Chair's Annual Report

Options UK Personal Pensions LLP Group Self Invested Personal Pension Plans

Year ended 31 December 2025

The ZEDRA Governance Advisory Arrangement (GAA)

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Executive Summary

This report covers Options UK Personal Pensions LLP Group Self Invested Personal Pensions, the workplace personal pension plans provided by Options UK Personal Pensions LLP (the "Firm").

Options UK Personal Pensions is wholly owned by Pathlines Holdings having been acquired from STM Group in October 2023.

It has been prepared by the Chair of the ZEDRA Governance Advisory Arrangement (the "GAA") for pension policyholders. It explains our independent view of the value delivered to policyholders and whether the Firm's policies and approach to Environmental, Social and Governance (ESG) risks, non-financial considerations and stewardship are adequate and of good quality.

As Chair of the GAA for this Firm, I am pleased to present this value assessment of the Options Group SIPPs. The GAA has carried out a detailed review of the Value for Money ("VfM") delivered to policyholders during the period 1 January 2025 to 31 December 2025. We use a Value for Money framework that weighs the quality of services and investment performance against the costs paid by policyholders. The Milton Keynes and Cardiff administration operations have now been consolidated and we have scored them as a single entity in this year's report.

We have placed less weighting on investment strategy than other criteria within a SIPP wrapper, since the Firm has no role in setting or managing investment strategies.

This report covers the accumulation phase workplace pension product(s) only (when policyholders are still building up savings).

A colour coded summary of the GAA assessment

	Weighting toward VfM assessment*	Options
1. Product strategy design and investment objectives	7%	🟡
2. Investment performance and risk	7%	🟡
3. Communication	20%	🟢
4. Firm governance	7%	🟡
5. Security of policy holder benefits	7%	🟢
6. Administration and operations	20%	🔴
7. Cost and charge levels	33%	🟢
Overall Value for Money assessment	100%	🟡

** May not add to 100% due to rounding*

Quality of Service and investment features

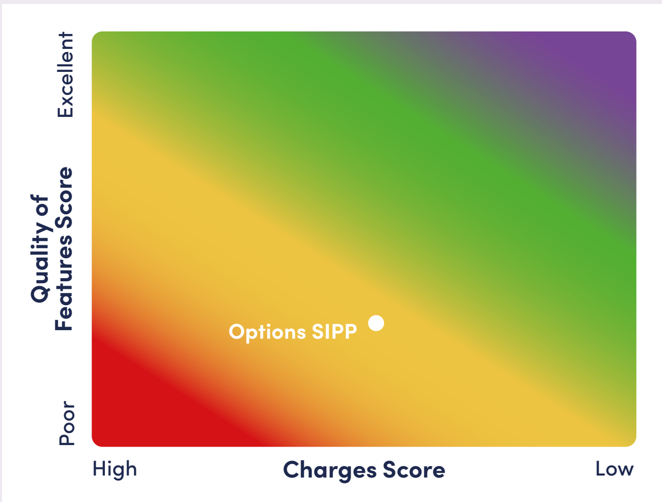
🟣 Excellent 🟢 Good 🟡 Satisfactory 🔴 Poor

Cost and charge levels

🟣 Low 🟢 Moderately Low 🟡 Moderately High 🔴 High

Value for Money scoring

The overall Value for Money score is visually represented by this heatmap.



Our conclusion is that Options provides satisfactory value for money.

How we decide our Value for Money rating is explained in more detail in Appendix B of this report.

Concerns and challenges

The GAA notes that a number of challenges were raised last year and is pleased to report progress in the following areas:

- The Firm has contacted IFAs to ascertain whether policyholders are advised by a financial advisor or qualify as sophisticated investors.
- Where members are identified as orphans (having left their employer and with no IFA in place), when notified by the employer, the Firm has put a process in place to write to members to clarify their status.
- The Firm has provided details of its new corporate structure under Pathlines.

The GAA challenged the Firm in the following areas, some of which have been raised in previous reports:

- Require an adviser to confirm they review their clients SIPP arrangements annually, undertake an assessment of investment risk and suitability and make available performance and risk information to policyholders for the funds in which they are invested.
- The lack of provision of administration reporting against SLAs and the breakdown of performance by transaction type such that core financial transaction SLAs can be explicitly assessed. The GAA would have raised this as a formal concern had the Firm not already been taking steps to address this.
- The GAA would expect the Firm to seek regular feedback from policyholders.
- Obtain and publish **transaction costs** for the funds that policyholders are invested in, to comply with the reporting requirements under the more limited scope of the FCA waiver as set out under Appendix A.

The FCA requires a comparison of your pension product with other similar options available in the market. If an alternative scheme appears to offer better value, we must inform the pension provider. Our view on each feature that we must make a comparison on is included in the relevant section of the report. Details of how we selected the comparator group is set out in Appendix C.

