

Kwik-Fit Group Pension and Life Assurance Scheme (the Scheme)

Money Purchase Section

Chair's Statement for the Year Ending 30 June 2025

Introduction

This Statement has been prepared by the Trustees of the Kwik-Fit Group Pension and Life Assurance Scheme ("the Scheme") in accordance with regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations ("the Regulations") 1996. It explains how the Trustees have met their obligations in relation to the management of the Scheme over the period 1 July 2024 to 30 June 2025 ("the Scheme Year").

In line with the Occupational Pension Schemes (Administration, Investment, Charges and Governance Amendment) Regulations 2021 ("the 2021 Regulations"), the Trustees have assessed the extent to which they believe the Scheme provides Value for Members.

It should be noted that up until 30 June 2006 all contributions were invested with Phoenix Life in a with-profits deferred annuity contract. Contributions at this point were frozen and any incremental premiums resulting from increases in Pensionable Salary have been invested with Aviva.

The charges applied by Phoenix Life and Aviva cover both the administration and investment services provided to members.

A copy of the Scheme's latest Statement of Investment Principles (dated September 2024) is attached at the end of this statement.

DC Review

During the 2023/24 Scheme year, the Trustees considered the future of the Money Purchase Section and the options available including the possibility of securing relevant DC benefits outside of the Scheme in an alternative arrangement (the DC Review). The Trustees were aware that other arrangements in the wider DC market might offer members better value than could be provided under the Scheme.

The DC Review has continued into the 2024/25 Scheme year and the Trustees are currently exploring the option of an alternative DC delivery vehicle as well as alternative governance models. It is anticipated that the DC Review will be concluded during the 2025/26 Scheme year.

Default Arrangement

There is only one investment choice with Phoenix Life, namely the with-profits deferred annuity contract.

The default investment with Aviva is a "lifestyle" arrangement. The default arrangement invests in Aviva's My Future investment programme. This initially invests in the Aviva My Future Growth Fund. In the 15-year period leading up to a member's selected retirement age, the lifestyle strategy switches investments on a monthly basis into lower risk investments held in the Aviva My Future Consolidation Fund. This fund aims to provide a broad 'base' for members to reflect the pension freedoms.

The Aviva default strategy was last reviewed in 2024 at a Trustee meeting on 29 January. Whilst the Trustees were comfortable with the existing default strategy, the review highlighted that the Trustees may wish to consider the My Future Focus strategy, which takes a higher level of risk. However, due to the ongoing DC Review, the Trustees have decided to defer any changes to the default investment strategy until the DC Review has been concluded.

Post Scheme year end Aviva are making a number of changes to the default investment strategy in order to improve the current offering, which will be reflected in the 2025/26 Chair Statement.

During the scheme year, the My Future Focus Long Term Growth Fund was launched and added to the self-select range.

Net Investment Returns

The Occupational Pension Schemes (Administration, Investment, Charges and Governance Amendment) Regulations 2021 introduces new disclosure requirements for Trustees of DC pension schemes. From 1 October 2021, the Trustees are required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges. The Trustees calculated the return on investments, as far as they were able to do so.

Below are the annualised net investment returns to 30 June 2025 for all arrangements where lifestyling takes place:

Kwik-Fit ("the Scheme")	Annualised returns	
	1 Year (%)	5 Years (% p.a.)
Age of member at start of reporting period		
Default Lifestyle – age 25	6.5	9.3
Default Lifestyle – age 45	6.5	9.3
Default Lifestyle – age 55	5.9	4.7
Alternative Lifestyle (Annuity) - age 25	6.5	9.3
Alternative Lifestyle (Annuity) - age 45	6.5	9.3
Alternative Lifestyle (Annuity) - age 55	5.6	2.4
Alternative Lifestyle (Drawdown) - age 25	6.5	9.3
Alternative Lifestyle (Drawdown) - age 45	6.5	9.3
Alternative Lifestyle (Drawdown) - age 55	6.2	7.0
Alternative Lifestyle (Cash Lump Sum) - age 25	6.5	9.3
Alternative Lifestyle (Cash Lump Sum) - age 45	6.5	9.3
Alternative Lifestyle (Cash Lump Sum) - age 55	5.6	2.4

Below are the annualised net investment returns to 30 June 2025 for all funds where no lifestyling takes place:

