

Annual statement regarding governance of the DC Section of the Fujifilm Diosynth Biotechnologies UK Pension Fund (the “Fund”)

The Occupational Pension Schemes (Scheme Administration) Regulations 1996 (“the Administration Regulations”) require the Trustee to prepare an annual statement regarding governance and include this in the annual Trustee report and accounts. The governance requirements apply to all defined contribution (“DC”) pension arrangements and aim to help members achieve a good outcome from their pension savings.

This statement issued by the Trustee covers the period from 1 April 2023 to 31 March 2024 and is signed on behalf of the Trustee by the Chair.

This statement covers governance and charge disclosures in relation to the following:

1. The Default arrangement
2. Net investment returns
3. Member borne charges and transaction costs
 - i. Default arrangement
 - ii. Alternative lifestyles
 - iii. Self-select funds
 - iv. Illustrations of the cumulative effect of these costs and charges
4. Value for Members assessment
5. Processing of core financial transactions
6. Trustee knowledge and understanding

1. The Default Arrangement

The Trustee is required to design the default arrangement in members' interests and keep it under review. The Trustee needs to set out the aims and objectives of the default arrangement and take account of the level of costs and the risk profile that are appropriate for the Fund's membership.

The Fund is used as a Qualifying Scheme for auto-enrolment purposes.

The Trustee is responsible for the Fund's investment governance, which includes setting and monitoring the investment strategy for the Fund's default arrangement, the Drawdown Lifestyle Option. The default is primarily provided for members who join the Fund and do not choose an investment option for their contributions and are looking to take their retirement savings through income drawdown in retirement.

Details of the objectives and the Trustee's policies regarding the default arrangements can be found in a document called the 'Statement of Investment Principles' (SIP). The Fund's SIP is attached, however the aims are set out here for ease of reference:

- The Trustee is required to designate a default arrangement into which members who are automatically enrolled are invested. The Trustee has designated the Drawdown Lifestyle Strategy as the default arrangement for the Fund.

- The key objective for the default investment strategy (so far as is reasonably practicable) is to provide a strategy that is suitable for meeting members' long and short-term investment objectives, taking into account members' circumstances.
- It aims to do this by providing members with the potential for growth above the level of inflation during the accumulation of their retirement savings, and then to gradually adjust the asset allocation of their investments in the years approaching retirement, to reduce volatility and align with an asset class allocation suited to draw down an income in retirement.
- The default lifestyle option has been designed to be suitable for the membership of the Fund, taking into account factors including age, salary, contribution levels and term to retirement.
- The asset allocation throughout the Lifestyle option and the phasing of the gradual switching of investments takes into account members' greater capacity for risk early on and reduced capacity for risk in later years.

Investment strategy review

The Trustee continued its review of the investment strategy during the Fund year.

The review considered suitability of the default arrangement and other fund options with reference to the membership demographics (particularly expected fund values at retirement, projected using an analytics tool) and how members access their benefits, as well as industry data and wider trends. The conclusion was that the current default, targeting flexible drawdown remains appropriate. The Trustee agreed to make following changes within the default lifestyle option:

- Replacing the index linked gilts and UK corporate bond allocation within the Mixed 50 and Mixed 85 Fund with an equal allocation to global corporate bonds and multi asset credit.
- Replacing one of the underlying funds within the Diversified Growth Fund with a lower cost alternative fund.

The strategy review was concluded on 19 March 2024. The agreed changes were implemented after the end of the Fund year.

The next formal review is due to take place by 19 March 2027.

Performance Monitoring

The Trustee also reviews the performance of the funds that are used within the default arrangement against their aims and objectives as part of the investment strategy review and performance against benchmark on a quarterly basis. This review includes an analysis of fund performance to check that the risk and return levels meet expectations over suitable time periods. Performance of the funds is reviewed against benchmarks and, where relevant, targets, that have been agreed with the investment managers.

Where a fee is calculated by reference to the returns from investments held by the Fund and is not calculated by reference to the value of the member's rights under the Fund, the Trustees must state the amount of any such performance-based fees in relation to each default arrangement.

During the Fund Year no performance related fees have been applicable. As such, this fee has been calculated to be 0%, expressed as a percentage of the average value of the default arrangement assets over the same period.

Default arrangement asset allocation

The Trustees are required to disclose their full asset allocations of investments for each default arrangement. The table below shows the percentage of assets allocated in the default arrangement to specified asset classes over the year to 31 March 2024.

The specified asset classes are:

Asset class	Average asset allocation over year to 31 March 2024 (%)			
	Member Age			
	25 years old	45 years old	55 years old	NRA
Cash	1.5	1.5	3.3	2.0
Bonds	0.0	0.0	17.7	48.0
Listed equities	97.0	97.0	73.0	46.6
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	1.5	1.5	2.5	1.6
Private debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	3.6	1.8

2. Net investment returns

The Trustee is required to report on net investment returns for each default arrangement and for each non-default fund which scheme members were invested in during the Fund year. Net investment return refers to the returns on funds minus all member-borne transaction costs and charges.

The net investment returns have been prepared having regard to statutory guidance.

It is important to note that past performance is not a guarantee of future performance. The default, and all of the funds under the LGIM Investment Only Platform arrangement, have only been in place since March 2021. As the funds build up a longer performance history, we will be able to report net investment returns over longer time periods.