If we use technical pensions terms or jargon in this report, we explain them in the glossary in Appendix F.

Future developments

The Financial Conduct Authority (FCA) issued a consultation in August 2024 on the framework for assessing Value for Money. This followed their 2023 joint consultation with the Department for Work and Pensions (DWP) and The Pensions Regulator (TPR). A further joint consultation was issued in January 2026. These consultations set out a framework of metrics and standards to assess value for money across Defined Contribution (DC) pension arrangements, including the workplace pensions reviewed by the GAA. The regulators' overall aim is to improve the value savers get from their DC pension by increasing comparability, transparency and competition across DC pension schemes, whether regulated by the FCA or TPR. The consultation does not affect this year's review, but it is likely to result in changes to how Value for Money is assessed within the next few years. We continue to monitor these developments and will amend our assessment approach when necessary.

I hope you find this value assessment interesting, informative and constructive.

Sam Burden
Chair of the ZEDRA Governance Advisory Arrangement for the Options UK Personal Pensions LLP Self Invested Personal Pension Plans
September 2026

If you are a policyholder and have any questions, require any further information, or wish to make any representation to the GAA you should contact:

Address: Sarita Chopra, Options UK Personal Pensions LLP,
1st Floor Lakeside House, Shirwell Crescent, Furzon Lake, Milton Keynes, MK4 1GA

Alternatively, you can contact the GAA directly at zgl.gaacontact@zedra.com

Contents

1. Product Strategy Design and Investment Objectives

Value score: ○ Excellent ○ Good ● Satisfactory ○ Poor

What are we looking for?

The Firm does not design or manage investment strategies for SIPP policyholders. Because of this, we expect all policyholders to either:

- have a financial adviser, or
- be experienced ("sophisticated") investors who can make their own decisions.

We look for evidence of a robust decision process on the suitability for adding new investment funds onto the platform.

We would like to see that policyholders are regularly encouraged to review their investments, ideally with their adviser, to make sure they remain appropriate.

The Firm's approach

Operating within the SIPP framework, the Firm does not have a role in designing or managing investment strategies nor in setting their aims and objectives. Rather, this is deemed to be carried out by the policyholder or their IFA. There are no default investment strategies in place.

The Firm has confirmed that policyholders should either be deemed sophisticated investors or have access to advice from an FCA regulated Independent Financial Adviser ("IFA").

The Firm makes available investment funds based on policyholder, employer, or IFA requests. The Firm permits any investment fund requested by policyholders and/or their IFA to be made available if the investment fund is permissible to this class of investor and is a permitted investment listed on the Permitted Investment List under Resources of Self Invested Personal Pensions on the Options UK website at: www.optionspensions.co.uk

Reviews of this nature are carried out upon request for a fund to be accepted for investment by the Firm or when a request to switch funds is made and the fund has not been reviewed in the previous 12-month period.

Policyholders are also reminded that they should regularly review their investments with their IFA in their annual statement.

When Group SIPP policyholders leave service, their employer is expected to notify their IFA and the Firm so that members can be offered the option to convert their policy into an individual SIPP or choose to transfer out. However, this process did not appear to be happening consistently, meaning that some policyholders remain under the Group SIPP structure, but without an active IFA in place. To address this the Firm undertook a bulk mailer that was issued to all leavers in September 2025.

SIPP policies have also been established so that asset managers can invest in their own funds. Investments are typically invested in the managers' fund(s) only. Such policyholders are confirmed as sophisticated investors and as investment professionals are deemed suitably knowledgeable to understand both the SIPP product and the underlying investment options available.

Improvements since last year

The Firm confirmed that there is now, at the time of drafting this report, a process in place to confirm that employees are advised or sophisticated, but this was not done in 2025. When members leave and become orphans they are written to and asked whether they wish to be moved into an individual SIPP or transfer out.

Areas for improvement

GAA observations

Whilst the GAA notes the new policies introduced by the Firm, to confirm the status of policyholders as to whether they are advised or sophisticated and on leaving service, it is important these are embedded and undertaken on an annual basis.

2. Investment Performance and Risk

Value score: ○ Excellent ○ Good ● Satisfactory ○ Poor

What are we looking for?

The Firm does not choose or manage investments for policyholders. Instead, it provides a range of investment options. Policyholders are responsible for choosing their own investments, usually with help from a financial adviser.

Because of this, we focus on whether policyholders continue to have a financial adviser in place, where expected, and whether the Firm regularly reminds policyholders to review their investments, ideally with their adviser.

Even though the Firm does not manage the investments, we still expect it to have strong oversight arrangements. This includes collecting investment performance information regularly, and making this information easy for policyholders and advisers to access.