Manager	Fund	1 Year (%)	5 Years (% p.a.)
Phoenix Life Limited	Scottish Mutual With-Profits Fund*	n/a	n/a
Aviva	abrdn Diversified Growth and Income	8.3	-0.6

Aviva	Artemis Strategic Bond	7.6	1.7
Aviva	Artemis UK Special Situations	17.4	12.9
Aviva	Baillie Gifford American	21.6	4.8
Aviva	Baillie Gifford International	5.0	6.1
Aviva	Baillie Gifford Japanese	4.5	2.1
Aviva	Baillie Gifford Managed	7.4	3.0
Aviva	Baillie Gifford UK Equity Core	10.9	7.0
Aviva	Balanced Multi Asset Fund	5.1	5.6
Aviva	BlackRock (30:70) Currency Hedged Global Equity Index Tracker	11.0	12.1
Aviva	BlackRock (40:60) Global Equity Index Tracker	7.6	11.4
Aviva	BlackRock (50:50) Global Equity Index Tracker	7.9	10.0
Aviva	BlackRock (60:40) Global Equity Index Tracker	8.2	10.1
Aviva	BlackRock Consensus	6.1	6.4
Aviva	BlackRock DC Diversified Growth	8.0	4.7
Aviva	BlackRock Emerging Markets Index Tracker	6.3	3.5
Aviva	BlackRock European Equity Index Tracker	8.5	9.2
Aviva	BlackRock Japanese Equity Index Tracker	6.0	6.3
Aviva	BlackRock Over 15 Year Corporate Bond Index Tracker	-0.6	-7.6
Aviva	BlackRock Over 15 Year Gilt Index Tracker	-4.9	-13.5
Aviva	BlackRock Over 5 Year Index-Linked Gilt Index Tracker	-7.5	-11.2
Aviva	BlackRock Overseas Bond Index Tracker	-1.2	-5.4
Aviva	BlackRock Pacific Rim Equity Index Tracker	4.3	5.5
Aviva	BlackRock UK Equity Index Tracker	9.8	10.0
Aviva	BlackRock UK Equity	7.5	9.2
Aviva	BlackRock UK Smaller Companies	-4.3	2.7
Aviva	BlackRock UK Special Situations	1.0	4.7
Aviva	BlackRock US Equity Index Tracker	5.3	13.9
Aviva	BlackRock World ex UK Equity Index Tracker	6.0	12.1
Aviva	BNY Mellon Global Equity	6.7	11.1
Aviva	BNY Mellon Long-Term Global Equity	-2.3	7.6
Aviva	BNY Mellon Multi-Asset Balanced	6.5	8.7
Aviva	BNY Mellon Real Return	6.2	3.5
Aviva	BNY Mellon UK Equity	16.5	8.3
Aviva	BNY Mellon UK Income	15.9	13.5
Aviva	Cash	4.3	2.1
Aviva	Cautious Managed	3.8	3.4
Aviva	Cautious Multi Asset Fund	3.8	3.4

Aviva	CT European Select	0.7	6.7
Aviva	CT Global Equity Income	2.8	9.0
Aviva	CT UK Equity Income	11.4	11.0
Aviva	CT UK Social Bond	5.5	0.3
Aviva	European	1.5	5.9
Aviva	Fixed Interest	2.7	-3.8
Aviva	Global Equity	5.1	13.3
Aviva	HSBC Islamic Global Equity Index	0.4	12.7
Aviva	Index-Linked	-5.9	-9.3
Aviva	Invesco Corporate Bond	4.6	0.5
Aviva	JPM Emerging Markets	4.5	1.1
Aviva	JPM Natural Resources	-2.3	11.8
Aviva	Lazard Multicap UK Income	7.9	10.1
Aviva	Legal & General (PMC) FTSE4Good UK Equity Index	8.8	9.7
Aviva	Legal & General (PMC) Future World Annuity Aware	0.4	-6.6
Aviva	Legal & General (PMC) Global Real Estate Equity Index	3.4	3.2
Aviva	Managed	5.1	5.6
Aviva	Multi-Asset Growth Fund	5.1	5.6
Aviva	Multi-Asset Index Cautious fund	5.5	5.8
Aviva	Multi-Asset Index Growth fund	6.4	9.3
Aviva	My Future Annuity	0.3	-6.6
Aviva	My Future Cash Lump Sum (Pre-2025)	5.2	1.0
Aviva	My Future Consolidation (Pre-2025)	4.7	2.4
Aviva	My Future Drawdown (Pre-2025)	5.5	5.9
Aviva	My Future Focus Annuity	0.3	-6.7
Aviva	My Future Focus Cash Lump Sum	4.8	0.7
Aviva	My Future Focus Consolidation (Pre-2024)	5.6	1.7
Aviva	My Future Focus Drawdown	6.0	3.4
Aviva	My Future Focus Growth	6.0	6.6
Aviva	My Future Focus Long Term Growth**	6.9	n/a
Aviva	My Future Growth (Pre-2025)	6.5	9.3
Aviva	Ninety One Global Income Opportunities	8.1	3.1
Aviva	North American	4.0	15.4
Aviva	Pacific Basin	6.7	4.8
Aviva	Pre-Retirement Fixed Interest	0.1	-6.6
Aviva	Property	6.5	2.7
Aviva	Schroder Diversified Growth	4.6	3.4

