Gerber Scientific Pension and Life Assurance Scheme

Annual Governance Statement for the year ended 5 March 2026

Pension Schemes Registry (PSR) Number: 10075965

Governance Statement from the Chair of Trustee

1. Purpose

As Trustee of the Gerber Scientific Pension and Life Assurance Scheme (the "Scheme") we have reviewed and assessed the extent to which our systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator's:

- *General Code of practice: Communication and disclosure – Information to Members – Chairs Statement and*
- *Regulatory guidance for defined contribution schemes.*

This statement aims to summarise, in a way that is proportionate to the size of the Scheme, how those requirements are met by the Trustee.

We are committed to adopting the standards of practice set out in the DC code and DC regulatory guidance which we believe will help deliver better outcomes for members at retirement.

2. Type of Pension Scheme

The Scheme is a defined contribution occupational pension scheme set up under Trust where benefits are secured by individual member accounts ("Individual Retirement Accounts"). For service and contributions paid before 1 March 1996 benefits are underpinned by a defined benefit minimum pension ("Final Salary Guarantee" or "FSG"). The FSG is calculated on behalf of the Trustees by the Scheme Actuary. When an event such as transfer out or retirement takes place, if the value of the FSG is greater than the member's Individual Retirement Account, a top-up payment is made to cover the additional contribution required to cover the cost of the guarantee. This is funded from assets held by the Trustee which are, in turn, funded by additional contributions paid by the Company, Gerber Technology Ltd, from time to time as determined by the Scheme Actuary. Following the end of the Scheme year and following both legal and actuarial advice received by the Trustee, the pension pots of members entitled to a FSG were uplifted by the payment of a top-up amount. This resulted in the value each member's pension pot exceeding the value of the FSG and meant that the FSG could be removed from the Scheme Rules by way of a deed of amendment. As a result, benefits under the Scheme became wholly money-purchase. Any member affected by this change was included in a consultation exercise carried out by the Trustee.

The Scheme was established by a deed dated 7 May 1992 and is currently governed by the definitive trust deed and rules dated 7 May 1992, as updated from time to time. The Scheme was closed to new members and further contributions with effect from 7 November 2006.

As at 5 March 2026, there were 32 deferred members and no pensioner members in the Scheme.

The Scheme commenced winding-up with effect from 2 June 2026 following the receipt by the Trustee of a letter from Gerber Technology Limited terminating its liability to contribute to the Scheme and the decision by the Trustee not to postpone the termination of the Scheme,

3. Appointed Advisers

The Scheme is insured with Standard Life (the "insurer"). The policy number is H98870. The insurer undertakes the day-to-day administration of the Scheme for the Trustees in relation to members' Individual Retirement Accounts.

Other appointed advisers are:

Actuary (to 3 June 2026) – Matthew Bugg -Hughes Price Walker Limited, 15 Pembroke Road, Clifton, Bristol, BS8 3BA – This appointment ceased following the uplifts given to the fund values of members with pre-96 benefits and the removal of the Final Salary Guarantee (FSG) underpin, as there was no need for a Scheme Actuary

Bankers – HSBC UK Bank Plc, 2-4 St Ann's Square, Manchester, M2 7HD

Auditor – RSM UK Audit LLP, St Philips Point, Temple Row, Birmingham, B2 5AE

Lawyers –. Squire Patton Boogs, Rutland House, 148 Edmund Street, Birmingham, B3 2JR

Administrators contact for members - Hughes Price Walker Limited, 15 Pembroke Road, Clifton, Bristol, BS8 3BA

As a result of the removal of the FSG underpin from members' pre-96 benefits and the decision to trigger the wind-up of the Scheme, the Trustee obtained investment advice from Hughes Price Walker on the most suitable default option for members. The advice concluded that it would not be unreasonable for the default option on wind-up to be the assignment of members' benefits into individual policies with Standard Life.

