

Supporting material

Annual Report for year
ending 31 December 2025



Independent Governance Committee





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This document is the supporting material to the ReAssure Independent Governance Committee Annual Report for the year ending 31 December 2025 which can be found [here](#).



Investment performance

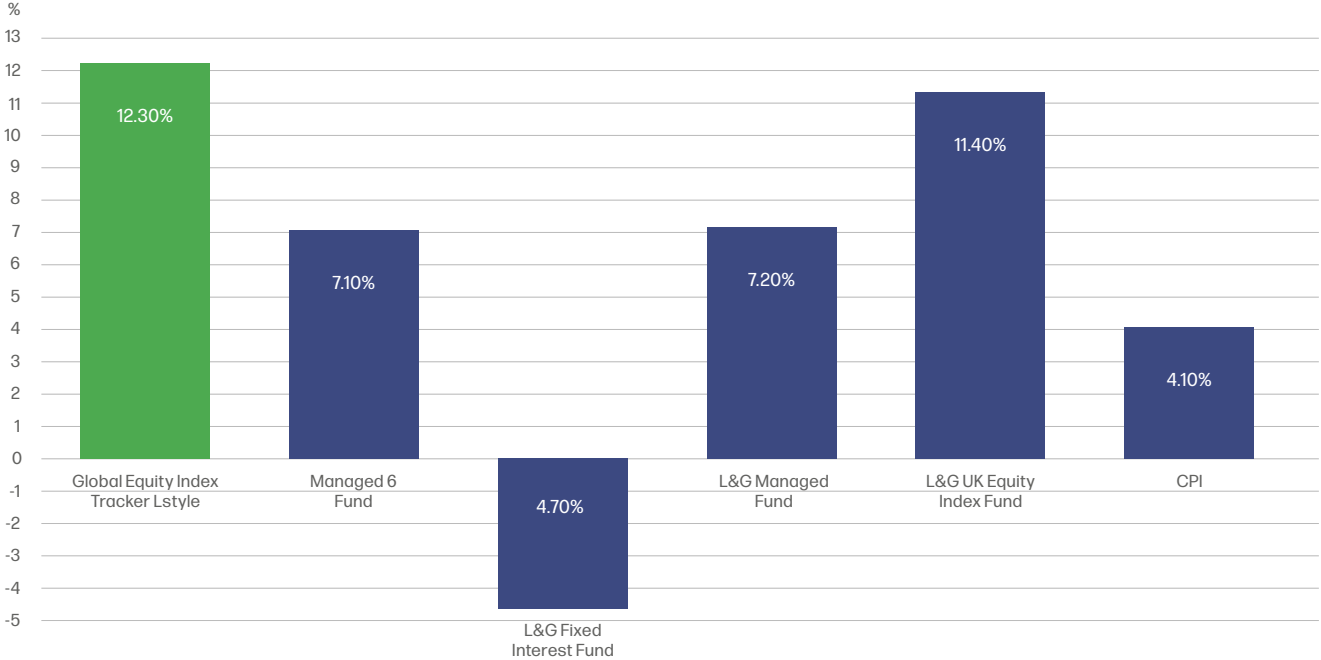


Investment performance

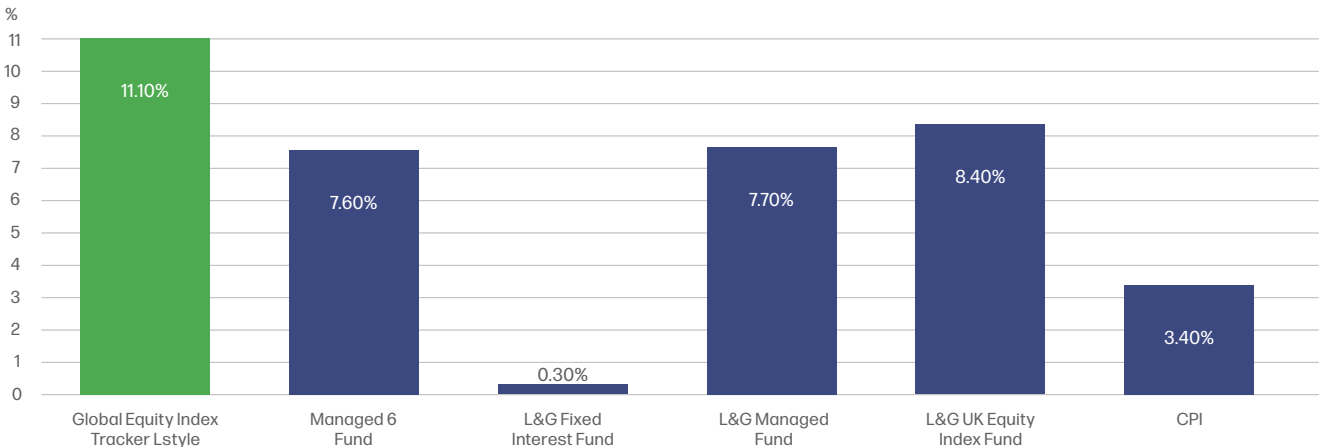
The following charts and tables have been chosen to demonstrate (a) the medium and long-term performance of several of the most important default funds in relation to consumer inflation; (b) the performance of the main with profits funds over different time periods.