Investment market background

Global equities generated positive returns over the Fund year as the MSCI ACWI rose 25.0% in local currency terms. Inflation began to moderate in most major economies as the global economy proved more resilient than previously anticipated. The rally in Information Technology (IT) stocks was a major contributor to equity market gains over the period as investor excitement over artificial intelligence grew.

US equities performed strongly over the year, rising 30.3% in local currency terms. Following Silicon Valley Bank's collapse in March 2023, investors shrugged off short-lived concerns over the banking sector and priced in a quicker end to the sharpest tightening cycle in recent history. Expectations for new revenue streams, driven by artificial intelligence, boosted optimism for the largest US technology stocks. Index-heavyweight sectors such as IT and Financials returned 43.8% and 35.8%, respectively. Communication Services was the best-performing sector with a return of 47.7%.

UK equities delivered positive returns over the year, rising by 8.5%. Comparatively lesser exposure to the technology sector compared to its developed market peers weighed on UK equities.

The UK gilt curve shifted upwards as yields rose across maturities. This was more pronounced in real yields, which saw larger rises against a backdrop of falling long-term inflation expectations. Overall, according to FTSE All-Stocks indices, UK fixed-interest gilts remained flat while index-linked gilts fell by 5.0% over the last twelve months. The UK credit market performed positively as UK investment-grade credit spreads narrowed over the year.

Net returns of investment options within the Fund

(i) Default arrangement – Drawdown Lifestyle Option

Performance to 31 March 2024	Annualised returns (%)
Age of member in 2023	1 year
25	21.5
45	21.5
55	14.8

Source: LGIM, Aon calculations

The default, and all of the funds under the LGIM Investment Only Platform arrangement, have only been in place since March 2021. As the funds build up a longer performance history, we will be able to report net investment returns over longer time periods.

(ii) Self-select investment funds - Performance to 31 March 2024

	Annualised returns (%)
Fund name	1 year
Fuji BioTech Global Equity Fund	21.5
Fuji BioTech Mixed 50 Fund	9.5
Fuji BioTech Mixed 85 Fund	17.8
Fuji BioTech UK Equity Fund	8.2
Fuji BioTech World (ex-UK) Equity Fund	23.9
Fuji BioTech Diversified Growth Fund	7.8
Fuji BioTech Corporate Bond Fund	-0.8
Fuji BioTech Over 5 Year Index Linked Gilt Fund	-8.0
Fuji BioTech Pre-Retirement Fund	3.4
Fuji BioTech Cash Fund	4.8

Source: LGIM

3. Member Borne Charges and Transaction costs

The Trustees should regularly monitor the level of charges borne by members through the investment funds. These charges comprise:

- **Charges:** these are explicit, and represent the costs associated with operating and managing an investment fund. They can be identified as a Total Expense Ratio (TER), or as an Annual Management Charge (AMC), which is a component of the TER;
- **Transaction costs:** these are not explicit, and are incurred when the Scheme's fund manager buys and sells assets within investment funds but are exclusive of any costs incurred when members invest in or sell out of funds.

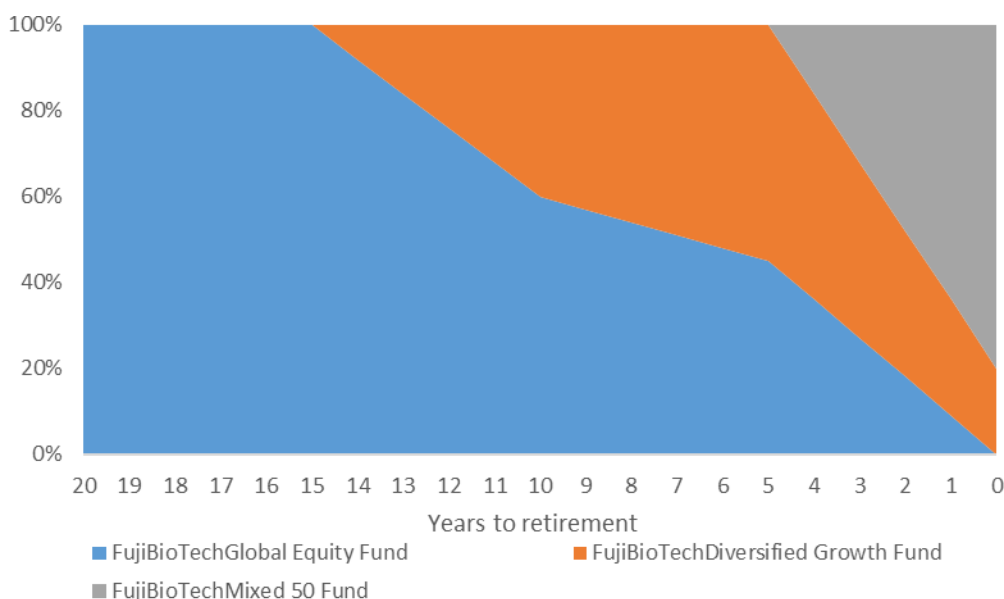
The Trustee is also required to confirm that the total costs and charges paid by any member in the default arrangement have not exceeded 0.75% p.a. (the charge cap) and produce an illustration of the cumulative effect of the overall costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

The Trustee has followed the statutory guidance in relation to this section. The Trustee has set out the costs and charges that are incurred by members, rather than the employer, over the statement year in respect of each investment fund available to members. These costs and charges comprise the Total Expense Ratio ("TER") and, insofar as we are able to, transaction costs. Administration charges are invoiced directly to the employer and are not incurred by members. They have therefore not been considered in this analysis.