The Trustee wrote to members in June 2026 to advise them of the default option and other options available to them which were to:

- Take a Winding Up Lump Sum if the value of their pension pot was under £18,000
- Transfer their benefits to another pension arrangement
- Take retirement benefits from the Scheme (if they were aged over 55)

Members were given two months in which to decide. As at the date of signing this Statement, of the 32 members in the Scheme the following options have been selected:

- Winding Up Lump Sum / Small Funds Lump Sum – 2
- Transfer – 2
- Take Retirement Benefits – 3
- Assignment 25 (9 members responded to select this option)

4. Scheme Investment Strategy

The Scheme is not a qualifying scheme for the purposes of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 as it is not used for auto-enrolment purposes. As such, there is no "default arrangement" (as defined in those Regulations).

The Scheme's investment strategy is currently determined by the insurance policy with Standard Life under which investments in two with-profits funds are provided, the Pension With Profits Fund and the Pension Millennium With Profits Fund. The specific fund into which contributions have been invested is determined by the date the contribution was paid and there was, therefore, no actual investment choice available to members.

Both these with-profits funds are unitised and contributions, after deduction of any initial expense charge, secured a number of units. These are increased by regular bonuses that are normally set annually. In the case of the With-Profits Fund the regular bonus is guaranteed to be not less than 4% p.a. and in the case of the Millennium With-Profits Fund the regular bonus is guaranteed to be not less than 0% p.a..

This means that there is a minimum guaranteed fund value when a contractual payment, such as on retirement at normal retirement age or death, is payable. When a contractual payment is made the guaranteed value may be further increased by a final bonus if the proportionate value of the with-profits assets exceeds the value of the member's guaranteed fund. The amount of final bonus will depend on a number of factors including the return on the assets in which the with-profits funds are invested. Final bonus rates are normally declared twice a year and can go up or down or could be nil.

Where a non-contractual withdrawal, such as a transfer payment, is made the guarantees do not apply and Standard Life may apply what is known as a Market Value Reduction (MVR) which is intended to ensure that investors remaining in the with-profits fund are not unfairly disadvantaged by those leaving. As at the date of this Statement Standard Life's most recent with-profits product literature states that a transfer payment for deferred benefits made before a member reaches Normal Retirement Age (NRA) could be lower than the amount payable on taking retirement benefits. This approach can change without notice.

As at 31 December 2025, the with-profits funds were invested as follows:

Funds	Asset allocation as at 31 December 2025				
	UK Equities	Overseas equities	Other growth assets	Property	ixed Interest & Other*
With Profits	13%	12%	3%	3%	69%
Millennium With Profits	31%	30%	6%	9%	24%

*includes Corporate Fixed interest, Government bonds, sub-sovereign bonds, index-linked bonds, cash deposits and money market instruments

More details about the with-profits funds can be found on Standard Life's website via the following link:

www.standardlife.co.uk/investments/funds/with-profits-information

4.1 Scheme investment returns net of all costs and charges

As at 5 March 2026, the assets of the Scheme were invested in the Pension With Profits Fund and the Pension Millennium With Profits Fund. The Trustee is required to set out historic investment returns on an annualised basis net of all costs and charges.

The Trustee has not been able to comply with this requirement as the past performance figures that have been provided by Standard Life state that "Recent investment returns are best estimates. These investment returns do not allow for tax, charges, expenses or the effects of any smoothing and have been rounded down." The Trustee has raised this issue with Standard Life who have advised that they are unable to provide net investment returns for with-profits funds.

