

Syngenta UK Pension Fund

Trustee's Annual DC Governance Statement 2022/23

Governance requirements apply to defined contribution ("DC") pension arrangements, to help members achieve a good outcome from their pension savings. The Trustee of the Syngenta UK Pension Fund (the Fund) is required to produce a yearly statement (which is signed by the Chair of the Trustee) to describe how these governance requirements have been met in relation to:

- the investment options in which members' funds are invested (this means the "default arrangements" and other funds members can select or have assets in, such as self-select funds)
- the requirements for processing financial transactions
- the charges and transaction costs borne by members
- an illustration of the cumulative effect of these costs and charges
- a 'value for members' assessment
- Trustee knowledge and understanding

This Statement relates to the period 1 April 2022 – 31 March 2023 (the Fund Year).

As Chair of the Trustee, I welcome this opportunity to explain what the Trustee does to ensure that the Fund operates as effectively as possible. If you have questions or comments about anything in this statement, please contact Stephen Crosbie via email at Pensions.UK@Syngenta.com or telephone on 01483 900840.

1 Investment Strategy and the default arrangement

The Statement of Investment Principles (SIP) is a document which governs decisions about investments and sets out the aims and objectives of the Investment Account (IA)'s investment strategy. The most recent SIP dated August 2022 is attached to this document and was prepared in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005. It includes information on:

- the Trustee's investment policy, including policies on risk and expected return
- the design of the investment strategy
- the approach to the statutory default arrangement

The investment strategy is reviewed annually, and updates are made to the SIP if required.

Default arrangements

The Fund is closed to new joiners and has not been used to auto-enrol employees. However, it is a 'qualifying scheme' for existing members meaning that it must meet auto-enrolment requirements.

Although the Fund is closed, Retirement Account (RA) members can still be admitted to the IA to invest Additional Voluntary Contributions, or where, for example, a RA member puts their RA into payment having taken flexible retirement and opened an IA for future service contributions. All members joining the IA (in the limited circumstances noted above) are required to select which funds to invest in. If they do not do so, their contributions will be automatically allocated to the Lump Sum Lifestyle Investment Option. Under the Charges and Governance Regulations 2015, the Lump Sum Lifestyle and Drawdown Lifestyle Investment Options are the IA's statutory default arrangements.

The default strategies and the performance of the default arrangements are reviewed at least every three years.

The Lump Sum Lifestyle Investment Option was introduced as the Fund's default option in September 2019 following a formal review in June 2019. This review was conducted in conjunction with the Trustee's investment advisers. The review considered the needs of the population joining the IA and analysed the size of their holdings, likely retirement decisions and proximity to retirement. It was felt that this cohort of members would likely benefit from some exposure to growth related assets to help ensure their investments kept pace with

inflation. It also identified that, in most cases, these members would be drawing their IA as a lump sum. Accordingly, the Trustee elected to adopt the Lump Sum Lifestyle Investment Option as the Fund's default arrangement, on the basis that it was appropriately designed to deliver the dual objectives of growth over the mid-term whilst matching to drawing a lump sum at retirement.

The L&G Cash Fund remains a historic default as it was previously used in circumstances where a member's investment instruction had to be clarified due to an administration issue, or if a member's instructions could not be implemented due to an issue with the market. Contributions will continue to be paid into the L&G Cash Fund for members who were previously invested in it prior to the changes to the default investment strategy and in the limited circumstances where members' instructions cannot be implemented over the short-term. Contributions were also redirected to the L&G Cash Fund when the LGIM Managed Property Fund was suspended in 2020.

The Trustee, seeking advice from its investment adviser, undertook a further formal review of the Fund's investment strategy (including the default options previously noted) and its performance on 26 June 2020. In considering this review, the Trustee assessed the extent to which the performance of the Fund's funds is still consistent with the aims and objectives of the SIP by considering the following factors:

- the membership profile of the Fund
- the choices and needs of Fund members
- market practice
- investment performance of the Fund's funds over the year
- the charges associated with each fund

Following the last review on 26 June 2020, the Trustee was satisfied that the objectives and requirements for the Fund's established default funds were consistent with their aims and objectives (as described above) and no changes in the headline strategy or its objective were required.