5, 10 and 15 year annualised performance of key funds and CPI

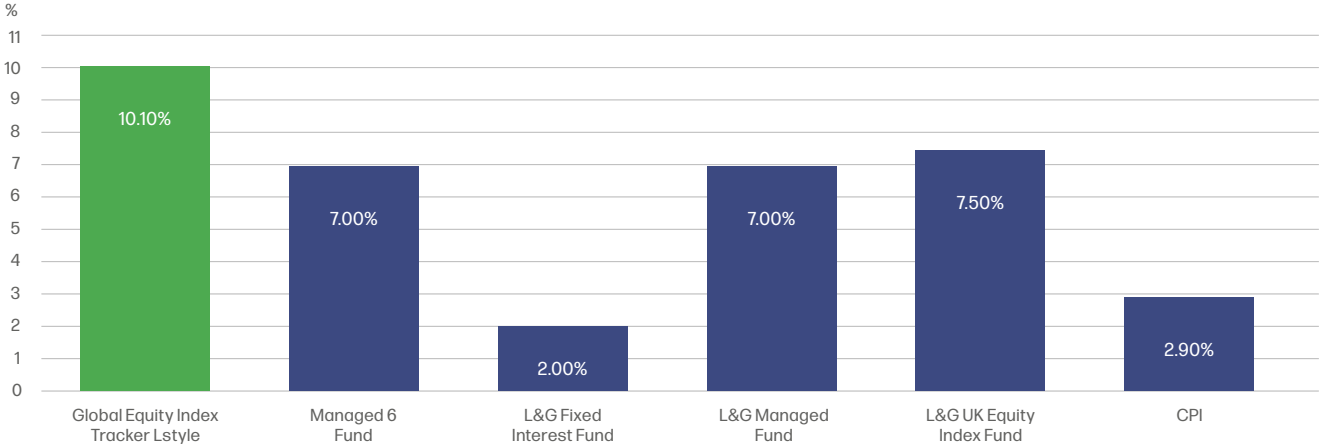
5 year annualised performance of key funds and CPI



10 year annualised performance of key funds and CPI

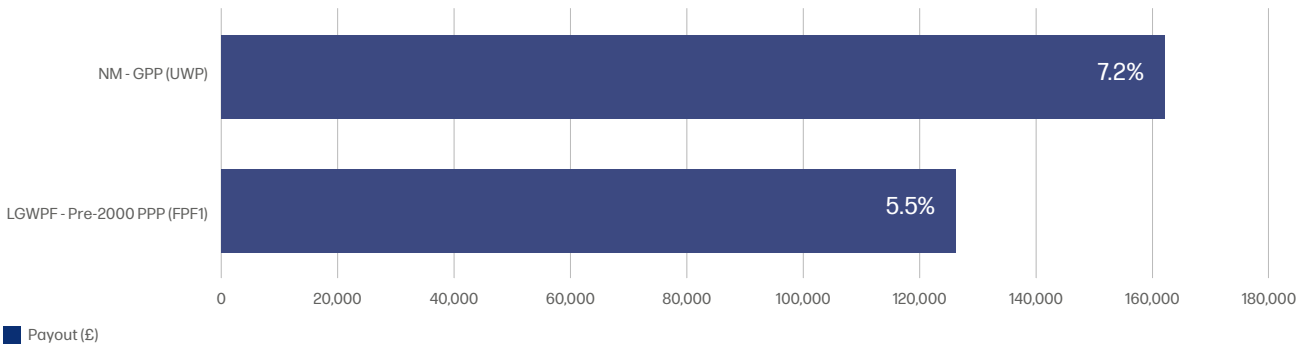


15 year annualised performance of key funds and CPI



All data is to 31st December 2025. Source: Data has been sourced from Morningstar.