The Firm's approach

The Firm does not monitor investment performance and risk, as this is considered to fall within the remit of the IFA for this type of product or through the policyholder's expertise as a sophisticated investor.

The Firm provides online access to policyholders to view fund pricing and account size, but no performance or risk data is available. The Firm does not provide investment advice and expects the IFA to provide policyholders with this information as part of their ongoing agreement, although there is no process in place to confirm this.

The Firm reminds members of the need to monitor and review their investments when valuation statements are issued.

The Firm's communications direct policyholders towards an advisor, although the advisor is not named.

Policyholders receive annual review packs which provides a summary of their investments.

Areas for improvement

GAA Challenges

The GAA has maintained the challenge from last year and welcomes the Firm's planned improvements. This will:

- Require an adviser to confirm they review their clients SIPP arrangements annually, undertake an assessment of investment risk and suitability and the advisor will make available performance and risk information to policyholders for the funds in which they are invested.

3. Communication

Value score: Excellent / **Good** (selected) / Satisfactory / Poor

What are we looking for?

As a minimum, we expect communications to be suitable for their purpose. They should be clear, engaging and designed with policyholders' characteristics, needs and objectives in mind.

Where the Firm is communicating directly with policyholders, we expect a full set of key communications. This should include annual benefit statements, pre-retirement wake-up letters and retirement option packs.

Each year, information about administration charges and transaction costs should be available to policyholders on a publicly accessible website. This should include an illustration showing how administration charges and transaction costs can reduce outcomes over time (the compounding effect).

Although most policyholders will rely on their financial adviser for guidance, we still expect the Firm to provide useful support. For a high-quality communication service, we expect a strong online offering. This should include helpful tools and support materials, such as calculators that allow members to model different options using their own details. We also expect telephone support to be available. The Firm should monitor calls and ensure staff are trained and supported to give accurate information.

We expect policyholders or their IFAs to be able to switch investment options online. We also expect support to be available to help non-advised policyholders make decisions. In particular, there should be clear risk warnings built into the process where appropriate.

Finally, we expect the provider to offer a range of retirement options. We also expect clear signposting so policyholders know where they can get guidance and advice about their retirement choices.

The Firm's approach

The Firm maintains a dedicated online page for SIPP members, and forms and guides are centrally available via the Options website. Members benefit from a dedicated email inbox, telephone access to the SIPP department, and online account access.

The Firm issues a suite of documents that are maintained in line with the Consumer Duty, and where members are advised their IFA is copied into all correspondence. Communications are reviewed annually by the Compliance team to reflect legislative or regulatory changes, although this process is not formally documented. Options do not use telephone scripts, as the SIPP business primarily interacts with IFAs.

Wake Up Packs are issued every five years until the member is in full drawdown, and provide access to flexi-access drawdown, UFPLS, and small pots, but do not offer annuities. Retirement and transfer-out processes include signposting to Pension Wise, the Money Advice Service, and IFAs although no formal retirement advice or guidance is provided beyond the SIPP Key Features document, access to administrators and the Technical Team.

For investment switches, members have the option to use paper forms or access online self-trading platforms for certain investment houses. Requests can be submitted by members or their IFA and accepted directly from the member's registered email address, reflecting the instruction-only nature of the service. Each selected investment is reviewed against an accepted asset list before being processed, and any additional documentation required by specific investment houses must also be provided.

Comparator results

We have assessed how the communication materials provided to the Firm's policyholders compare to other sufficiently similar workplace pension arrangements. This takes account of the nature of the provider.

This assessment found that the communication materials provided to the Firm's policyholders over 2025 were average relative to the comparator group.

Areas for improvement

The GAA did not identify any specific areas for improvement.

4. Firm Governance

Value score: ○ Excellent ○ Good ● Satisfactory ○ Poor

What are we looking for?

We expect the Firm to have a clear and effective governance structure. This should include key committees with Terms of Reference that set out what each committee is responsible for, and these should be reviewed regularly. We also expect to see evidence that the key committees met during the year. Meeting packs or minutes should show that the committee's responsibilities were properly covered.

We expect a strong oversight framework for the security of IT systems, data protection and cyber-security. Cyber-security should be treated as a key risk. The Firm should monitor this area, train staff appropriately, and carry out testing (for example, penetration testing).

We expect Firms to have a comprehensive business continuity plan. The Firm should be able to demonstrate that the plan works, for example through regular testing.

We also expect a governance process to review product innovation for the workplace pension, including considering policyholder feedback. Any major change projects that affect policyholders should be properly governed.