Aviva	Schroder Tokyo	3.3	6.4
Aviva	Stewart Investors Asia Pacific Leaders Sustainability	-7.2	4.4
Aviva	Sustainable Stewardship International Equity	-1.0	7.6
Aviva	Sustainable Stewardship Managed	0.8	5.1
Aviva	Sustainable Stewardship UK Equity	8.7	7.7
Aviva	Sustainable Stewardship UK Equity Income	9.4	7.9
Aviva	UK Equity	10.7	11.1
Aviva	UK Smaller Companies	8.7	7.5

* Data has been requested from Aviva and Phoenix Life but not received. Work is being undertaken to ensure data is available in the future.

** Funds added during Scheme year.

With regard to the Phoenix Life with-profits deferred annuity contract, the premiums paid purchase a guaranteed annuity at retirement with reference to an underlying rate table. It is possible that the underlying guarantee may be increased through the payment of an annual or terminal bonus. However, Phoenix Life have not paid annual bonuses for many years and the extent to which a terminal bonus is paid is limited.

Financial Transactions

The Trustees monitor the Aviva service levels at each Trustee meeting against the agreed service level agreement. Service levels during the Scheme year have been consistently good. Aviva also issues regular Management Information reports which contain information on service level attainment. Phoenix Life commit to complete administration tasks promptly however, they do not provide reporting on service levels to the Trustees.

The Trustees continue to monitor the payment of contributions to Phoenix Life and Aviva by checking the monthly payroll deductions and annually through the audit process of the Scheme's accounts.

The Trustees' annual Report and Accounts are also independently audited annually by the Scheme's appointed auditor, Chiene and Tait LLP.

Asset Allocation Disclosures

The Trustees are 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 e.g., gold and liquid alternatives)

Within the below table, the Trustees have provided a further breakdown within some of these broader categories.

Asset Class	Strategic asset allocation (%) – as at 30/06/2025			
	25 year old	45 year old	55 year old	1 day prior to State pension age
Cash	0.7	0.7	1.3	3.0
Bonds	21.0	21.0	35.1	73.0
Listed equities	73.3	73.3	58.6	18.7
Private equities	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	1.0	1.0	0.8	0.3
Private debt	0.0	0.0	0.0	0.0
Other	3.9	3.9	4.2	5.1
Total	100.0	100.0	100.0	100.0

Note: Asset allocations based on fund holdings of the default strategy as at 30/06/2025.

Charges and Transaction Costs

From 1 August 2023, the Total Expense Ratio (TER) of the two Aviva funds within the default arrangement is 0.63% per annum. Prior to this date, the member charge had been 0.72% per annum. The TER is below the charge cap of 0.75% for all members within this strategy. There are no performance fees applicable for the default arrangement.

Scheme members can also invest in an extensive range of fund options available on Aviva's platform. The impact of charges and transaction costs are set out in the next section.

Below are the Charges and Transaction Costs to 30 June 2025 for all arrangements where lifestyling takes place:

Age of member at start of reporting period	TER (%)	Average transaction costs (%)	Total costs (%)
Default Lifestyle – age 25	0.63	0.10	0.73
Default Lifestyle – age 45	0.63	0.10	0.73
Default Lifestyle – age 55	0.63	0.07	0.70
Alternative Lifestyle (Annuity) - age 25	0.63	0.10	0.73
Alternative Lifestyle (Annuity) - age 45	0.63	0.10	0.73
Alternative Lifestyle (Annuity) - age 55	0.63	0.06	0.69
Alternative Lifestyle (Drawdown) - age 25	0.63	0.10	0.73