The charges and transaction costs have been supplied by Legal & General Investment Managers (LGIM), who are the Fund's platform provider. Where transaction costs have been provided as a negative cost, these have been set to zero by the Trustee.

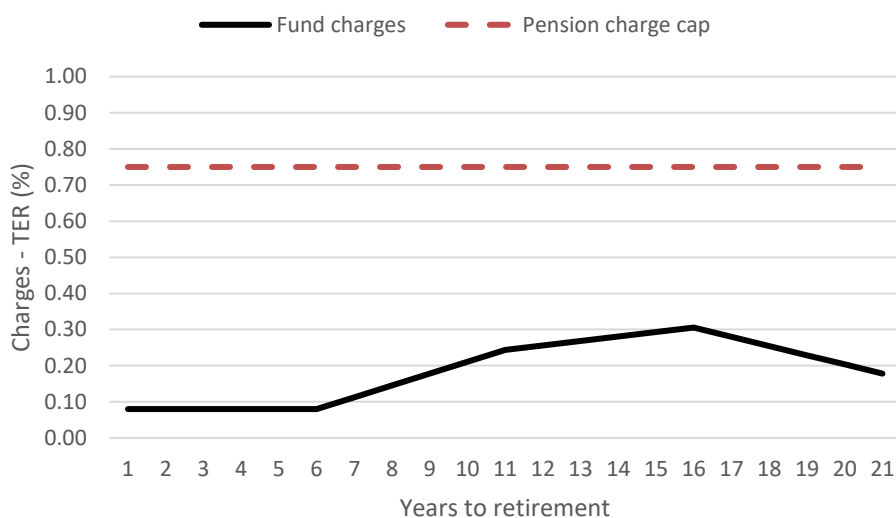
(i) Default arrangement – Drawdown Lifestyle Option

The Drawdown Lifestyle Option has been set up as a lifestyle arrangement which means that members' assets are automatically moved between different investment funds as they approach their target retirement date. This is illustrated in the chart below.



The TER that a member paid over the year depends on their term to retirement, as shown in the line chart below. The TER ranges from 0.08% p.a to 0.31% p.a, which is significantly below the 0.75% p.a charge cap for schemes that are used for auto-enrolling their employees.

Drawdown Lifestyle Option - Weighted TER



Transaction costs ranged between 0.10% p.a. and 0.21% p.a, meaning that the total cost associated with the Drawdown Lifestyle Option is between 0.18% p.a. and 0.52% p.a.

(ii) Self-select investment funds

In addition to the Drawdown Lifestyle Option members also have the option to invest in a further 2 lifestyles, targeting annuity or cash at retirement, and 10 individual funds.

The TERs and transaction costs for each of these are shown in the following tables:

Lifestyles	TER % p.a.	Transaction Costs % p.a.	Total costs % p.a.
Cash Lifestyle Option	0.08 – 0.31	0.07 – 0.21	0.15 – 0.52
Annuity Lifestyle Option	0.08 – 0.31	0.02 – 0.21	0.10 – 0.52

Individual funds	TER % p.a.	Transaction Costs % p.a.	Total costs % p.a.
Fuji BioTech Global Equity Fund	0.08	0.10	0.18
Fuji BioTech Mixed 50 Fund	0.10	0.05	0.15
Fuji BioTech Mixed 85 Fund	0.08	0.09	0.17
Fuji BioTech UK Equity Fund	0.17	0.00	0.17
Fuji BioTech World (ex-UK) Equity Fund	0.22	0.02	0.25
Fuji BioTech Diversified Growth Fund	0.49	0.30	0.79
Fuji BioTech Corporate Bond Fund	0.15	0.00	0.15
Fuji BioTech Over 5 Year Index Linked Gilt Fund	0.10	0.04	0.14
Fuji BioTech Pre Retirement Fund	0.15	0.00	0.15
Fuji BioTech Cash Fund	0.13	0.07	0.20

Source: LGIM

(iv) Illustrations of the cumulative effect of costs and charges

From 6 April 2018 the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 introduced new requirements relating to the disclosure and publication of the level of costs by the trustees and managers of a relevant scheme. These changes are intended to improve transparency on costs.

In order to help members understand the impact that costs and charges can have on their retirement savings, the Trustee has provided 4 illustrations of their cumulative effect on the value of typical Fund members savings over the period to their retirement.

The illustrations have been prepared having regard to statutory guidance, selecting suitable representative members, and are based on a number of assumptions about the future which are set out below.

Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on typical members of the Fund they are not a substitute for the individual and personalised illustrations which are provided to members in their annual Benefit Statements.

Each illustration is shown for a different type of member invested in the Drawdown Lifestyle Option, which is the default investment arrangement. Illustrations are shown as a chart and a table as follows:

- Each Chart shows a projection of the member's retirement savings at retirement age, with and without costs and charges applied.
- As the projected retirement savings are dependent on investment returns as well as the level of costs and charges, we have also included some comparison figures with other investments in the tables. For comparison purposes, we also show the projected retirement savings if the typical member were invested in the fund within the range offered by the Trustee which attracts the lowest explicit charges – Fuji BioTech Global Equity Fund, and the fund which attracts the highest charges - Fuji BioTech Diversified Growth Fund.