There should be a clear and documented process for selecting and monitoring service providers. The Firm should review them regularly and make changes when needed

The Firm should also ensure policyholders either continue to have a financial adviser or remain classified as a "sophisticated investor". There should be evidence that these checks are carried out regularly and that the Firm takes action if something changes (for example, if a policyholder no longer has an adviser in place).

The Firm's approach

The GAA has been provided with an overview of Pathlines corporate governance structure which includes Options UK Personal Pensions LLP. This covers the Pathlines and Options Boards, committees and risk management structure. Terms of reference and minutes of the Firm's Investment Committee were provided for the first meeting held in August 2025. In addition the Pathlines Risk Management Policy was provided although it was not clear if this was final as it was undated.

There is a process in place for reviewing investment funds before they are made available to SIPP policyholders to ensure they are permitted investments for this class of investor.

All IFAs undergo due diligence and there is an intermediary application and onboarding process which requires the completion and approval of any new IFA prior to acceptance of any business.

Following the separation from STM Group, the Firm has been establishing its own cyber security policies. The Firm is being advised by a third-party provider Foxtech Technologies who provided the same services for STM Group and have helped establish, monitor and oversee the Firm's cyber security systems and provide a virtual Chief Information Security Officer service. FoxTech have also helped the firm in the development and testing of their Business Continuity and Disaster Recovery Plans although these were not put in place until 2026.

Areas for improvement

GAA observations

The GAA notes that whilst the Firm's Investment and Risk Management Committees are now in place there was little evidence of their operation and would expect to see minutes and actions in the next report.

5. Security of Policyholder Benefits

Value score: ○ Excellent ● Good ○ Satisfactory ○ Poor

What are we looking for?

We expect the Firm to be financially sound, with enough capital to keep operating for the foreseeable future.

We also look for appropriate protections for policyholder assets, for example in case of fraud or bankruptcy (at both the Firm and investment manager level). These protections could come from the FSCS or other regulatory protections, ringfencing, or the structure of the underlying product.

We expect the Firm to have processes to protect policyholder assets from fraud and scams. We also expect the Firm to actively monitor for possible scam activity.

The Firm's approach

The FCA's Client Assets Sourcebook (CASS) rules are followed, and funds are segregated. The Financial Services Compensation Scheme covers bank deposits and investment firms that are authorised and regulated by the Financial Conduct Authority. The maximum claim that could be made by the SIPP is restricted to £85,000.

Policyholders requesting transfers are provided with booklets on how to identify and prevent scams. Receiving schemes are checked against a list of acceptable schemes. Signposting to Pension Wise and the Money Advice Service is included within wake-up packs and retirement communications.

There is adherence to new transfer out protocols and a stringent retirement process in place. Training is in place for staff to safeguard policyholders against fraud and look after vulnerable customers.

Areas for improvement

The GAA did not identify any specific areas for improvement.

6. Administration and Operations

Value score: ○ Excellent ○ Good ○ Satisfactory ● Poor

What are we looking for?

We expect Firms to have strong administration processes, supported by appropriate service standards and regular monitoring and reporting against those standards. We are looking for evidence that core financial transactions are processed promptly and accurately. This includes processing contributions, transfers and death benefit payments.

We expect regular internal and external assurance audits of controls and administration processes.

We expect a low level of significant complaints. We also expect a clear process for handling and resolving policyholder complaints.

The Firm's approach

The Firm carries out the administration in-house with a dedicated team located in Milton Keynes. The Firm has Service Level Agreements ("SLAs") of between 2 and 5 days for administration tasks which includes core financial transactions. The Firm has not provided any administration reporting. We would expect to see a detailed breakdown of administration reporting against SLA covering core financial transactions. The Firm has acknowledged this challenge as an area requiring improvement and forms part of a broader programme to enhance operational oversight, management information, and consumer outcome monitoring. The Firm has designed and developed a new operating system which supports reporting of SLAs on all transactions across the policies.

In the year to 31 December 2025 the Chief Risk and Compliance Officer has confirmed that core transactions were processed in accordance with member instructions and that no complaints were received in the period. There were no surveys or attempts to engage with policyholders other than the annual retirement related communications.

There were no complaints during the year.

Comparator results

We have assessed how the quality and timeliness of the administration services, including the core financial transaction processing, provided to the Firm's policyholders compare to other sufficiently similar workplace pension arrangements.

This assessment found that the administration services provided to the Firm's policyholders over 2025 were below average relative to the comparator group.

Areas for improvement

GAA Challenges

The GAA challenged the Firm regarding:

- The lack of provision of administration reporting against SLAs and the breakdown of performance by transaction type such that core financial transaction SLAs can be explicitly assessed. The GAA would expect the Firm to seek regular feedback from policyholders.

7. Cost and Charge Levels

Value score: ○ Low ● Moderately Low ○ Moderately High ○ High

What are we looking for?