With Profits Performance, example 25 year payouts and return on premium



Costs and charges



Costs and charges

ReAssure Ltd Third Party Funds charge breakdown

The table below shows the c. 2.5% of ReAssure Ltd workplace policyholders invested in specialist **Third Party Funds** (TPF).

Heritage	Total policies in scope	Total policies with TPF	%age of Heritage with TPF	TPF AuM	Average ongoing charge (%) (including TPFs)	Average ongoing charge (%) (excluding TPFs)
Other ReAssure Ltd	35,191	948	2.70%	£51,875,192	1.02%	0.90%
Ex-L&G	139,196	3,194	2.30%	£194,432,055	0.73%	0.59%

Transaction costs

Below we highlight the transaction costs for 2025 for the five key funds in ReAssure Ltd. These cover the five largest funds by assets under management.

Fund Name	AUM (£m) as at 31/12/2025	Aggregate transaction costs (%) 2025	Aggregate transaction costs (%) 2024
Managed 6	1,146	-0.036	-0.036
L&G Managed Fund	693	0.133	0.072
L&G UK Equity Index Fund	464	0.665	0.430
Global Equity Index Tracker	272	0.018	0.020
L&G Fixed Interest Fund	244	0.068	-0.031

The large transaction costs for the L&G UK Equity Index Fund has been investigated by ReAssure with the ongoing high cost still being as a result of high levels of trading in what is an actively managed fund. We will continue to monitor the levels of transaction costs for this and other funds in 2026.

It is worth noting that these transaction costs are directly deducted from the investment performance figures described in this report.

As can be seen from the following table, the main diversified managed funds and with-profit funds have a range of transactions costs and we remain comfortable that they are reasonable..

Fund name	Aggregate transaction costs (%) 2025	Aggregate transaction costs (%) 2024
L&G With Profit Fund	0.1332	1.6090
L&G Managed	0.1020	0.1006
ReAssure Master Managed	0.0977	0.1034
Guardian With Profit Fund	0.0580	0.0787
NM With Profit Fund	0.1831	0.1077

Increased disclosure of costs and charges

The tables of costs and charges covering all investment funds are available, along with sample illustrations to show the impact of those costs and charges, on the website [here](#).

The tables show the range of costs and charges incurred by individual customers and demonstrate that not all customers pay the same for the same fund but that costs and charges vary, generally due to the terms agreed at outset. What you pay may also vary by the fund(s) that you are invested in.

It is important, therefore, to understand how your charges compare with what you may be able to get elsewhere. The sample illustrations also show how significant ongoing charges can be on the ultimate value of your pension, particularly if you have a larger pot invested over a long period.

In addition, the Financial Conduct Authority (FCA) rules around assessing value for money in workplace pension schemes require IGCs to consider the most appropriate and proportionate way to assess an employer's scheme so that the IGC can produce a value for money assessment that is the most useful for members.

IGCs have a judgement to make on whether to assess costs and charges at an individual employer level, at an aggregated level or by a combination of both. We have chosen to assess costs and charges at an individual employer level rather than an aggregated level. We feel this is most appropriate, as it is at this level that you experience the service offered for the particular charge that you are paying and allows you to fully understand where your level of charges sits in comparison to others. Whilst we consider individual employer data points available for the business across Standard Life, we are unable to get the same level of detail for external market comparators. Therefore, we also group data based on key employer level characteristics that influence the price you pay (e.g. number of members in an employer arrangement and average fund size of those members) and compare against similar groups from external comparators that we have access to through benchmarking surveys and information published by other IGCs.

Given the legacy nature of the ReAssure business, the vast majority of employer arrangements will no longer be active and only have a very small number of members. Therefore, the ability and likelihood of an employer arrangement transferring to another provider is remote and it will be down to the individual member to make that decision. Therefore, we also feel it is appropriate to additionally consider and report at an individual member level to show how your charges compare to all other ReAssure customers.

In considering our value for money assessment, we have looked at costs and charges information available both internally within ReAssure (with data set out in this report) and also across the wider Standard Life. We have considered looking at how charges compare across schemes with similar numbers of members and/or assets under administration as these can be key factors that will have initially influenced the level of charges applied to a particular scheme. However, the legacy nature of ReAssure's business, with small numbers of members in individual employer arrangements that are no longer active, makes this approach less relevant.