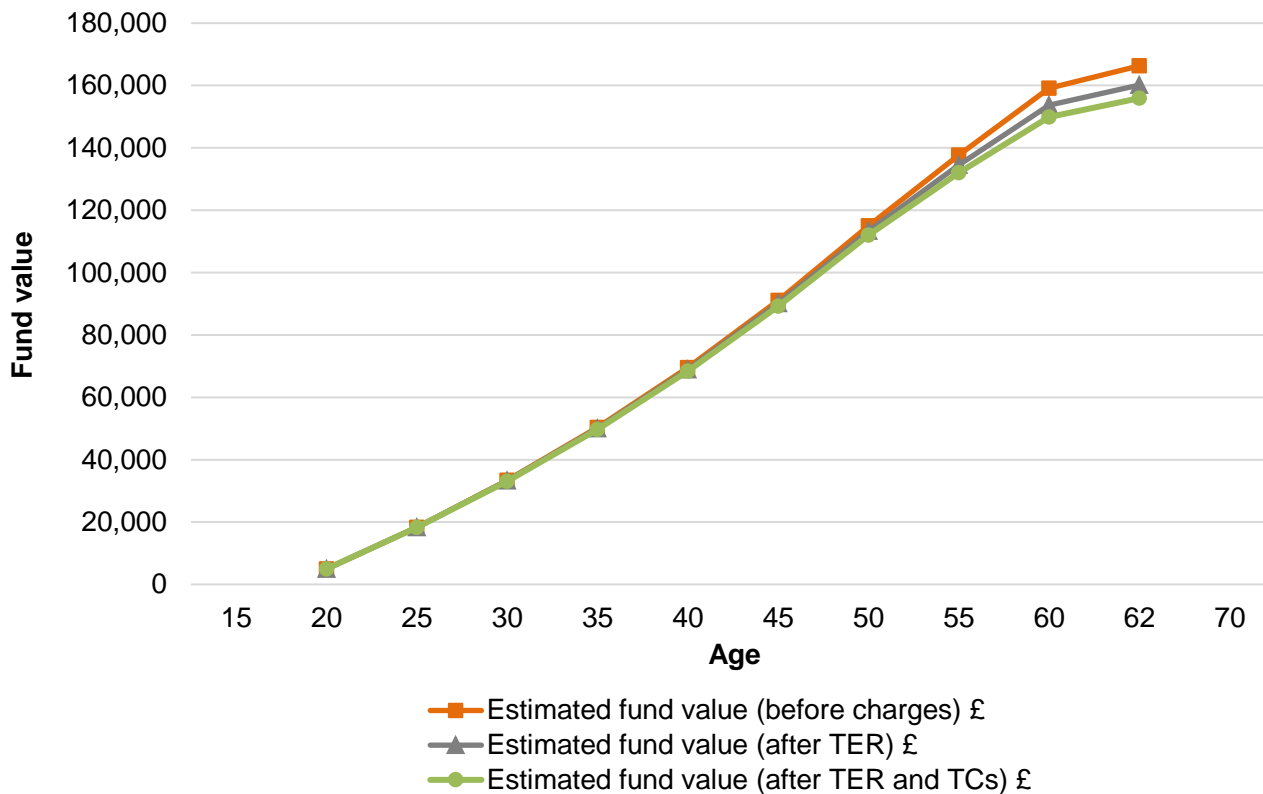
All projected fund values are shown in today's terms, and do not need to be reduced further for the effect of future expected inflation.

The table and charts below illustrate the effects of costs and charges at different ages on members' projected retirement pots for both the youngest sample member within the Fund and a typical active and a typical deferred member invested in the default arrangement. The following representative members have been used for the purposes of these projections.

	Age	Salary	Total Contributions	Current Fund Value	Retirement Age
Youngest Active Member	20	£22,000	£201.67 p/m	£5,000	62
Typical Active Member 1	42	£55,000	£504.17 p/m	£55,000	62
Typical Active Member 2	54	£40,000	£366.67 p/m	£78,000	62
Typical Deferred Member	43	-	-	£28,000	62