Alternative Lifestyle (Drawdown) - age 45	0.63	0.10	0.73
Alternative Lifestyle (Drawdown) - age 55	0.63	0.09	0.72
Alternative Lifestyle (Cash Lump Sum) - age 25	0.63	0.10	0.73
Alternative Lifestyle (Cash Lump Sum) - age 45	0.63	0.10	0.73
Alternative Lifestyle (Cash Lump Sum) - age 55	0.63	0.06	0.69

Below are the Charges and Transaction Costs to 30 June 2025 for all funds where no lifestyling takes place:

The charges that Phoenix Life apply are implicit within the guaranteed annuity rate tables therefore an analysis of the impact of costs and charges is not feasible.

Manager	Fund	TER (%)	Average transaction costs (%)	Total costs (%)
Phoenix Life Limited	Scottish Mutual With-Profits Fund*	n/a	n/a	n/a
Aviva	abrdn Diversified Growth and Income	1.33	0.17	1.50
Aviva	Artemis Strategic Bond	1.17	0.20	1.37
Aviva	Artemis UK Special Situations	1.39	0.23	1.62
Aviva	Baillie Gifford American	1.10	0.05	1.15
Aviva	Baillie Gifford International	0.86	0.10	0.96
Aviva	Baillie Gifford Japanese	1.12	0.06	1.18
Aviva	Baillie Gifford Managed	0.87	0.17	1.04
Aviva	Baillie Gifford UK Equity Core	0.96	0.05	1.01
Aviva	Balanced Multi Asset Fund	0.63	0.09	0.72
Aviva	BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.63	0.10	0.73
Aviva	BlackRock (40:60) Global Equity Index Tracker	0.63	0.01	0.64
Aviva	BlackRock (50:50) Global Equity Index Tracker	0.63	0.05	0.68
Aviva	BlackRock (60:40) Global Equity Index Tracker	0.63	0.04	0.67
Aviva	BlackRock Consensus	0.63	0.00	0.63
Aviva	BlackRock DC Diversified Growth	1.22	0.37	1.59
Aviva	BlackRock Emerging Markets Index Tracker	0.83	0.06	0.89

Aviva	BlackRock European Equity Index Tracker	0.63	0.06	0.69
Aviva	BlackRock Japanese Equity Index Tracker	0.63	0.07	0.70
Aviva	BlackRock Over 15 Year Corporate Bond Index Tracker	0.63	0.19	0.82
Aviva	BlackRock Over 15 Year Gilt Index Tracker *	n/a	0.00	n/a
Aviva	BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.63	0.03	0.66
Aviva	BlackRock Overseas Bond Index Tracker	0.63	0.02	0.65
Aviva	BlackRock Pacific Rim Equity Index Tracker	0.63	0.13	0.76
Aviva	BlackRock UK Equity	0.85	0.23	1.08
Aviva	BlackRock UK Equity Index Tracker	0.63	0.17	0.80
Aviva	BlackRock UK Smaller Companies	1.54	0.70	2.24
Aviva	BlackRock UK Special Situations	1.54	0.54	2.08
Aviva	BlackRock US Equity Index Tracker	0.63	0.06	0.69
Aviva	BlackRock World ex UK Equity Index Tracker	0.63	0.02	0.65
Aviva	BNY Mellon Global Equity	1.09	0.17	1.26
Aviva	BNY Mellon Long-Term Global Equity	1.32	0.06	1.38
Aviva	BNY Mellon Multi-Asset Balanced	0.94	0.08	1.02
Aviva	BNY Mellon Real Return	1.45	0.13	1.58
Aviva	BNY Mellon UK Equity	0.94	0.16	1.10
Aviva	BNY Mellon UK Income	1.12	0.26	1.38
Aviva	Cash	0.63	0.01	0.64
Aviva	Cautious Managed	0.63	0.04	0.67
Aviva	Cautious Multi Asset Fund	0.63	0.04	0.67
Aviva	CT European Select	1.12	0.18	1.30
Aviva	CT Global Equity Income	1.31	0.08	1.39
Aviva	CT UK Equity Income	1.14	0.19	1.33
Aviva	CT UK Social Bond	0.93	0.04	0.97
Aviva	European	0.63	0.24	0.87
Aviva	Fixed Interest	0.63	0.07	0.70
Aviva	Global Equity	0.63	0.21	0.84