Externally, we have taken part in industry-wide benchmarking surveys to understand how the level and spread of charges compare with those across the industry. We will also continue to look at disclosures within our peer IGCs reports to see how ReAssure's costs and charges compare across the industry.

We strongly encourage you to understand how the level of charges you pay compares to charges paid by other employer arrangements with ReAssure. Within this report (for default funds), and on the website (for all funds), there are details that show the distribution of charges at an employer and individual member level. We have chosen to present the data in this fashion as we believe this is a useful and effective way for you to understand how the level of charges you are paying compares with those of other employer arrangements within the same fund and, as such, what relative value for money you may be receiving.

In order to help you to be able to assess this, ReAssure has delivered a digital solution that will allow you to find the level of charges for all funds that you are invested in or are available to you. From the ReAssure website, you are able to enter your policy number and be presented with all relevant costs and charges for both invested funds and funds available to you. You will be able to find your policy number on your annual statement.

In order for you to consider how the charges you are paying compare to those being applied to other members or employer arrangements provided by ReAssure, for each fund available we have set out, using various charge bands, the proportion of members and employers invested within that fund who are paying the level of charges indicated within the relevant band.

For example, the table below shows the distribution of charges for employer arrangements invested in the L&G Managed Fund. If you are invested in this fund and are paying a charge of 0.96% per year or more, then 97% of other employer arrangements who are invested in this fund will be paying a lower charge than you, some significantly so. There may have been valid reasons for this, but, in this scenario, we would encourage you to consider whether you are receiving value for money given the charges being applied to other members.

Fund name	<0.3%	0.30 to 0.39%	0.40 to 0.49%	0.50 to 0.59%	0.60 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%
L&G Managed Fund	16.05%	18.11%	37.04%	13.99%	4.53%	3.29%	4.12%	2.88%

The distribution of charges for all other main unit linked and default funds can be found within this report. For all other investment funds, the distribution of charges is available on the ReAssure [website](#).

Finally, we are required to publish the charges that apply to each fund that is available to invest in for each individual employer arrangement with ReAssure. We feel that the most effective approach for members to understand the charges applicable to them, and how they compare to the charges of other members or employer arrangements invested in the same fund, is through use of the digital solution described above, in conjunction with the distribution of charges set out in this report. However, we do view it as important that we present data that satisfies the regulatory requirements, and this information is available on the ReAssure [website](#).

Disclosure of costs and charges by individual customer

The table below shows the range of charges applied to individual customers' policies for each of the main unit-linked and default funds used by customers across all employer arrangements. Customers can see from their annual benefit statement the name of the fund in which they are invested. For example, the table shows that if you are invested in the Managed 6 Fund, around 36% of customers using that fund by default pay charges of between 0.60% and 0.75% per year.

Some customers pay different types of charges but, in the table below, these have all been converted to an equivalent percentage ongoing charge to make comparisons easier. Of the cases where the charges are above 1% per year, this is due to initial units and third party fund charges not being capped.

Fund name	< 0.3%	0.30 to 0.39%	0.40 to 0.49%	0.50 to 0.59%	0.60 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Managed 6	0.49%	2.86%	3.00%	20.02%	36.32%	9.57%	9.91%	17.83%	0.00%	0.00%	0.00%	-0.04%
L&G Managed Fund	4.07%	13.55%	32.13%	30.40%	7.67%	4.20%	4.16%	3.72%	0.10%	0.00%	0.00%	0.13%
L&G UK Equity Index Fund	8.92%	21.51%	21.50%	18.98%	12.10%	4.25%	5.76%	6.81%	0.15%	0.01%	0.00%	0.67%
Global Equity Index Tracker LStyle	3.29%	0.25%	0.00%	0.58%	1.20%	0.52%	2.64%	91.22%	0.20%	0.08%	0.01%	0.02%
L&G Fixed Interest Fund	3.09%	17.17%	28.43%	23.13%	12.34%	4.44%	5.56%	5.65%	0.15%	0.03%	0.01%	0.07%
L&G Distribution Fund	2.75%	28.17%	11.41%	27.77%	9.36%	5.80%	7.02%	6.88%	0.77%	0.02%	0.05%	0.23%
L&G Consensus Fund	3.96%	10.79%	59.17%	12.44%	3.82%	1.31%	4.66%	3.77%	0.09%	0.00%	0.00%	0.16%
UK Equity Index 6	0.41%	1.67%	2.91%	62.23%	18.72%	4.01%	2.42%	7.64%	0.00%	0.00%	0.00%	0.67%
Special Deposit 6	36.12%	17.10%	14.24%	7.70%	5.39%	2.21%	7.64%	9.60%	0.00%	0.00%	0.00%	Not Available
Managed 5	1.37%	0.61%	4.33%	5.15%	13.44%	23.07%	27.31%	24.72%	0.00%	0.00%	0.00%	-0.04%
L&G (PMC) Multi-Asset Fund	8.82%	17.82%	25.75%	41.23%	1.82%	0.70%	0.96%	2.89%	0.02%	0.00%	0.00%	0.00%
Global Eq Fixd Ws 50:50 Index Fund	0.60%	8.40%	77.59%	7.82%	3.30%	0.70%	0.73%	0.77%	0.07%	0.02%	0.00%	0.34%
L&G Cash Fund	4.66%	16.76%	26.42%	25.30%	11.78%	4.39%	5.01%	5.43%	0.18%	0.04%	0.03%	0.04%