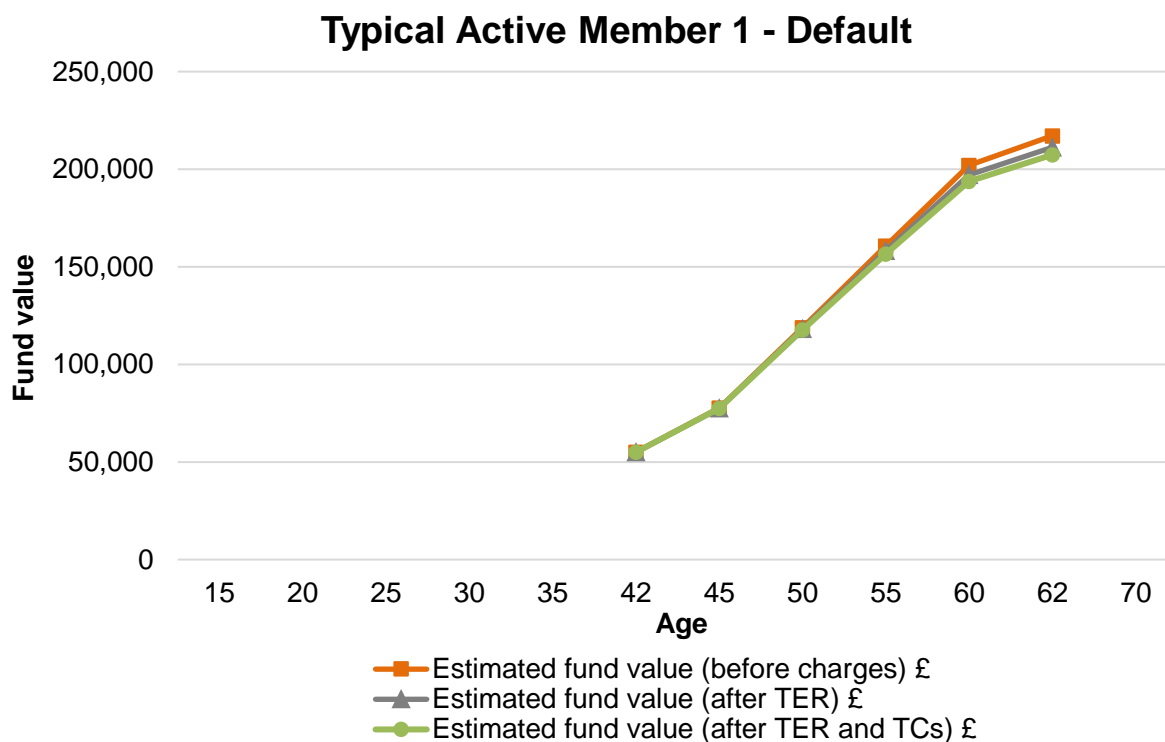
Illustration A: is based on the youngest active member who has 42 years to go until their retirement at age 62. The member has a current salary of £22,000 and has future contributions of 11% of salary. The member has a current fund value of £5,000 and is invested in the Drawdown Lifestyle Option.

Youngest Active Member - Default



Projected Pension Account in today's money									
Age	Fuji BioTech Global Equity Fund (Lowest charging fund)			Drawdown Lifestyle (Default arrangement)			Fuji BioTech Diversified Growth Fund (Highest charging fund)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
20	5,000	5,000	0	5,000	5,000	0	5,000	5,000	0
25	18,340	18,260	80	18,340	18,260	80	17,220	16,800	420
30	33,390	33,110	280	33,390	33,110	280	29,740	28,430	1,310
35	50,370	49,750	620	50,370	49,750	620	42,570	39,900	2,670
40	69,520	68,390	1,130	69,520	68,390	1,130	55,720	51,200	4,520
45	91,120	89,270	1,850	91,120	89,270	1,850	69,190	62,350	6,840
50	115,490	112,660	2,830	114,970	111,990	2,980	82,990	73,340	9,650
55	142,980	138,870	4,110	137,630	132,040	5,590	97,140	84,180	12,960
60	173,990	168,220	5,770	159,100	149,890	9,210	111,630	94,870	16,760
62	187,480	180,930	6,550	166,310	155,930	10,380	117,520	99,100	18,420

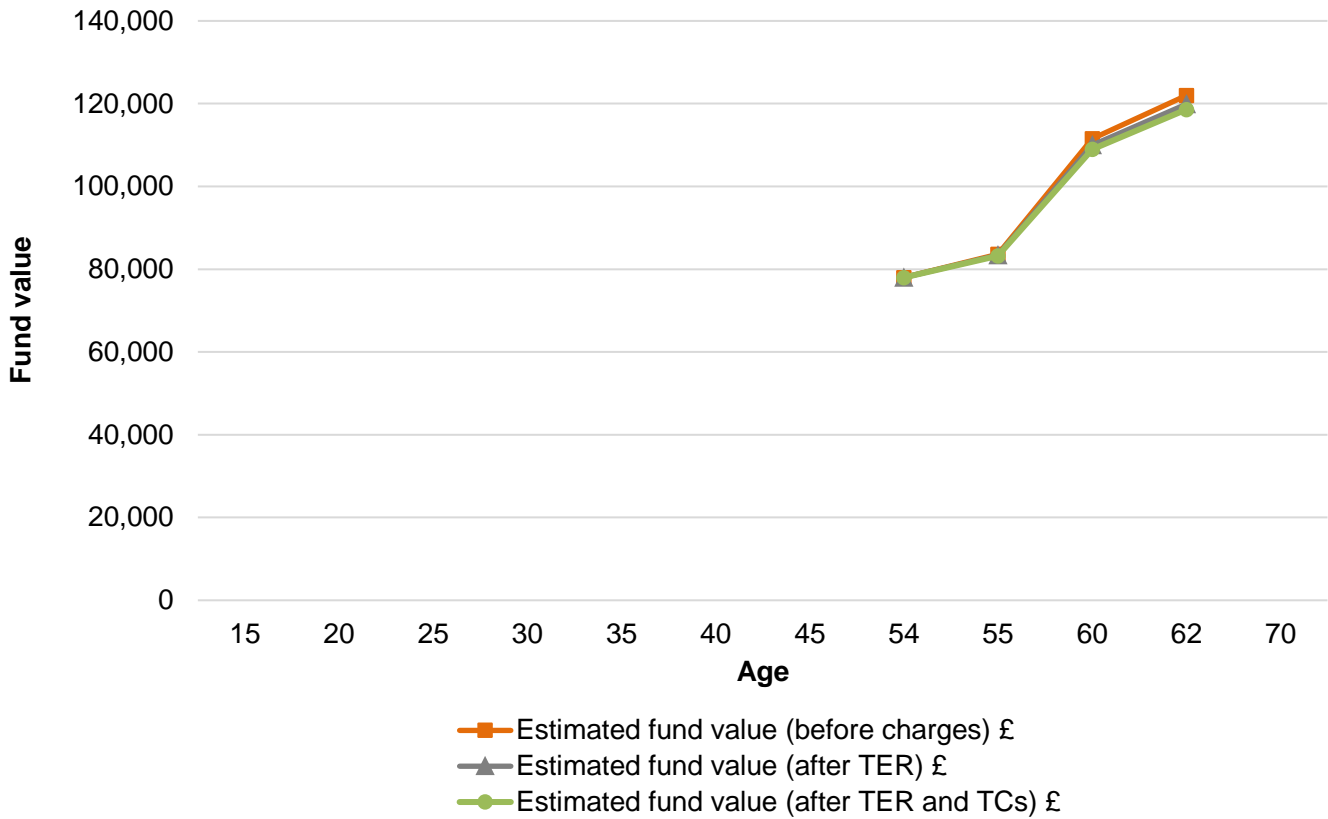
Illustration B: is based on a typical active member who has 20 years to go until their retirement at age 62. The member has a current salary of £55,000 and has future contributions of 11% of salary. The member has a current fund value of £55,000 and is invested in the Drawdown Lifestyle Option.