The GAA has reviewed the overall level of charges paid by policyholders over the year that are within the control of the Firm. This included assessing:

- the annual administration charges being borne by policyholders;
- any other charges being paid to the Firm by policyholders to manage and administer their workplace pensions;
- the process for collecting and monitoring overall member charges, including **transaction costs**;
- whether the overall level of charges within the control of the Firm is reasonable, bearing in mind the nature of the services provided by the Firm;
- the distribution of charges across policyholders.

Whilst we have considered the average total costs and charges, we also note where there may be significant outliers (for example, higher charges for small pots).

Where policyholders are advised or sophisticated investors, we do not include charges which they incur specifically in relation to the underlying investment funds, or the charges they may incur in relation to obtaining advice, since both are outside the control of the Firm.

You can find more information on the required disclosures about costs and charges paid by the Firm's policyholders in Appendix A.

The Firm's approach

The Firm does not consider fund manager fees, it has no insight into these fees and considers this to be outside of its remit.

The Firm does assess the level of fees an IFA would charge its clients as part of its approval of an IFA for Terms of Business and upon receipt of new business.

In addition to the **annual management charge** Options publishes a list of charges on its website covering SIPP transactions, such as transfers and costs associated with different investments.

The charging structure varies by employer but these are typically expressed as a percentage and may include a minimum monetary fee. A minimum fee can result in policyholders with low account values paying a high charge when expressed as a percentage of their account value. The GAA notes the progress that has been made by the Firm in addressing minimum fees. In previous years a significant number of members were subject to high percentage charges due to minimum fee structures and this has now been reduced to just a handful of members as set out in the table below:

Fee Category	No. of Policyholders	% of Policyholders
<0.25%	68	36.6%
0.25-0.35%	114	61.3%
0.35-0.45%	0	0.0%
>0.45%	4	2.2%
	186	100.0%

Please note that % of Policyholders may not add up to 100% due to rounding.

For sophisticated members the annual fee is either met by the employer or is less than 0.25% and represents excellent value for all members. This assessment does not consider the level of fees from the employer's perspective.

Policyholders may also pay fund management charges and may pay fees to an IFA where they have appointed one, which may also be deducted from their fund. The Firm does not control these charges and does not benefit from them.

The GAA has also not been provided with any information on indirect investment costs (including transaction costs). The Firm considers that as the investors are considered sophisticated and in many cases employed by the asset manager they are able to source this information directly.

Comparator results

We have assessed the overall cost and charge levels payable by the Firm's policyholders in comparison to policyholders of other sufficiently similar workplace pension arrangements. This takes account of the nature of the provider.

This assessment found that the overall cost and charge level paid by the Firm's policyholders over 2025 was below average, i.e. relative to the comparator group.

Areas for improvement

GAA observations

Whilst there were very few members subject to minimum fee levels the Firm should continue to monitor this going forwards.

8. ESG Financial Considerations, Non-Financial Matters and Stewardship

What are we looking for?

Where the Firm's investment strategy or investment decisions could materially affect policyholders' investment returns, the GAA will assess the adequacy and quality of the Firm's policies on ESG financial considerations, non-financial matters and stewardship. We consider how these factors are integrated into the Firm's investment strategy and investment decision-making. We also form a view on the adequacy and quality of the Firm's stewardship policy.

Typically, however, these considerations do not apply to a SIPP provider, on the basis that the Firm is not making any investment decisions on behalf of its policyholders.

Areas for improvement

GAA comment and view

The GAA has not considered these issues as the Firm is a SIPP provider and as such is not responsible for having an investment strategy or making investment decisions.

Appendix A: Administration Charge and Transaction Cost Disclosures

The FCA requires administration charges and transactions costs for each Relevant Scheme to be published by 30 September each year, covering the previous calendar year. They must be available for free on a publicly accessible website. These disclosures must include the costs and charges for each default arrangement and each alternative fund choice that a member can select. They should also include an illustration of the compounding effect of the administration charges and **transaction costs**, on a prescribed basis, for a representative range of fund options that a policyholder can select.

Disclosures in respect of all non-default fund options for the period 1 January 2025 to 31 December 2025 are required to be provided on a publicly accessible website.

The Options Group SIPPs allow policyholders access to investment funds based on policyholder, employer or IFAs requests subject to Options' own due diligence process.

The Options Group SIPPs have no default funds.

The Firm has obtained a waiver from the FCA in respect of this requirement so that it only needs to report on funds members are invested in. However the Firm has not complied with this more limited requirement to date.

Appendix B: Overview of the Value Assessment Approach

The GAA has assessed the Value for Money delivered by comparing what policyholders pay with what they receive in return (investment performance and service quality). More detail on our approach is set out below.