Fund name	< 0.3%	0.30 to 0.39%	0.40 to 0.49%	0.50 to 0.59%	0.60 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Global Eq Fixd Weigh 60:40 Index Fund	1.61%	19.40%	50.67%	15.61%	5.85%	1.90%	3.23%	1.65%	0.08%	0.00%	0.00%	0.41%
Equity 6	0.48%	2.85%	4.16%	37.25%	26.51%	7.81%	7.79%	13.15%	0.00%	0.00%	0.00%	0.15%
Unitised-With Profits Pen Gen 2 CAI	2.75%	0.84%	0.84%	1.82%	10.89%	20.13%	35.12%	27.61%	0.00%	0.00%	0.00%	Not Available
UK All Company Tracker	0.02%	0.00%	0.00%	0.00%	0.04%	0.10%	0.83%	99.01%	0.00%	0.00%	0.00%	0.03%
OMR Index Balanced S2	5.66%	36.89%	25.50%	13.63%	10.60%	1.51%	1.43%	0.40%	3.43%	0.80%	0.16%	0.01%
UK All Company Tracker LStyle	0.04%	0.08%	3.06%	0.12%	0.78%	1.36%	2.33%	92.25%	0.00%	0.00%	0.00%	0.03%
Fixed Interest 6	0.15%	0.61%	1.89%	50.01%	25.09%	6.02%	3.67%	12.55%	0.00%	0.00%	0.00%	0.07%
L&G Global Equity 70:30 Index Fund	6.49%	24.72%	21.14%	16.44%	12.08%	6.26%	5.82%	6.60%	0.45%	0.00%	0.00%	0.47%
Special Deposit 5	39.60%	4.31%	10.40%	10.52%	8.04%	4.91%	8.22%	14.01%	0.00%	0.00%	0.00%	Not Available
Unitised-With Profits Pen Gen 2	0.17%	1.08%	15.95%	34.69%	17.89%	4.27%	3.87%	22.10%	0.00%	0.00%	0.00%	Not Available
OMR Prof Index Balanced	0.00%	0.13%	2.67%	10.01%	16.96%	10.55%	15.22%	27.77%	13.62%	1.87%	1.20%	0.00%
Pensions Balanced	0.34%	0.00%	0.00%	0.00%	0.00%	0.15%	0.50%	99.00%	0.00%	0.00%	0.00%	0.10%
OMR QI Cirilium Balanced Blend Port	0.00%	0.00%	0.03%	0.00%	0.00%	0.06%	0.54%	5.93%	51.97%	12.25%	29.22%	0.13%
L&G US Equity Index Fund	3.12%	24.07%	15.01%	14.26%	18.42%	8.32%	9.66%	5.65%	1.34%	0.15%	0.00%	0.00%
L&G Property Fund	2.69%	12.84%	11.63%	15.57%	19.92%	10.72%	10.72%	12.80%	2.65%	0.30%	0.15%	0.11%
Unitised-With Profits Pen Gen 4	3.51%	1.17%	0.76%	1.84%	19.09%	12.44%	27.45%	33.72%	0.00%	0.00%	0.00%	Not Available
L&G International Fund	4.88%	24.38%	16.02%	14.53%	13.73%	8.96%	9.35%	6.97%	1.00%	0.10%	0.10%	0.04%