Projected Pension Account in today's money									
Age	Fuji BioTech Global Equity Fund (Lowest charging fund)			Drawdown Lifestyle (Default arrangement)			Fuji BioTech Diversified Growth Fund (Highest charging fund)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
42	55,000	55,000	0	55,000	55,000	0	55,000	55,000	0
45	77,710	77,430	280	77,710	77,430	280	73,870	72,390	1,480
50	119,420	118,380	1,040	118,900	117,700	1,200	105,930	101,040	4,890
55	166,460	164,260	2,200	160,580	156,620	3,960	138,790	129,290	9,500
60	219,530	215,660	3,870	202,040	193,810	8,230	172,450	157,140	15,310
62	242,610	237,910	4,700	217,130	207,400	9,730	186,150	168,170	17,980

Illustration C: is based on a typical active member who has 8 years to go until their retirement at age 62. The member has a current salary of £40,000 and has future contributions of 11% of salary. The member has a current fund value of £78,000 and is invested in the Drawdown Lifestyle Option.

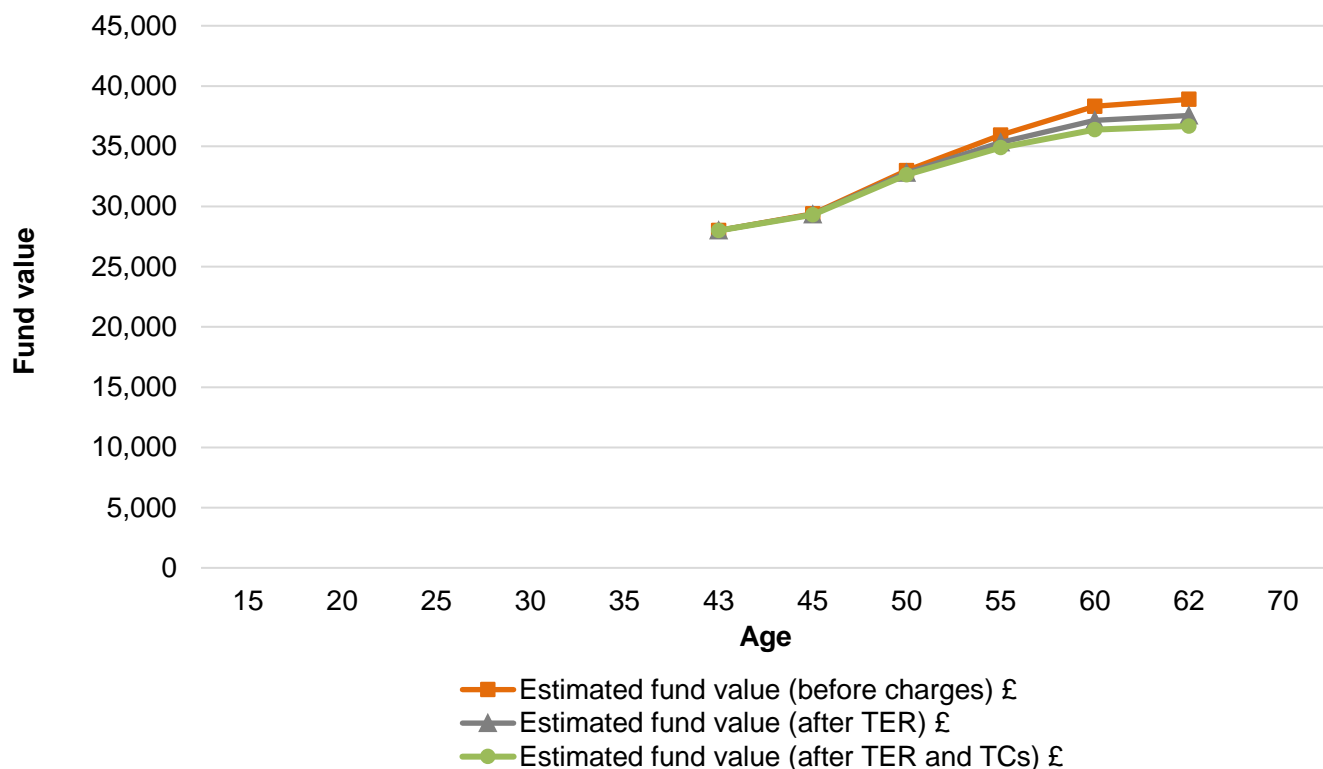
Typical Active Member 2 - Default



Projected Pension Account in today's money									
Age	Fuji BioTech Global Equity Fund (Lowest charging fund)			Drawdown Lifestyle (Default arrangement)			Fuji BioTech Diversified Growth Fund (Highest charging fund)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
54	78,000	78,000	0	78,000	78,000	0	78,000	78,000	0
55	84,300	84,190	110	83,580	83,240	340	82,740	82,120	620
60	118,190	117,320	870	111,530	108,960	2,570	106,770	102,540	4,230
62	132,930	131,670	1,260	121,970	118,590	3,380	116,550	110,630	5,920

Illustration D: is based on a deferred member (a member who is no longer making contributions into their Pension Account) who has 19 years to go until their retirement at age 62. The member has a current fund value of £28,000 and is invested in the Drawdown Lifestyle Option.

Typical Deferred Member - Default



Projected Pension Account in today's money									
Age	Fuji BioTech Global Equity Fund (Lowest charging fund)			Drawdown Lifestyle (Default arrangement)			Fuji BioTech Diversified Growth Fund (Highest charging fund)		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
43	28,000	28,000	0	28,000	28,000	0	28,000	28,000	0
45	29,380	29,300	80	29,380	29,300	80	28,270	27,840	430
50	33,140	32,830	310	32,990	32,630	360	28,970	27,450	1,520
55	37,390	36,770	620	35,920	34,880	1,040	29,680	27,070	2,610
60	42,180	41,200	980	38,310	36,370	1,940	30,410	26,690	3,720
62	44,260	43,110	1,150	38,890	36,680	2,210	30,710	26,540	4,170

Members are advised to consider both the level of costs and charges and the expected return on investments (i.e. the risk profile of the strategy) in making investment decisions.

Assumptions and data for illustrations:

The following assumptions have been made for the purposes of the above illustrations:

- Annual salary growth and inflation is assumed to be 2.5% per annum in line with standardised guidance on actuarial assumptions set out by the Financial Reporting Council
- The starting fund values and future contributions used in the projections are representative of the average for the Fund
- The projected annual returns on assets (gross of fees) are:
 - FujiBioTech Global Equity Fund: 5.0%p.a.
 - FujiBioTech Diversified Growth Fund: 3.0%p.a.
 - FujiBioTech Mixed 50 Fund: 3.0%p.a.

For the Drawdown Lifestyle Option, the projection takes into account the changing proportion invested in the different underlying funds. All funds shown above are underlying funds.

- The transaction costs relate to the 3 year period to the end date covered by this Statement, as the funds have only been in existence for this period. A floor of 0% pa has been used for the transaction costs if these were negative so as not to potentially understate the effect of charges on fund values over time.
- Data used is as at 31 March 2024.

4. Value for Members assessment

The Administration Regulations require the Trustees to make an assessment of charges and transactions costs borne by members and the extent to which those charges and costs represent good value for money for members.

There is no legal definition of "good value" or the process of determining this for Fund members. Therefore, working in conjunction with its advisers, the Trustee has developed its cost-benefit analysis framework in order to make an assessment as to whether our members receive good value from the Fund relative to the costs and charges they pay.