Aviva	HSBC Islamic Global Equity Index	0.90	0.01	0.91
Aviva	Index-Linked	0.63	0.02	0.65
Aviva	Invesco Corporate Bond	1.13	0.12	1.25
Aviva	JPM Emerging Markets	1.43	0.46	1.89
Aviva	JPM Natural Resources	1.46	0.69	2.15
Aviva	Lazard Multicap UK Income	0.95	0.20	1.15
Aviva	Legal & General (PMC) FTSE4Good UK Equity Index	0.63	0.02	0.65
Aviva	Legal & General (PMC) Future World Annuity Aware*	n/a	0.01	n/a
Aviva	Legal & General (PMC) Global Real Estate Equity Index	1.00	0.08	1.08
Aviva	Managed	0.63	0.09	0.72
Aviva	Multi-Asset Growth Fund	0.63	0.09	0.72
Aviva	Multi-Asset Index Cautious fund	0.63	0.09	0.72
Aviva	Multi-Asset Index Growth fund	0.63	0.10	0.73
Aviva	My Future Annuity	0.63	0.01	0.64
Aviva	My Future Cash Lump Sum (Pre-2025)	0.63	0.05	0.68
Aviva	My Future Consolidation (Pre-2025)	0.63	0.06	0.69
Aviva	My Future Drawdown (Pre-2025)	0.63	0.09	0.72
Aviva	My Future Focus Annuity	0.73	0.01	0.74
Aviva	My Future Focus Cash Lump Sum	0.73	0.04	0.77
Aviva	My Future Focus Consolidation (Pre-2024)	0.73	0.04	0.77
Aviva	My Future Focus Drawdown	0.73	0.03	0.76
Aviva	My Future Focus Growth	0.73	0.05	0.78
Aviva	My Future Focus Long Term Growth***	0.73	0.05	0.78
Aviva	My Future Growth	0.63	0.10	0.73
Aviva	Ninety One Global Income Opportunities	n/a	0.32	n/a

Aviva	North American	0.63	0.15	0.78
Aviva	Pacific Basin	0.63	0.13	0.76
Aviva	Pre-Retirement Fixed Interest	0.63	0.03	0.66
Aviva	Property	0.63	0.10	0.73
Aviva	Schroder Diversified Growth	1.19	0.37	1.56
Aviva	Schroder Tokyo	1.51	0.07	1.58
Aviva	Stewart Investors Asia Pacific Leaders Sustainability	1.42	0.11	1.53
Aviva	Sustainable Stewardship International Equity	0.63	0.21	0.84
Aviva	Sustainable Stewardship Managed	0.63	0.16	0.79
Aviva	Sustainable Stewardship UK Equity	0.63	0.07	0.70
Aviva	Sustainable Stewardship UK Equity Income	0.63	0.06	0.69
Aviva	UK Equity	0.63	0.11	0.74
Aviva	UK Smaller Companies	0.63	0.01	0.64

* Data has been requested data from Aviva and Phoenix Life but not received. Work is being undertaken to ensure data is available in the future.

** Funds closed during the Scheme year therefore no data is available as at the reporting date.

*** Transaction costs (and therefore total costs) data not available as funds were recently added and so do not have enough historical data to calculate average. Average transaction costs based on 4 years of data.

A reduction in fees of 9 basis points has been applied by Aviva from 1 August 2023. This reduction is reflected in the table above as data is correct as at 30 June 2025.

Impact of Charges and Transaction Costs

Disclosure regulations require the Trustees to illustrate the potential impact of charges and transaction costs on the value of Members' Accounts (pot size). In order to do this, we have to make a number of assumptions. For this Chair's Statement the assumptions are as follows:

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. Retirement is assumed to be at age 65.
3. The starting pot size is assumed to be £190,000 for the 40-year-old member and £86,797 for the 57-year-old member.
4. It is assumed that the annual salary for the 40-year-old member is £74,868 and for the 57-year-old member is £77,734.
5. Inflation is assumed to be 2.5% each year.
6. Gross contributions for the 40-year-old are assumed to be £5,989 and for the 57-year-old member are assumed to be £6,219 each year, which increases by 2.5% per annum in line with inflation. Contributions are assumed from the start of the projection to retirement.

7. Values shown are estimates and are not guaranteed.
8. The projected growth rate is not shown for every period to retirement above. The projected growth rate which would apply at a point in time is the weighted average of the underlying funds held by the member.
9. The charges assumed for each fund are the current charges as shown in the Chair's Statement.
10. The member assumptions this year have been updated to better reflect the members within the Scheme; therefore, the projections may look materially different from last year.