The investment returns provided by Standard Life are as follows:

Investment Funds	Performance figures provided by Standard Life over the period to 31 December 2025 (the returns are annualised)			
	1 year	3 years	5 years	9years
With Profits Fund	9.6%	6.8%	2.2%	2.5%
Millennium With Profits Fund	15.1%	11.5%	8.3%	5.8%

Although the above returns will affect the regular and final bonuses granted the actual annual growth rates on the guaranteed values in the with-profits funds have been as follows:

Pension With Profits Fund

Period	Guaranteed Growth Rate	Bonus Growth Rate	Total Growth Rate
17/01/83 – 28/02/83	4.0%	8.0%	12.0%
01/03/83 – 31/01/88	4.0%	9.0%	13.0%
01/02/88 – 31/01/90	4.0%	8.0%	12.0%
01/02/90 – 31/01/92	4.0%	7.0%	11.0%
01/02/92 – 31/01/94	4.0%	6.0%	10.0%
01/02/94 – 31/01/96	4.0%	4.5%	8.5%
01/02/96 – 31/01/97	4.0%	4.0%	8.0%

01/02/97 – 31/01/98	4.0%	3.5%	7.5%
01/02/98 – 31/01/99	4.0%	2.5%	6.5%
01/02/99 – 31/01/02	4.0%	1.5%	5.5%
01/02/02 – 31/01/03	4.0%	1.0%	5.0%
01/02/03 – 31/01/04	4.0%	0.25%	4.25%
01/02/04 – 31/01/26	4.0%	0.0%	4.0%
01/02/26 – until further notice	4.0%	0.0%	4.0%

Pension Millennium With Profits Fund

Period	Guaranteed Growth Rate	Bonus Growth Rate	Total Growth Rate
01/02/99 – 31/01/02	0.0%	5.5%	5.5%
01/02/02 – 31/01/03	0.0%	5.0%	5.0%
01/02/03 – 31/01/04	0.0%	4.25%	4.25%
01/02/04 – 31/01/05	0.0%	3.25%	3.25%
01/02/05 – 31/01/06	0.0%	2.5%	2.5%
01/02/06 – 31/01/08	0.0%	2.0%	2.0%
01/02/08 – 31/01/09	0.0%	2.5%	2.5%
01/02/09 – 31/01/11	0.0%	2.0%	2.0%
01/02/11 – 31/01/12	0.0%	1.5%	1.5%
01/02/12 – 31/01/13	0.0%	1.0%	1.0%
01/02/13 – 31/01/14	0.0%	0.5%	0.5%
01/02/14 – 31/01/15	0.0%	1.0%	1.0%
01/02/15 – 31/01/16	0.0%	0.75%	0.75%
01/02/16 – 31/01/18	0.0%	0.5%	0.5%
01/02/18 – 31/01/22	0.0%	0.75%	0.75%
01/02/22 – 31/01/23	0.0%	1.25%	1.25%
01/02/23 – 31/01/24	0.0%	1.75%	1.75%
01/02/24 – 31/1/25	0.0%	2.25%	2.25%
01/02/25- 31/1/26	0.0%	2.75%	2.75%
01/02/26 – until further notice	0.0%	3.0%	3.0%

Standard Life do not quote final bonus rates as these will vary from member to member and can change on a daily basis. Final bonus will only apply at the point at which a payment is made to a member / beneficiary.

4.2 Lifestyle Investing

The Scheme does not operate a lifestyle matrix (i.e., the option within the policy of automatically switching assets into different funds as members approach retirement) and the Trustee's understanding is that Standard Life does not offer a lifestyling option under the policy.

4.3 Charges and transaction costs

The Trustees understand the importance of the charges and transaction costs applicable to members' savings in the Scheme. The charges are as follows:

Type of charge	Charge per annum	Further details
Indicative Annual Fund Charge	1.0%	This is the figure published by Standard Life although members may be entitled to a discount. The indicative with-profits charge is shown on annual benefit statements
Charge for cost of guarantees	0.0% - With Profits Fund 0.0% - Millennium With Profits Fund	These are charges made to meet the cost of any guarantees relating to the minimum guaranteed annual bonus / growth rates. These charges are shown on annual benefit statements. Standard Life removed the charges for the cost of guarantees from both funds with effect from 1 January 2023.
Charge on initial units	3.0%	A charge of 3.0% is made against 50% of the units purchased in the first 2 years of either the policy being set up or any increases to contribution levels until normal retirement age. Based on information supplied by Standard Life only a small number of members are now subject to this charge, and all the members benefit from the FSG.
Investment transaction costs	0.02% - With Profits Fund 0.03% - Millennium With Profits Fund	This is the cost of the underlying investment transactions. The figures have been supplied by Standard Life and are for the period 1 January to 31 December 2025
Market Value Reduction (MVR)	Member specific	When a non-contractual payment is made such as on transfer before normal retirement age Standard Life may reduce the pay out by a MVR in order to ensure that the interests of remaining investors are protected and that those leaving the fund do not receive more than their fair asset share. MVR rates are regularly reviewed and may change at any time and can be member specific. This approach is subject to review and may change in future. As at the date of this Statement Standard Life's with profits product literature stated that a transfer payment for deferred benefits made before a member reached NRA could be lower than the amount payable on taking retirement benefits.
Trustee charges	Nil	These are paid for by the Company. There is no charge to the member.

In accordance with regulation 25(1)(a) of the Administration Regulations, the Trustee has calculated the "charges" and, in so far as it was able to do so, the "transaction costs", borne by members of the Scheme for the Scheme Year.

The Trustee is aware that the Financial Conduct Authority (FCA) has now published its final policy statement on transaction costs which, effective from 3 January 2018, introduced an obligation on asset managers to disclose transaction costs to Trustee Boards as well as a prescribed methodology under which asset managers should do so.

Transaction costs are those incurred by fund managers as a result of buying, selling, lending or borrowing investments. These costs are normally taken into account via the unit price for the relevant fund. In the case of with-profits funds however the unit price is determined by the growth rates declared by Standard Life which will not be directly affected by transaction costs although the growth rates themselves will be determined by, amongst other things, the investment performance of the assets in the fund and the costs incurred by Standard Life including transaction costs in running the fund. Although these costs have been shown separately above, as we are required to disclose them, they are actually covered by the indicative annual fund charge.

The Trustee has corresponded with Standard Life to clarify the various costs reported in this statement.

4.4 Impact of costs and charges on member funds

The Trustee is required to disclose to members the impact that costs and charges can have on their pension savings.

In 2022 Standard Life provided the Trustees with a Cost, Charges and Investment Disclosure proforma to complete so that they could provide the required illustrations for inclusion in the Chair's Statement. After the Trustees had completed and submitted the proforma, Standard Life advised that they were unable to produce the required figures for either the With Profits Fund or the Millennium With Profits Fund as they are deemed to be "closed funds".

The Trustee has not checked the position this year but assumes that Standard Life will still not be able to prepare the required illustrations and has therefore prepared the following illustrations based on the information they have been able to obtain from Standard Life on the costs and charges levied on the with-profits funds. Members should note that in the event of a contractual benefit payment being due, such as on death or at normal retirement age, they should receive the higher of the Fund Value and Guaranteed Value. The actual value available may be higher due to the FSG but this is not allowed for in the figures set out below as the FSG will vary by member and can only be calculated at the point pension savings are accessed.

The assumptions that have been used for the illustrations are:

- Average pot size of £35,000 including final bonus of £15,000. Actual member pot sizes and the level of final bonus as a percentage of the total pot size will vary.
- The illustrations take into account future inflation which is assumed to be 2.5% per annum so the numbers are expressed in today's terms.
- Annual fund charge of 1.0% per annum. No allowance has been made for any discount on this charge that members may benefit from.
- No allowance for any initial unit charges that are applicable to some members.
- Charge for guarantees of 0.0% per annum for the With Profits Fund and 0.0% for the Millennium With Profits Fund.
- Assumed growth rates of 4.0% per annum for the With Profits Fund and the Millennium With Profits Fund.
- Allowance for guaranteed growth rates of 4.0% per annum for the With Profits Fund and 0.0% per annum on the Millennium With Profits Fund on a pot size of £20,000 i.e. excluding final bonus
- No account is taken of the value of the FSG which could be higher than the values shown.