The costs have been identified as TER and Transaction Costs and are set out in section 3 of this statement. The Trustee has considered the benefits of membership under the following 6 categories: Scheme governance, investments, administration and member experience, member communications and engagement, retirement support and employer strength. Benchmarking relative to other pension arrangements or industry best practice guidelines is also undertaken.

The Trustee beliefs have formed the basis of the analyses of the benefits of membership. These are set out below along with the main highlights of their assessment.

Costs and charges	With support from its professional advisers, the Trustee has considered how the costs and charges of membership compare against the services and benefits provided by the Fund, such as scheme governance, the range of investment options available, the efficiency of administration, the quality of support services and communications to members. The Trustee, in conjunction with its adviser, believes these costs and charges to be competitive compared to the wider market and are comfortable that these services represent good value for members. In particular, members benefit from the fact the administration charges are met directly by the company.
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Governance	<p>The Trustee believes in having robust processes and structures in place to support effective management of risks and ensure members' interests are protected, increasing the likelihood of good outcomes for members.</p> <p>The DC Section is a standing item at regular Trustee meetings and the Trustee works closely with its advisers to ensure it is compliant with regulations and meets the standards of 'good practice'. This includes regular monitoring of the DC investment options and projected member retirement outcomes.</p> <p>The Trustee has established a DC Working Group, to consider the detailed recommendations set out in the investment strategy review, and to implement the Trustee's DC communications plan.</p>
Investment options	<p>The last formal investment strategy review took place over 2022 and 2023. Following the review, a multi asset credit fund and global corporate bond fund were introduced within the Mixed 50 and Mixed 85 Fund. Further changes were made to the DGF Fund as an underlying actively managed diversified growth fund was replaced with a lower cost alternative.</p> <p>The Trustee makes available to members a comprehensive range of lifestyle strategies and self-select funds.</p>
Administration	<p>The Trustee believes that good administration and record keeping play a crucial role in ensuring that Fund members receive the retirement income due to them. In addition, the Trustee believes that the type and quality of service experienced by members has a bearing on the level of member engagement.</p> <p>Overall, administration service levels for the year across all work types were 93% and performed above the 88% agreed Service Level Agreements being a significant improvement upon the last Fund year. Overall, the Trustee is comfortable with the level of service being received by members in relation to core financial transactions.</p> <p>Fund members have access to the administrator's online portal, ePA.</p>
Communications	<p>The Trustee believes that effective member communications and delivery of the right support and tools helps members understand and improve their retirement outcomes.</p> <p>Responsibility remains delegated with the DC Working Group to implement agreed communications plan over the next Fund year.</p>
Retirement support	<p>The Trustee considers the Fund to have a compliant retirement process which offers members access to information and support. Relevant information is provided to members in a timely manner and retirement options are discussed as part of the pension roadshows delivered to active members.</p>
Employer strength	<p>As a Defined Contribution arrangement, members' accrued Investment Account benefits are not reliant on the sponsoring company and are not dependent on the ongoing employer covenant. Nevertheless, the Trustee has an interest in employer covenant as a comfort that the Fund is a viable going concern. The Trustee is currently unaware of any cause for concern and is treating the fund as a going concern.</p>