Our approach

The GAA believes that Value for Money is not the same for everyone. What people see as "good value" can change over time, depending on what matters most to them at that point.

Even so, it is always a balance between costs and what policyholders get in return (investment performance and service). Our approach is to compare the total costs paid by policyholders with the investment performance achieved and the quality of the services provided.

The key steps the GAA follows when conducting the Value for Money assessment are:

- We send the Firm a detailed data request, asking for information about service and quality features. We also ask for full details of net investment performance and all costs and charges, including transaction costs.
- We hold formal meetings with the Firm to review the data and to question or challenge any areas of concern. We keep minutes of these meetings. We also keep a log of any challenges raised, whether informally or through formal escalation.
- Once we have received the information, the GAA meets to discuss and agree provisional Value for Money scores using the GAA's framework. We also carry out the required comparisons against a suitable comparator group for certain Quality of Service and Investment Features and for Costs and Charges as required by the regulations.
- We then share and discuss the provisional Value for Money score (including the detailed breakdown) with the Firm before finalising our report.

The GAA's framework rates the Firm against seven features. These cover Quality of Service and Investment Performance and Strategy (the "Quality of Service and Investment Features"), as well as the Costs and Charges paid by policyholders. We assess this against what the GAA considers to be good practice.

The Quality of Service and Investment Features are based on the FCA's requirements for ongoing Value for Money assessments in COBS 19.5.5. This includes communications with policyholders and the processing of core financial transactions. The assessment also includes other areas the GAA considers important, based on our experience of Value for Money assessments over many years. For example, we consider the Firm's governance, approach to engagement and innovation, security of IT systems and data protection, financial security for policyholders, and the quality of administration processes.

Each Quality of Service and Investment Feature is broken down into sub-features. We score each sub-feature using a numeric scale. For each sub-feature we use score descriptors to help apply scores consistently across different clients. We then combine the sub-feature scores to produce an overall score for each feature, which ranges from Poor to Excellent.

We also assess the value of the costs and charges that policyholders pay. This mainly focuses on ongoing charges for investment management, administration and any platform fees. We also consider the transaction costs within the underlying funds, how these are controlled, and any additional costs policyholders must pay to manage their policies. We then rate costs and charges on a scale from Low to High, using our knowledge of typical costs and charges in the pensions market.

We combine the scores for each feature using the weightings shown in the Executive Summary to determine the Overall Value for Money rating. The weightings reflect the GAA's view of what matters most to policyholders. They are weighted more heavily towards the features highlighted in the regulations as most relevant to value. Where possible, we also consider the likely needs and expectations of this group of policyholders.

In each section of the report, we describe the Firm's approach for each feature. We also set out the rating the GAA has given, and any areas for improvement we have identified.

We also carry out a comparative assessment against a suitable comparator group. This includes net investment performance, the quality of communications, the quality and timeliness of administration (including processing of core financial transactions), and costs and charges. We include the results in the relevant sections of the report. We also consider whether, overall, another provider may offer better Value for Money and, if so, we will inform the Firm. Details of how comparator providers and products were determined are set out in Appendix C.

Specific considerations for SIPPs

This assessment has been carried out for a Self-Invested Personal Pension (SIPP) where policyholders are either advised or experienced investors.

In this type of pension the policyholder (often with their financial adviser) decides how to invest their money, the Firm does not design or manage investment strategies, and the Firm cannot change investments on behalf of policyholders.

Because of this, we have focused on whether policyholders are advised or experienced enough to make their own decisions, we have not assessed areas that relate to designing or managing investment strategies, and we have not assessed investment performance, as this depends on the choices made by policyholders and their advisers.

We have not assessed transaction costs or the charges paid directly to investment managers, as these are outside the Firm's control. Instead, we have focused on whether these costs are clearly explained to policyholders.

We have not considered the Firm's policies relating to **environmental, social and governance (ESG)** factors, or other non-financial considerations and stewardship as these areas are generally less relevant for a SIPP provider, because the Firm does not make investment decisions on behalf of policyholders

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Appendix C: Approach to Comparisons

The FCA requires a comparative assessment of certain sub-features of the Value for Money assessment. The GAA must compare the Firm's offering with a selected group of other similar product options available in the market, using publicly available information. If an alternative scheme (or schemes) would offer better value, we must inform the pension provider.

ZEDRA's GAA operates for a number of Firms, all of whom have agreed that the GAA can make use of the data we have gathered on their offerings to conduct the required comparisons this year. This is done on an anonymised basis.

How the comparators were selected

The GAA has selected several comparator products that we believe are sufficiently similar products to be comparable to those provided by the Firm for this purpose. The choice was based on the following broad criteria:

- Type of product i.e. whether accumulation or pathways, and within accumulation whether the product is a SIPP or workplace group personal pension.
- Products where Firms provide similar services, for example whether the provider has responsibility for setting and monitoring the investment strategy.