The table below shows the impact of costs and charges for a member. Statutory guidance provided has been considered when providing these examples. The Regulations require the Trustees to provide a disclosure of costs and charges for a range of funds:

- Default option (or most popular)
- Highest cost fund
- Lowest cost fund
- The fund with the lowest assumed growth, according to assumptions made in the Plan's Statutory Money Purchase Illustrations (SMPIs). Note that no allowance is made for outperformance in respect of actively managed funds.
- The fund with the highest assumed growth, again according to assumptions made in the Plan's SMPIs. No allowance is made for outperformance in respect of actively managed funds.

Member projections – the default lifestyle arrangement

Active member – ongoing contributions assumed invested in the default lifestyle strategy				
Years from 30/6/25	40-year-old member		57-year-old member	
	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	202,743	201,330	95,203	94,565
3	229,584	224,940	112,213	110,100
5	258,336	249,875	129,347	125,499
8	305,349	289,926	154,886	147,978
15	427,746	389,881		
20	514,105	455,839		
25	592,342	511,458		

Individual fund projections – the funds with the highest and lowest charges

40-year-old member		
Years from 30/6/25	BlackRock UK Smaller Companies (Highest Charging)	BlackRock Consensus (Lowest Charging)

	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	204,673	200,353	202,743	201,528
3	236,029	221,766	229,584	225,585
5	270,270	244,158	258,336	251,043
10	370,301	304,722	339,497	321,363
15	494,959	372,450	435,892	402,370
20	650,304	448,189	550,378	495,688
25	843,893	532,887	686,352	603,188

57-year-old member				
Years from 30/6/25	BlackRock UK Smaller Companies (Highest Charging)		BlackRock Consensus (Lowest Charging)	
	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	97,060	95,048	96,162	95,595
3	118,992	112,114	115,885	113,957
5	142,943	129,961	137,014	133,387
8	183,064	158,273	171,562	164,675

Individual fund projections – the funds with the highest and lowest expected returns

40-year-old member				
Years from 30/6/25	Aviva Pension UK Smaller Companies (Highest Returning)		Aviva Pension My Future Focus Consolidation (Pre-2024) (Lowest Returning)	
	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	204,673	203,447	195,024	193,538
3	236,029	231,919	204,998	200,480
5	270,270	262,634	214,872	207,247
10	370,301	350,429	239,129	223,426
15	494,959	456,552	262,785	238,603
20	650,304	584,827	285,856	252,840
25	843,893	739,879	308,356	266,196

57-year-old member		
	Aviva Pension UK Smaller Companies (Highest Returning)	Aviva Pension My Future Focus Consolidation (Pre-2024) (Lowest Returning)

Years from 30/6/25	Before charges (£)	After all costs and charges deducted (£)	Before charges (£)	After all costs and charges deducted (£)
1	97,060	96,489	92,566	91,874
3	118,992	117,011	104,018	101,834
5	142,943	139,150	115,356	111,544
8	183,064	175,671	132,151	125,650

Value for Member Assessment

As the Scheme has total assets of under £100m, under the 2021 Regulations, the Trustees are required to carry out a more detailed Value for Member assessment. This includes using three comparator schemes for the purpose of comparing the costs and charges and net performance returns of the Scheme with other larger DC schemes.

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

The costs and charges and net investment returns of the Scheme's default arrangement and those of the comparator schemes chosen are set out in Appendix 1 of this Statement.

The Appendix highlights that higher charges are applied to members policies within the Scheme when compared to the default investment strategies of the comparator schemes.

Furthermore, the net investment returns of the Scheme's default investment strategy are amongst some of the lower returns when compared to the comparator schemes over the periods assessed.

The comparator schemes provide a reasonable comparison against the Scheme's Aviva investments but not the Phoenix Life with-profits fund which provides potentially valuable guaranteed benefits at retirement.

Information was requested from Phoenix Life regarding the underlying costs of the with-profits fund, but this information was not provided.. The DC Review is also considering the extent to which members could secure at least comparable benefits in the wider market to those currently available from Phoenix Life.

In addition, the Trustees are required to carry out a self-assessment of scheme governance and administration against certain criteria, which are prescribed in the 2021 Regulations. The Trustees' assessment of the Scheme's governance and administration against the areas prescribed in the 2021 Regulations is that Phoenix Life falls below the level of service and wider offering that could be provided by an alternative provider.