The Trustee's assessment concluded that the charges and transaction costs borne by Fund members represent good value for members relative to the benefits of Fund membership.

5. Processing of Core Financial Transactions

The Trustees have a specific duty to ensure that core financial transactions are processed promptly and accurately. Core financial transactions include the investment of contributions, transfer of member funds into and out of the Fund, transfers between different investments within the Fund and payments to and in respect of members/beneficiaries.

The bulk of the core financial transactions are undertaken on behalf of the Trustee by the Fund administrator, Willis Towers Watson. This includes daily reconciliations and monitoring of the Fund's bank accounts. When carrying out core financial transactions, Willis Towers Watson have confirmed that all cases (including but not limited to core financial transactions) are completed by a member of the Willis Towers Watson Administration team before being checked by a senior member. Payments above £250,000 are subject to a secondary authorisation process prior to processing. The Company is responsible for ensuring that contributions are paid to the Fund promptly. The timing of such payments is monitored by the Trustee from quarterly administration reports submitted by Willis Towers Watson.

To enable the Trustee to monitor the processing of core financial transactions, the Trustee receives quarterly stewardship reports from Willis Towers Watson on key aspects of the administration which includes member statistics, contribution monitoring, reconciliations of members and contributions, a record of complaints, and performance against the service levels agreed. The Trustee has a service level agreement in place with the administrator, which covers various tasks including core financial transactions, with target turnaround times ranging from three to ten days depending on the criticality of the activity.

Overall, service levels for the year across all work types were 93% and performed above the 88% agreed Service Level Agreements and was a significant improvement on last year. The Trustee is comfortable with the level of service being received by members in relation to core financial transactions.

The Trustee has also reviewed the processes and controls in place with Willis Towers Watson with regards to core financial transactions and is satisfied that they are sufficiently robust to ensure that relevant financial transactions are dealt with promptly and accurately.

In the light of the above, and given there have been no issues relating to core financial transactions over the Fund year, the Trustee is satisfied that over the period:

- the administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- there have been no material administration errors in relation to processing core financial transactions; and
- all core financial transactions have been processed promptly and accurately.

6. Trustees' Knowledge and Understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for Trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as Trustees properly. This requirement is underpinned by guidance in the Pension Regulator's Code of Practice 7.

The Trustee has met the Pensions Regulator's Trustee Knowledge and Understanding ("TKU") requirements (as set out under Code of Practice No 7) during the Fund year by:

- Holding quarterly Trustee meetings with professional advisers who provide specialist advice and training sessions on relevant matters;
- Developing an appropriate regime for governance of the Fund based on current regulatory guidance.

The existing Trustee Directors have all completed the Pensions Regulator's Trustee Toolkit (which includes training on pension or trust law, and knowledge of funding and investment principles) and new Trustee Directors are also required to complete this. New Trustee Directors are provided with a welcome pack to the Fund and undergo initial training in addition to committing to completing the Pensions Regulator's Trustee toolkit.

The Trustee Directors take personal responsibility for keeping up-to-date with relevant developments, with current issues being tabled at the regular Trustee meeting and training undertaken on an ad-hoc basis by their advisers.

In addition to the skills within the Trustee Board, the Trustee has engaged with appointed professional advisers regularly throughout the year to ensure that the Fund is well run and the Trustee exercises its functions properly, including the following:

- Obtaining and reviewing quarterly administration reports from Willis Towers Watson, the Fund administrators;
- Obtaining and reviewing quarterly investment monitoring reporting from Aon, the Fund's investment advisers;
- Receiving Trustee training sessions, including a session on the Pensions Regulator's General Code of Practice delivered by Aon on 29/01/2024.

The Trustee Directors together believe they have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational schemes.

The Trustee Directors consider that they meet the Pension Regulator's Trustee Knowledge and Understanding requirements and are confident that their combined knowledge and understanding, together with the support of their advisers, enables them to properly exercise their functions as the Trustees of the Scheme

Signed on behalf of the Trustee of the Fujifilm Diosynth Biotechnologies Pension Fund by the Chair of the Trustee.

Name: Mark Carver

Signature:

Date: ____ / ____ / ____