Based on these criteria we believe that the comparator products chosen will provide a reasonable comparison for the policyholders of the products covered by this report.

Comparison of Net Investment Performance

We have assessed how the net of fees investment performance provided to the Firm's policyholders compares to other similar employer pension arrangements. This takes account of the performance of the investments being offered.

Where multiple investment funds are made available, we have considered the amount invested by **relevant policyholders** in each fund.

Comparison of Communication provided to policyholders

We have assessed how the full range of communication materials, including any websites and modelling tools, provided to the relevant policyholders compares to other sufficiently similar employer pension arrangements. This takes account of the type of pension product provided, and whether the communication materials are fit for purpose considering the age profile of the relevant policyholders.

Comparison of Administration Services

We have assessed how the quality and timeliness of the administration services, including the core financial transaction processing, provided to the Firm's policyholders compares to other sufficiently similar employer pension arrangements.

Comparison of costs and charges

We have undertaken the comparison of cost and charge levels considering three categories of charges:

- Annual Administration and Investment Fund charges
- Transaction Costs
- Other Costs and Charges

We have assessed the overall cost and charge levels payable by the Firm's policyholders in comparison to policyholders of other sufficiently similar employer pension arrangements. This takes account of the type of product provided. The costs of services that are provided directly to the policyholder and paid for separately by the policyholder (for example financial or investment advice) are not included.

Appendix D: GAA Activity and Regulatory Matters

This section explains what the GAA has done over the year and covers other matters that we must include in our annual report.

GAA engagement and actions this year

In early 2026, we prepared and issued a data request covering all relevant workplace pension policies.

Members of the GAA met with representatives of the Firm to start the Value for Money assessment for the 2025 calendar year and to agree timescales.

We then met with representatives of the Firm to discuss the information provided in response to the data request. This allowed the GAA to meet key staff responsible for areas such as investment strategy (and how it has changed over time), the fund range (including default design), investment governance, approach to ESG, non-financial matters and stewardship, administration and communications, and risk management. In some cases, this meeting was virtual.

We discussed the GAA's provisional Value for Money scoring for the Firm's in-scope workplace pensions. We also discussed the Firm's approach to meeting the costs and charges disclosure requirements in COBS 19.5.13.

As part of the Value for Money assessment, the Firm provided the GAA with the information we requested. This included supporting evidence such as minutes and other documents for discussion at the site visit.

Over the last year, the GAA reviewed our Value for Money assessment framework and scoring method to ensure it remains suitable and can be applied consistently. The framework is largely unchanged from last year, but we improved the data request and realigned some elements of our assessments to streamline our reporting and made the overall process more efficient.

We keep minutes of all formal meetings with the Firm. We also keep a log of any concerns raised by the GAA, whether informally or as formal escalations. The key dates are:

Item	Date
Issue Data Request	25/02/2026
Kick off meeting	27/02/2026
Site visit	08/05/2026
GAA Panel Review Meeting	21/05/2026
Discuss Provisional Scoring	25/06/2026

The arrangements put in place for policyholders' representation

The following arrangements have been put in place to ensure that the views of policyholders can be directly represented to the GAA:

- The role of the GAA and the opportunity for policyholders to make representations direct to the GAA has been and will continue to be communicated to policyholders via: www.optionspensions.co.uk/group-sipps
- The Firm will receive and filter all policyholder communications, to ensure that this channel is not being used for individual complaints and queries rather than more general representations which may be applicable to more than one policyholder or group of policyholders. Where the Firm determines that a communication from a policyholder is a representation to the GAA, it will be passed on in full and without editing or comment for the GAA to consider.

In addition, the GAA has established a dedicated inbox at zgl.gaacontact@zedra.com so that policyholders can make representations to the GAA directly. The Firm has included details of this contact e-mail address on: www.optionspensions.co.uk/group-sipps

Appendix E: ZEDRA GAA Credentials

In February 2015, the Financial Conduct Authority (FCA) introduced new rules for providers of workplace personal pension plans (called **relevant schemes**). These rules took effect from 6 April 2015. From that date, providers had to set up an Independent Governance Committee or appoint a Governance Advisory Arrangement. The main role of either body is to:

- Act solely in the interests of the **relevant policyholders** of those pension plans, and to
- Assess the "value for money" delivered by the pension plans to those relevant policyholders.

These requirements were extended to firms providing investment pathways from 1 February 2021.

The FCA rules require the Chair of each Independent Governance Committee and each Governance Advisory Arrangement to produce an annual report covering a number of prescribed matters.

