has conducted an analysis of the cumulative impact of the member-borne costs and charges within the various investment funds for typical members of the DC Section of the Plan, which is set out in the Appendix.

Core financial transactions

The Trustee has a specific duty to ensure that core financial transactions relating to the DC section are processed promptly and accurately. These include transfer of member assets into and out of the Plan, transfers between different investments within the Plan and payments to and in respect of members.

These transactions are undertaken on the Trustee's behalf by the Plan administrator, Aptia and its investment manager, LGIM. The Trustee periodically reviews the processes and controls implemented by those organisations and consider them to be suitably designed to achieve these objectives. The Trustee has a service level agreement (SLA) in place with the Plan administrator which covers the accuracy and timeliness of all core transactions and receives regular reports to monitor the performance against those service levels. The processes adopted by the Plan administrator to help meet the SLA include dynamics checklists, a central financial control team separate to the admin team, peer checking and authorisation of payments, daily monitoring of bank accounts, daily checking and reconciliation of member unit holdings and checking of investment and banking transactions.

The Trustee monitors the service levels as part of the regular administration report. Service levels are reported on a quarterly basis; however, this covers both defined benefit (DB) and DC tasks. The administration performance during 2025 is shown below:

Time Period	% of tasks completed within SLA
Q1	96.8%
Q2	95.0%
Q3	96.1%
Q4	97.5%

The Trustee will also perform periodic assessments of methods and efficiency of the Plan's administrators and will challenge them in terms of efficiency using available facilities including technological functionality.

Trustee knowledge and understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of Plan assets and other matters to enable them to exercise their functions as the Trustee properly. The Trustee Directors are mindful of developing the required level of knowledge and understanding under the Pensions Act 2004.

The Trustee Directors have put in place arrangements for ensuring that they take personal responsibility for keeping themselves up to date with relevant developments and carry out a self-assessment of training needs to help identify any knowledge gaps. The Secretary to the Trustee Directors reviews the self-assessments and arranges for training to be made available to individual Trustee Directors or to the Trustee body as appropriate. The legal adviser provides current issue updates at every Trustee meeting.

The Trustee Directors are made aware of and encouraged to complete the Pension Regulator's Trustee Toolkit after taking up office. All the Trustee Directors are also required to familiarise themselves with the Plan's trust deed, rules and Statement of Investment Principles. The Trustee Board also includes an experienced professional independent trustee who has familiarised themselves with these relevant documents to ensure they have adequate knowledge of the Plan.

In addition, the Trustee Directors receive advice from professional advisers, and the relevant skills and experience of those advisers is a key criterion when evaluating adviser performance or selecting new advisers. Investment training relating to the updated investment strategy took place during the Plan year.

The Trustee Directors believe that knowledge and understanding should also be extended to awareness of member demographics and member behaviour otherwise trustees cannot be certain that a plan remains fit for purpose.

The Trustee Directors are comfortable that they have demonstrated sufficient knowledge of the law relating to pension schemes and trusts and the principles relating to the funding and investment of pension schemes. I am also satisfied that the Trustee Directors have demonstrated a working knowledge of the Plan's trust deed and rules, Statement of Investment Principles and all other documents setting out the Trustee's current policies.

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 DC Section and AVCs which considered the following aspects

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

Looking at the costs and charges, the DC Section charges offer good value against comparator Plans.

The default strategy has underperformed against the comparators over a 1- and 3-year period. This will be considered in more detail during the formal investment review which is due in 2026.

The performance of the underlying funds within the strategy has been generally positive however, in the case of the Over 15 Year Gilts Index Fund, a close comparison of relative performance is not possible given the comparator fund ranges.

Finally, whilst there are a number of areas within the governance and administration assessment that have been met, there are some where there is room for improvement to meet TPR's minimum standards including reviewing data quality, obtaining Plan specific administration performance and communication with members, including online access. These issues were also noted in last year's Chair's Statement.

Overall, the assessment concludes that the DC Section does not meet the full requirements laid down by the DWP.

Given the underlying restrictions surrounding GMP benefits, it would be very difficult to find a DC provider to take the benefits in their current form. However, a feasibility study to consider whether the GMP and DC benefits can be split has already taken place and the Plan is expected to wind up now as a result.

In the meantime, the Trustee will look to make improvements to the Plan where possible and address the concerns raised.

The Chair's statement regarding DC governance was approved by the Trustee Directors and signed on their behalf by:

Curtis Mitchell

Chair of the Trustee

Date: 29 July 2026

Appendix – Cumulative impact of costs and charges

The Trustee has taken account of the statutory guidance when preparing these illustrations.

For the DC Section, members can also invest in the underlying funds of the default as self-select funds.

The assumptions used to calculate the cumulative pension costs are based on actual plan information and are as set out below:

LGIM DC Section

Projected pension pot in today's money						
	DC Section – LGIM Default strategy		LGIM Over 15 Year Gilts Index (lowest cost fund)		LGIM Future World Global Equity Index - GBP Hedged (highest cost fund)	
Years	Before charges	After all costs and charges	Before charges	After all costs and charges	Before charges	After all costs and charges
1	£30,441	£30,372	£29,850	£29,800	£31,026	£30,936
3	£31,343	£31,130	£29,552	£29,403	£33,184	£32,897
5	£32,271	£31,907	£29,257	£29,011	£35,493	£34,981
10	£34,713	£33,936	£28,533	£28,055	£41,992	£40,790
15	£37,341	£36,094	£27,827	£27,131	£49,681	£47,563
20	£40,167	£38,389	£27,138	£26,236	£58,778	£55,460
25	£41,553	£39,304	£26,467	£25,372	£69,540	£64,669

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 average starting pot size is assumed to be £30,000
3. Inflation is assumed to be 2.5% each year
4. No future contributions are assumed.
5. Values shown are estimates and are not guaranteed

The projected growth rate for the underlying funds in the default strategy, as well as the highest and lowest cost self-select funds are as follows:

LGIM Over 15y Gilts Index	0.50%	below inflation
LGIM Cash	0.50%	below inflation
LGIM Future World Global Equity Index	3.46%	above inflation
LGIM Future World Global Equity Index - GBP Hedged	3.42%	above inflation

Utmost AVC

Projected pension pot in today's money				
	Utmost UK FTSE All Share (lowest cost fund)		Utmost Multi Asset Cautious (highest cost fund)	
Years	Before charges	After all costs and charges	Before charges	After all costs and charges
1	£5,174	£5,145	£5,096	£5,045
3	£5,541	£5,449	£5,293	£5,136
5	£5,934	£5,770	£5,498	£5,228
10	£7,043	£6,658	£6,046	£5,467
12	£7,543	£7,051	£6,280	£5,566

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 average starting pot size is assumed to be £5,000
3. Inflation is assumed to be 2.5% each year
4. No future contributions are assumed
5. Values shown are estimates and are not guaranteed
6. The projected growth rate for each fund is as follows:

Utmost Multi Asset Cautious	1.92% above inflation
Utmost UK FTSE All Share	3.49% above inflation