With Profits				
End Year	Fund Value including Final Bonus - £35,000 at start of year 1		Guaranteed Value excluding Final Bonus – £20,000 at start of year 1	
	Before charges	After charges	Before charges	After charges
1	£35,512	£35,171	£20,293	£20,293
2	£36,032	£35342	£20,590	£20,590
5	£37,637	£35,862	£21,507	£21,507
10	£40,473	£36,745	£23,127	£23,127
15	£43,522	£37,650	£24,870	£24,870
20	£46,801	£38,578	£26,744	£26,744
25	£50,327	£39,528	£28,759	£28,759

Millennium With Profits				
End Year	Fund Value including Final Bonus - £35,000 at start of year 1		Guaranteed Value excluding Final Bonus – £20,000 at start of year 1	
	Before charges	After charges	Before charges	After charges
1	£35,512	£35,171	£19,512	£19,512
2	£36,032	£35,342	£19,036	£19,036
5	£37,637	£35,862	£17,677	£17,677
10	£40,473	£36,745	£15,624	£15,624
15	£43,522	£37,650	£13,809	£13,809
20	£46,801	£38,578	£12,205	£12,205
25	£50,327	£39,528	£10,778	£10,778

5. Statement of Investment Principles

As the Scheme has fewer than 100 members, a Statement of Investment Principles (prepared in accordance with regulations 2A of the Occupational Pension Schemes (Investment) Regulations 2005) is not required.

6. Investment Review

The Trustee recognises there are a number of risks for members and the main ones are:

- **Inflation risk** – the risk that the purchasing power of their investment account is not maintained.
- **Pension purchase risk** – the risk that the value of pension benefits which can be purchased by a given defined contribution amount is not maintained. This risk is mitigated for some members of the Scheme who benefit from the Final Salary Guarantee in respect of pre-1 March 1996 contributions.
- **Capital risk** – the risk that the value of the element to provide a tax-free cash sum is not maintained.
- **Communication risk** – the risk that communication to members is misleading or unclear and leads to inappropriate decisions being made.
- **Inappropriate member decisions** – the risk that members make inappropriate decisions regarding their investments.

Other risks, in addition to the above, include mismatching risk, manager risk, liquidity risk and concentration risk.

The varying nature of the risks faced by a defined contribution investor through time means that no single investment product will necessarily adequately meet the needs of the investor throughout the investing period.

The Trustee's understanding is that the Scheme was established with Standard Life on the basis that the only investment option available to members was to invest in with-profits funds in order to prevent selection against the Scheme due to the operation of the FSG. For this reason, a formal review of the investment strategy has not been undertaken. As noted under 4. above, these funds do not constitute a "default arrangement" for the Scheme.

7. Value for Members

Although the Scheme is a "specified scheme" for the purposes of Occupational Pension Schemes (Scheme Administration) Regulations 1996 as amended by the Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 the Trustee is not required to carry out a detailed value for members assessment as the wind-up of the Scheme has been triggered. This detailed assessment would require a comparison of investment performance and costs and charges with three comparator schemes with over £100m of assets along with a detailed assessment of the Scheme's administration and governance across seven key areas.

However, the Trustee is still required to assess the extent to which the (ongoing) charges and transaction costs represent good value for members whilst the Scheme is winding up. The Trustee understands the importance of ensuring that the service levels, charges and transaction costs represent good value for members. The published standard charges for the with-profits funds are 1,0% p,a, although based on the actual fund charges shown on

members' Annual Benefit Statements as at 5 March 2025 most members benefit from a discount to this charge with the average charge for a member being around 0.67% p.a.. On the basis that members are invested in with-profits funds, the Trustee has concluded that, due to the guarantees that these funds provide, the Scheme provides good value to members on costs and charges.