Fund name	< 0.3%	0.30 to 0.39%	0.40 to 0.49%	0.50 to 0.59%	0.60 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Global Equity Index Tracker	0.06%	0.00%	0.00%	0.13%	0.32%	0.32%	4.34%	91.51%	3.13%	0.19%	0.00%	0.02%
BNY Mellon Global Equity Fund	1.71%	6.73%	12.48%	12.85%	20.81%	13.59%	9.91%	12.61%	8.94%	0.24%	0.12%	0.14%
L&G Far Eastern Fund	4.78%	21.80%	16.24%	14.49%	16.39%	8.02%	8.79%	6.75%	2.11%	0.28%	0.35%	0.02%
L&G North American Fund	2.19%	21.91%	15.21%	14.82%	18.43%	10.05%	7.86%	6.83%	2.19%	0.52%	0.00%	0.00%
North American 6	0.35%	3.94%	2.54%	52.28%	26.36%	4.73%	2.98%	6.83%	0.00%	0.00%	0.00%	0.00%
Managed (B)	0.00%	12.30%	56.87%	12.87%	9.22%	2.02%	1.83%	4.90%	0.00%	0.00%	0.00%	0.10%
BNY Mellon UK Income Fund	2.50%	5.29%	7.93%	11.27%	19.75%	14.33%	10.57%	14.88%	10.85%	1.25%	1.39%	0.09%

Disclosure of costs and charges by individual employer arrangement

The table below shows the range of charges applied within each employer arrangement for the main unit-linked and default funds used by customers. Customers can see from their annual benefit statement the name of the fund in which they are invested.

Some customers pay different types of charges but, in the table below, these have all been converted to an equivalent percentage ongoing charge to make comparisons easier.

Some of the funds only have a small number of employer arrangements invested within them, so the % splits need to be viewed in this context.

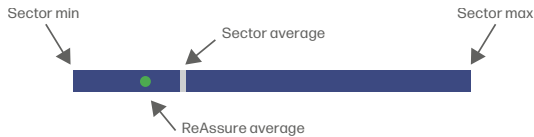
Fund name	< 0.3%	0.3 to 0.39%	0.4 to 0.49%	0.5 to 0.59%	0.6 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Managed 6	2.04%	2.04%	0.00%	30.61%	57.14%	4.08%	4.08%	0.00%	0.00%	0.00%	0.00%	-0.04%
L&G Managed Fund	16.05%	18.11%	37.04%	13.99%	4.53%	3.29%	4.12%	2.88%	0.00%	0.00%	0.00%	0.13%
L&G UK Equity Index Fund	23.95%	25.75%	29.34%	4.79%	3.59%	2.99%	7.19%	2.40%	0.00%	0.00%	0.00%	0.67%
Global Equity Index Tracker LStyle	0.09%	0.09%	0.00%	0.05%	0.71%	0.24%	0.61%	98.21%	0.00%	0.00%	0.00%	0.02%
L&G Fixed Interest Fund	17.69%	21.15%	31.15%	16.15%	4.23%	3.85%	3.08%	2.69%	0.00%	0.00%	0.00%	0.07%
L&G Distribution Fund	18.56%	21.65%	25.77%	15.46%	7.22%	1.03%	6.19%	4.12%	0.00%	0.00%	0.00%	0.23%
L&G Consensus Fund	12.16%	17.57%	35.14%	18.92%	6.76%	2.70%	4.05%	2.70%	0.00%	0.00%	0.00%	0.16%
UK Equity Index 6	0.00%	0.00%	0.00%	37.50%	37.50%	0.00%	12.50%	12.50%	0.00%	0.00%	0.00%	0.67%
Special Deposit 6	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Not Available
Managed 5	0.00%	0.00%	0.00%	0.00%	20.00%	80.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.04%
L&G (PMC) Multi-Asset Fund	32.31%	15.38%	43.08%	6.15%	1.54%	1.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Global Eq Fixd Ws 50:50 Index Fund	12.12%	39.39%	39.39%	0.00%	0.00%	6.06%	3.03%	0.00%	0.00%	0.00%	0.00%	0.34%
L&G Cash Fund	25.62%	21.35%	32.38%	8.90%	2.85%	4.27%	2.85%	1.78%	0.00%	0.00%	0.00%	0.04%