Assessing whether this offsets the potential value of the guaranteed benefits to the extent that the Money Purchase section should be wound up is difficult. The Trustees are therefore exploring this in detail as part of the DC Review to determine the value of the guaranteed benefits available from Phoenix Life and whether the Trustees should consider alternative options.

With regard to Aviva, it is clear that more competitive costs and charges could be achieved from the wider DC market although the Trustees noted previously that members have benefited from strong net investment returns over the last few years. In this year's Chair statement, performance has been relatively poor when compared to our chosen comparators. As part of the DC Review, the Trustees

are considering a wide range of options before determining the future of the Money Purchase section.

In isolation the Trustees have concluded that a transfer of the Aviva investments to an alternative vehicle would represent better value for members. Further work needs to be carried out on the Phoenix Life benefits before the Trustees can agree on a long term strategy. Subject to meeting auto-enrolment requirements, it may however be possible to transfer the Aviva funds to a more competitive DC vehicle which would offer better value for members. On completion of the DC Review, the Trustees would inform members in advance of any changes being made.

Trustee Knowledge and Understanding (TKU)

The law requires the Trustees to possess sufficient knowledge and understanding to enable them to properly exercise their functions as a trustee including (in relation to a DC scheme) that they must be conversant with:

- The trust deed and rules of the scheme.
- The statement of investment principles.
- Any other scheme administration policies or scheme documents.

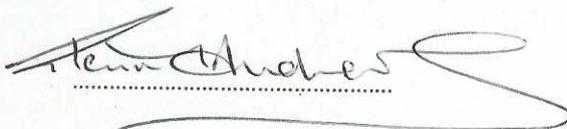
And must have appropriate knowledge and understanding of:

- The law relating to pensions and trusts.
- The principles relating to
- The funding of occupational pension schemes.
- Investment of the assets of such schemes.

The Trustees have all undertaken the Pensions Regulator's Training Toolkit assessment. The Trustees also receive regular training from their advisers on topical issues. During the Scheme year, the Trustees received training on the following topics:

- Chancellor's Autumn statement
- The single Code of Practice
- Pensions Dashboard
- PPF levy consultation
- Scheme governance models
- FCA consultation on advice guidance boundary
- DC delivery vehicles

Signed for and on behalf of the Kwik-Fit Group Pension and Life Assurance Scheme.



Glenn Andrews - Chair of the Trustees

19/12/2025 Date

Appendix 1 - Illustrations of the effect of costs and charges and net investment returns including comparison against three comparator schemes

Background

The next pages provide comparative information about the costs and charges applied by the Scheme's fund managers and those of the three comparator schemes. Net investment returns are also shown.

Information is provided for the default fund as most members invest in this fund. Impacts for members aged 55, 45 and 25 are shown.

Costs and Charges

The tables below set out the Schemes costs and charges of the default fund against three comparator Schemes.

Scheme	Total Expense Ratio (%)	Transition Costs (%)	Total Costs (%)
Age 25	0.63	0.10	0.73
Age 45	0.63	0.10	0.73
Age 55	0.63	0.07	0.70

Comparator 1	Total Expense Ratio (%)	Transition Costs (%)	Total Costs (%)
Age 25	0.27	0.05	0.32
Age 45	0.27	0.05	0.32
Age 55	0.27	0.05	0.32

Comparator 2	Total Expense Ratio (%)	Transition Costs (%)	Total Costs (%)
Age 25	0.20	0.10	0.30
Age 45	0.20	0.10	0.30
Age 55	0.21	0.12	0.33

Comparator 3	Total Expense Ratio (%)	Transition Costs (%)	Total Costs (%)
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Age 25	0.11	0.06	0.17
Age 45	0.11	0.06	0.17
Age 55	0.14	0.05	0.19

Net Investment Returns

The table below sets out the net annualised investment returns for the default investment strategy.

	Age 25		Age 45		Age 55	
	1 Year (%)	5 Years (% p.a.)	1 Year (%)	5 Years (% p.a.)	1 Year (%)	5 Years (% p.a.)
Scheme	6.5	9.3	6.5	9.3	5.9	4.7
Comparator 1	6.9	n/a	6.9	n/a	6.5	n/a
Comparator 2	7.9	6.4	7.9	7.3	7.2	6.0
Comparator 3	11.4	12.0	11.4	12.0	10.3	9.8