As part of this review, the Trustee did elect to introduce several wider changes. These included:

- Structural changes to the three lifestyle strategies, including moving to a new growth phase (although members were able to opt out of the growth phase change).
- Changing the fund used as the global equity building block within the lifestyle strategies to be the LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund, which explicitly considers ESG factors.
- Switching all IA only members in the Annuity Lifestyle further than ten years from retirement to the Drawdown Lifestyle to better match the expected retirement intentions of this member cohort (unless members opted out of this change).
- Adding the LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund (GBP currency hedged) as a new self-select option.
- Retaining the World Equity Index Fund (GBP currency hedged) as a self-select option, but only for those members already investing in this fund.

These changes were introduced on 26 April 2021. When these changes were introduced, the Drawdown Lifestyle became an additional default arrangement. This was as a result of IA-only members who were further than 10 years from retirement being switched from the Annuity Lifestyle (2016) to the Drawdown Lifestyle.

The Fund offers a choice of 3 Lifestyle strategies, with an additional Lifestyle option that is closed to new investors:

- Drawdown Lifestyle (2021) (default)
- Annuity Lifestyle (2021)
- Lump Sum Lifestyle (2021) (default)

- Annuity Lifestyle (2016) (closed to new investors)

There is also a range of self-select funds which enable members to design their own strategy by using the funds that meet their investment preferences.

The self-select funds are:

Fund	Management type
L&G World Emerging Markets Equity Index Fund	Passive
L&G World (ex-UK) Equity Index Fund	Passive
L&G World Equity Index Hedged Fund (closed to new investors from April 2021)	Passive
L&G Sustainable Global Equity Index Hdg Fund (LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund)	Passive
L&G UK Equity Index Fund	Passive
L&G Pre-Retirement Inflation Linked Fund	Passive
L&G Inflation-Linked Gilt Fund	Passive
L&G All Stocks Gilt Fund	Passive
L&G Active Corporate Bond Fund	Active
L&G Managed Property Fund	Active
L&G Cash Fund	Active
L&G Diversified Fund	Mainly passive
Schroder Diversified Growth Fund	Mainly active

Further information on the range of funds available, including the lifestyle and default strategies is included in the attached SIP.

Ongoing investment monitoring

The Trustee also reviews the performance of the IA funds against their aims, objectives and policies, normally, on a quarterly basis. This review includes an analysis of fund performance and member activity to check that the risk and return levels meet expectations and is carried out in conjunction with the Trustee's investment adviser using their manager ratings. The Trustee's reviews that took place during the Fund Year concluded that the default arrangements were performing broadly as expected and were consistent with the aims and objectives of the defaults as stated in the SIP.

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 ('the 2021 Regulations') introduced new requirements for trustees of relevant occupational pension schemes. From 1 October 2021 trustees are required to calculate and state in the Chair's Statement the return on investments from their default and self-select funds, net of transaction costs and charges.

Due to the changes made to the investment options in April 2021, full 3 or 5-year performance figures are not yet available for the new lifestyle strategies.

Fund	1 year (%)	3 years (% pa)	5 years (% pa)
Lifestyle strategies			
Drawdown Lifestyle (2021) (default)			
Member aged 25	-5.53	n.a.	n.a.
Member aged 45	-6.00	n.a.	n.a.
Member aged 55	-6.45	n.a.	n.a.
Annuity Lifestyle (2021)			
Member aged 25	-5.53	n.a.	n.a.
Member aged 45	-6.00	n.a.	n.a.
Member aged 55	-12.58	n.a.	n.a.
Annuity Lifestyle (2016) (now closed to new investors)			
Member aged 25	-5.53	n.a.	n.a.
Member aged 45	-7.09	n.a.	n.a.
Member aged 55	-12.58	n.a.	n.a.
Lump Sum Lifestyle (2021) (default)			
Member aged 25	-5.53	n.a.	n.a.
Member aged 45	-6.00	n.a.	n.a.
Member aged 55	-7.09	n.a.	n.a.
Self-select Funds			
L&G World Emerging Markets Equity Index Fund	-5.00	8.69	2.53
Benchmark	-4.53	9.12	2.90
World (ex-UK) Equity Index Fund	-3.73	15.93	10.88
Benchmark	-3.58	16.11	11.02
World Equity Index Hedged Index Fund (closed to new investors from April 2021)	-8.33	15.33	7.77
Benchmark	-8.12	15.61	7.96
L&G Sustainable Global Equity Index Hdg Fund (LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund)	-5.53	n.a.	n.a.
Benchmark	-5.60	n.a.	n.a.
L&G UK Equity Index Fund	2.37	14.25	5.02
Benchmark	2.36	14.23	5.01
L&G Pre-Retirement Inflation Linked Fund	-25.40	-9.13	-3.60
Benchmark	-21.40	-6.63	-2.03
L&G Inflation-Linked Gilt Fund	-29.47	-10.38	-3.99
Benchmark	-29.42	-10.31	-3.93
L&G All Stocks Gilt Fund	-16.46	-9.39	-3.15
Benchmark	-16.39	-9.32	-3.07
L&G Active Corporate Bond Fund	-19.93	-6.22	-2.13
Benchmark	-20.03	-6.97	-2.71
L&G Managed Property Fund	-14.06	2.28	1.97
Benchmark	-14.47	2.57	2.48
L&G Cash Fund	2.10	0.69	0.64
Benchmark	2.23	0.79	0.68
L&G Diversified Fund	-5.93	6.49	4.05
Benchmark	-5.65	15.76	9.56
Schroder Diversified Growth Fund	-8.28	5.24	1.69
Benchmark	6.63	6.77	6.91