The ZEDRA Governance Advisory Arrangement ("the GAA") was established on 6 April 2015. It has been appointed by a number of workplace personal pension providers and investment pathways providers. ZEDRA is a specialist provider of independent governance services, mainly to UK pension arrangements. We also act as an independent trustee on several hundred trust-based pension schemes, and we sit on several IGCs. More information on the ZEDRA GAA can be found at: **www.zedra.com/GAA/**

The members of the ZEDRA GAA are appointed by the Board of ZEDRA Governance Ltd. The Board is satisfied that, individually and collectively, the members of the GAA have the expertise, experience and independence needed to act in the interests of relevant policyholders and **pathway investors**.

The Board of ZEDRA Governance Ltd has appointed ZEDRA Governance Ltd to the GAA. Most of ZEDRA Governance Ltd's Client Directors represent ZEDRA Governance Ltd on the GAA.

The Board of ZEDRA Governance Ltd has also appointed Dean Wetton, acting on behalf of Dean Wetton Advisory UK Ltd, to the GAA. Dean Wetton and Dean Wetton Advisory UK Ltd are independent of ZEDRA.

For each Firm, the Board of ZEDRA Governance Ltd appoints either a specific named Client Director of ZEDRA Governance Ltd or Dean Wetton of Dean Wetton Advisory Ltd to act as Chair of the GAA.

More information on each of ZEDRA's Client Directors, their experience and qualifications can be found at: **www.zedra.com/people/**

Information on Dean's experience and qualifications can be found at: **http://www.deanwettonadvisory.com**

The GAA has a conflicts of interest register and a conflicts of interest policy. The aim is to ensure any potential conflicts are identified and managed effectively, so they do not affect ZEDRA Governance Ltd's or Dean Wetton Advisory Ltd's ability to represent the interests of relevant policyholders or pathway investors.

The terms of reference for the GAA agreed with the Firm can be found at: **www.optionspensions.co.uk/resources**

Appendix F: Glossary

Active management

The investment of funds where the skill of the investment manager is used to select particular assets at particular times, with the aim of achieving higher than average growth for the assets in question.

Annual Management Charge or AMC

A deduction made by the pension provider or investment manager from invested assets, normally as a percentage of the assets. The AMC is generally how the pension provider or investment manager is paid for their services.

Annuity

A series of payments, which may be subject to increases, made at stated intervals, usually for life. If the annuity is "joint life", it will continue to a spouse (usually at a lower rate) after the death of the original person receiving the payments ("the annuitant").

COBS

The Conduct of Business Sourcebook prepared by the Financial Conduct Authority (FCA). When we use COBS in this report we are referring to Chapter 19 of the COBS which sets out the provisions relevant to the Value for Money Assessment of workplace pensions.

Core financial transactions

The essential processes of putting money into a pension policy or taking it out, namely:

- Investment of contributions.
- Implementation of re-direction of future contributions to a different fund.
- Investment switches for existing funds, including life-styling processes.
- Settlement of benefits – whether arising from transfer out, death or retirement.

Decumulation

The process of converting pension savings to retirement income.

Environmental, Social and Governance (ESG)

The three main factors looked at when assessing the sustainability (including the impact of climate change) and ethical impact of a company or business. ESG factors are expected to influence the future financial performance of the company and therefore have an impact on the expected risk and return of the pension fund investment in that company.

Flexible access

Accessing pension savings in the form of income and/or lump sums. Pension savings that are not being accessed immediately will generally remain invested.

Life-styling

An automated process of switching investment strategy as a policyholder approaches retirement, in a way that is designed to reduce the risk of a policyholder's retirement income falling.

Net Investment Performance

The investment performance of the fund after deducting all asset management charges, administration charges, taxes and fees for managing the fund including any transaction costs.

Pathway investor

A retail client investing in a Firm's pathway investment offering.

Pathway investment

A drawdown fund which is either a capped drawdown pension fund or a flexi-access drawdown pension fund.

Relevant policyholder

A member of a Relevant Scheme who is or has been a worker entitled to have contributions paid by or on behalf of his employer in respect of that Relevant Scheme.

Relevant Scheme

A personal pension scheme or stakeholder pension scheme for which direct payment arrangements are, or have been, in place, and under which contributions have been paid for two or more employees of the same employer.

Transaction costs

A combination of explicit and implicit costs included within the price at which a transaction (i.e. buying or selling an asset) takes place.

With profits

An insurance contract that takes part in the profits of an insurance company. The insurance company aims to distribute part of its profits to with-profits policy holders in the form of bonuses.

Unit-linked

A type of investment where the investments of numerous people are pooled together and divided into units of equal value. The value, or price, of each unit depends on the value of the assets of the unit linked fund. The unit price determines the number of units the policyholder receives when they invest money in the fund, and the sum they receive when they sell their units.

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