Fund name	< 0.3%	0.3 to 0.39%	0.4 to 0.49%	0.5 to 0.59%	0.6 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Global Eq Fixd Weigh 60:40 Index Fund	22.45%	24.49%	24.49%	12.24%	6.12%	6.12%	4.08%	0.00%	0.00%	0.00%	0.00%	0.41%
Equity 6	16.67%	0.00%	0.00%	50.00%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.15%
Unitised-With Profits Pen Gen 2 CAI	0.00%	0.00%	0.00%	16.67%	33.33%	33.33%	16.67%	0.00%	0.00%	0.00%	0.00%	Not Available
UK All Company Tracker	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.00%	99.92%	0.00%	0.00%	0.00%	0.03%
OMR Index Balanced S2	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
UK All Company Tracker LStyle	0.00%	0.00%	0.52%	0.00%	0.52%	0.91%	0.39%	97.65%	0.00%	0.00%	0.00%	0.03%
Fixed Interest 6	0.00%	0.00%	0.00%	50.00%	35.71%	14.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%
L&G Global Equity 70:30 Index Fund	18.92%	35.14%	29.73%	2.70%	5.41%	0.00%	5.41%	2.70%	0.00%	0.00%	0.00%	0.47%
Special Deposit 5	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Not Available
Unitised-With Profits Pen Gen 2	6.25%	0.00%	56.25%	0.00%	18.75%	6.25%	6.25%	6.25%	0.00%	0.00%	0.00%	Not Available
OMR Prof Index Balanced	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pensions Balanced	0.00%	0.00%	0.00%	0.00%	0.18%	0.00%	0.00%	99.82%	0.00%	0.00%	0.00%	0.10%
OMR QI Cirilium Balanced Blend Port	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.85%	88.46%	1.92%	5.77%	0.13%
L&G US Equity Index Fund	4.35%	34.78%	28.26%	21.74%	4.35%	2.17%	0.00%	4.35%	0.00%	0.00%	0.00%	0.00%
L&G Property Fund	13.33%	34.67%	25.33%	6.67%	8.00%	5.33%	1.33%	5.33%	0.00%	0.00%	0.00%	0.11%
Unitised-With Profits Pen Gen 4	9.09%	0.00%	9.09%	0.00%	0.00%	27.27%	45.45%	9.09%	0.00%	0.00%	0.00%	Not Available
L&G International Fund	16.00%	28.00%	24.00%	16.00%	6.00%	6.00%	2.00%	2.00%	0.00%	0.00%	0.00%	0.04%

Fund name	< 0.3%	0.3 to 0.39%	0.4 to 0.49%	0.5 to 0.59%	0.6 to 0.75%	0.76 to 0.85%	0.86 to 0.95%	0.96 to 1.00%	1.01 to 1.25%	1.26 to 1.40%	> 1.40%	Transaction cost
Global Equity Index Tracker	0.14%	0.00%	0.00%	0.28%	0.56%	1.54%	0.98%	96.51%	0.00%	0.00%	0.00%	0.02%
BNY Mellon Global Equity Fund	8.16%	0.00%	22.45%	24.49%	32.65%	6.12%	2.04%	2.04%	2.04%	0.00%	0.00%	0.14%
L&G Far Eastern Fund	21.05%	35.09%	22.81%	10.53%	7.02%	3.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
L&G North American Fund	4.44%	46.67%	20.00%	8.89%	13.33%	2.22%	0.00%	4.44%	0.00%	0.00%	0.00%	0.00%
North American 6	0.00%	0.00%	0.00%	85.71%	14.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Managed (B)	0.28%	17.42%	48.88%	14.04%	7.02%	1.40%	1.97%	8.99%	0.00%	0.00%	0.00%	0.10%
BNY Mellon UK Income Fund	9.38%	0.00%	28.13%	34.38%	18.75%	0.00%	3.13%	0.00%	6.25%	0.00%	0.00%	0.09%

Transaction costs – benchmarking

The chart illustrates that the average ReAssure transaction costs relative to those of other companies in the market are within normal market ranges for funds with a similar strategy, albeit that market participants may use a range of different interpretations and methodologies.