8. Administration, including processing of core financial transactions

The Trustee is required to ensure that core financial transactions are processed promptly and accurately. In relation to the Scheme the relevant financial transactions will be transfer payments out of the Scheme to alternative arrangements and payments out of the Scheme to beneficiaries.

All financial transactions are undertaken by Standard Life on the Trustees' behalf with support / input from Hughes Price Walker as required.

There was only one payment case during the year, which was the payment of retirement benefits to a member who benefited from the FSG. Given the need to top-up the member's pension pot to cover the FSG the transaction was processed without undue delay. As the FSG has now been removed from the Scheme Rules, the Trustee expects future financial transactions to be processed promptly given that all members' benefits are now wholly money purchase.

9. General

As part of its oversight and effective running of the Scheme, the Trustee will aim to meet as frequently as deemed necessary. Trustee Meetings are generally held half-yearly with the last one being held in June 2026. In addition, meetings were held in:

- August 2025 - to discuss a paper prepared by the Scheme Actuary on potential uplifts to member's pension pots to enable the FSG to be removed from the Scheme Rules; and
- April 2026 - to consider an investment advice paper from Hughes Price Walker on the wind-up of the Scheme and the default option for members.

The Trustee also holds informal monthly catch-up meetings to ensure that issues and actions identified at the half yearly Trustee meetings are monitored and progressed and member cases are kept under review. This ensures that sufficient time is devoted to running the Scheme.

The Trustee has also recently adopted all of its central sole trustee policies and in the event that the wind-up of the Scheme is not completed within 12 months from the date of adoption, will carry out an assessment of the extent to which the Scheme's governance is carried out in accordance with the policies. This will effectively be an Own Risk Assessment for the Scheme even though one is not actually required as the Scheme has under 100 members.

10. Level of Trustee Knowledge, Understanding and Skills to Operate the Scheme Effectively

The Trustees are required to have appropriate levels of trustee knowledge and understanding. This is achieved in a number of ways including:

- Pi Consulting (Trustee Services) Limited (PTS) has been appointed as an independent professional trustee to the Scheme.
- The staff of PTS undertake appropriate training at or outside of regular Trustee meetings.
- PTS staff also benefit from experience gained from managing other occupational pension schemes.

PTS staff on the trustee team are required to complete continued professional development (CPD) of at least 25 hours a year, of which only 10 hours can be reading. Training throughout the year included attending internal and external seminars, training sessions, and webinars hosted by various pension services providers and industry bodies as well as reading.

During the year, topics covered included Pensions Dashboards, the new DB funding code, the role of gold as an asset class for pension schemes, decumulation options for DC schemes, the Pensions Schemes Bill 2025, Bitcoin as an investment for pension schemes, nature related risk for pension schemes and the buy-in to buy-out journey from an insurer perspective. . Training is logged and reviewed annually. In addition, the various pension professional bodies, like the Pensions Management Institute and the Association of Professional Pension Trustees, have their own CPD requirements that members adhere to. These CPD requirements were achieved during the year under review. Both the lead and support trustee are Accredited Professional Trustees with the APPT.

The Trustee is familiar with the trust deed and Scheme rules and other relevant documents relating to the Scheme's governance and general administration.

The Trustee considers that taking into account the staff employed by PTS there is sufficient diversity in terms of background, experience and skills to support those undertaking the Trustee role for the Scheme.

The Trustee is supported by the Scheme's insurer and advisers. The performance of the advisers is assessed on an annual basis and was last undertaken in June 2026.

The Trustee considers that it has an open and constructive relationship with the employer.

The Trustee has concluded that the level of trustee knowledge, understanding and skills that it currently demonstrates enables the Scheme to operate effectively.

Signed by the Chair of Trustee of the Gerber Scientific Pension and Life Assurance Scheme

Date: 9 September 2026