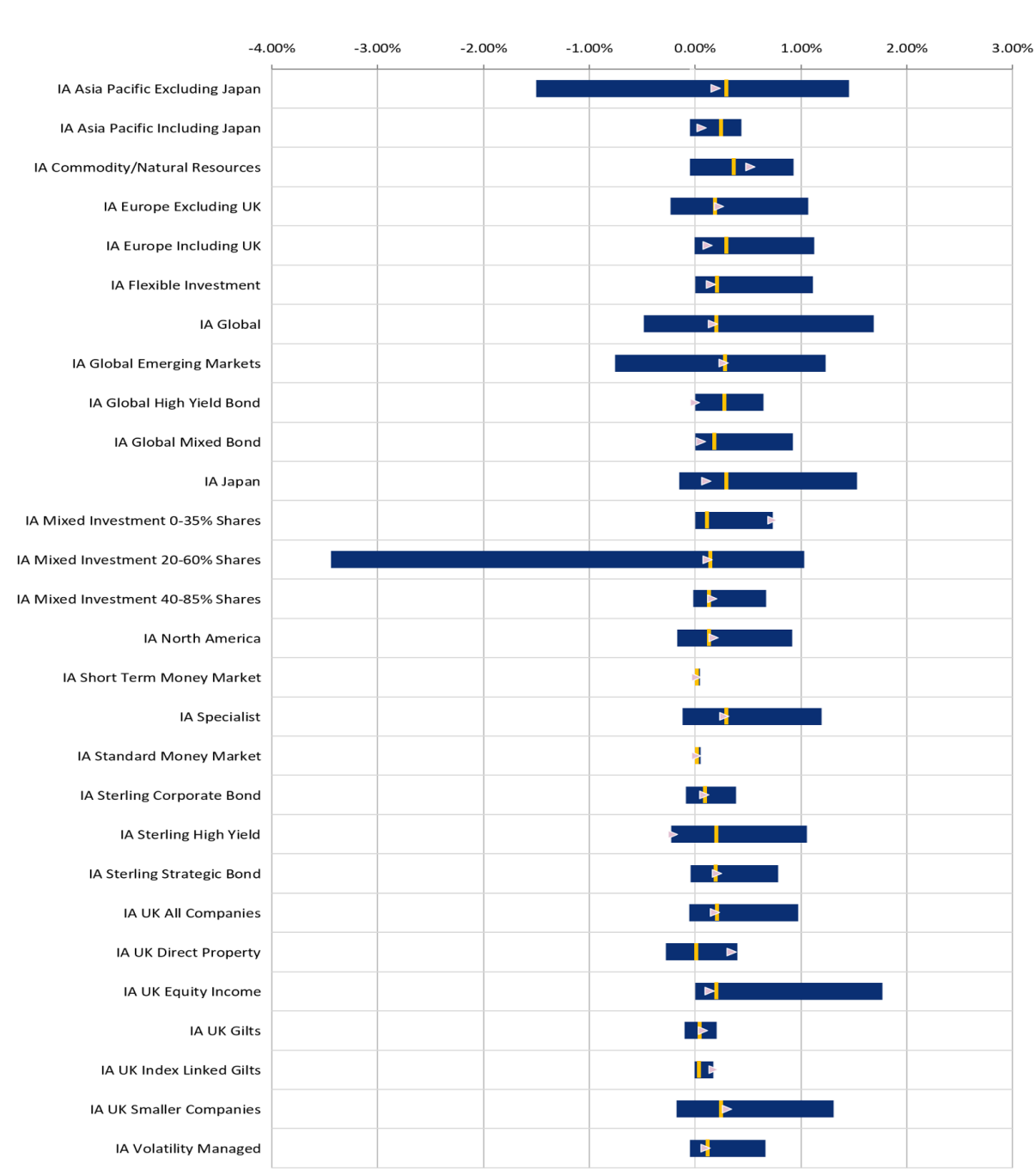


Methodology

The chart shows the range of transaction costs being reported in the Investment Association (IA) sectors.

Each bar demonstrates the minimum, maximum and average transaction cost reported for each IA sector.

The average ReAssure insured fund transaction cost has been overlaid for comparison purposes. Insured funds have been aligned to IA sectors based on their respective ABI sector.



Investment Pathways



Investment Pathways

Investment performance to 31 December 2025 (gross of charges)

Pathway	1 Year fund performance	Comparator	Difference	2 Years fund performance (annualised)	Comparator	Difference	3 Years fund performance (annualised)	Comparator	Difference
Pathway 1	14.92	14.98	-0.05	10.13	10.13	0.00	9.66	9.63	0.03
Pathway 2	6.63	6.52	0.11	3.59	3.56	0.03	5.11	4.89	0.21
Pathway 3	12.64	12.52	0.12	9.11	9.07	0.04	8.58	8.54	0.04
Pathway 4	5.44	5.35	0.09	4.62	4.58	0.04	5.29	5.15	0.13

Changes in annuity rates & pension pot (after tax-free cash) needed to buy £5,000 annual income (65 year old, single life, level, five year guarantee) The following chart shows how changes in annuity rates as well as the size of any investment pot affects the amount of annuity which you could purchase at different points in time.