2 Processing of core financial transactions

The Trustee is required to ensure that core financial transactions are processed promptly and accurately, both at a Fund level and a member level. Core financial transactions include the investment of contributions, transfer of assets relating to members into and out of the Fund, investment fund switches and payments out of the Fund to and in respect of members. Additionally, the Pensions Regulator expects trustees to treat all transactions relating to the handling of member and employer contributions, and assets relating to them, once received by the Fund, as 'core financial transactions'.

The Trustee has delegated the day-to-day administration of the Fund to its administrator, WTW, who regularly monitors the core financial transactions of the Fund. The administrator operates automated processing for the investment of contributions, payment and taxation of benefits. On-line transactions are processed in real time (same day) via the administrator's ePA (electronic Pensions Administration) system and members receive email acknowledgement that transactions have been processed. Furthermore, bank accounts are monitored daily, there is a dedicated contribution processing team, and at least two individuals checking all banking transactions. The Trustee has agreed service level agreements (SLAs) with the Fund's administrator which specify the number of days to complete tasks within the agreed SLA (with a minimum target of 95% completed) and the administrator has an internal target relating to the accuracy of completing tasks relating to the various core financial transactions. The SLAs agreed for core financial transaction tasks are set out in the table below:

Task	SLA (days)
Death benefit settlement	4
Retirement Settlements	5
Transfer Out Payments	5
Transfer In Receipts	5
Investment Decision	5

The employer's payroll staff are responsible for paying contributions across promptly. Any issues with timely payment are raised with the Trustee secretariat. No issues arose during the Fund Year.

The Trustee's Administration Committee monitors the performance of the Fund's administrator against the SLAs through reviewing quarterly reports received from the administrator. These reports also enable the Fund's administrator to measure its own performance against the SLAs. Performance against the minimum target of 95% of SLAs completed within target ranged from 93% to 97% over the Fund Year, which the Trustee felt was positive and has maintained the improvement in performance demonstrated in the previous reporting period. The Trustee continues to monitor performance and press for improvements (notwithstanding the stringent SLA targets noted above). A monitoring scorecard is considered and reviewed at each Administration Committee meeting to support this oversight further.

Performance against the administrator's internal SLA for accuracy is also built into the administration team's personal objectives and is monitored closely by the administrator on a quarterly basis to ensure internal accuracy SLAs are met. Any instances of member dissatisfaction, administration errors or breaches are recorded and monitored through the quarterly administration report. Three new member complaints were recorded over the period, each of which has been resolved.

The Fund's Common Data score is monitored on a quarterly basis by the Trustee via the quarterly administration reporting. At the end of the reporting period, the Fund's common data score was 97% (with 99% of Post June 2010 data complete). A review of the accuracy of Fund specific data was also undertaken over the period, with a score of 92% recorded.

The Trustee is satisfied, based on the processes outlined above, that it has met the legal requirements for processing core financial transactions promptly and accurately throughout the Fund Year.

3 Charges and transaction costs

The Trustee is required to set out the ongoing charges paid by members. These charges can vary by investment fund and comprise annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs. Collectively these are referred to as the total expense ratio ("TER"). The TER is reflected in the unit price of the funds and therefore the cost is borne by members. The stated charges exclude day to day administrative costs of running the Fund as these are not met by the member but instead paid for by the principal employer, Syngenta Limited ("the Company").

The Trustee is also required to separately disclose transaction cost figures that are paid by members. In the context of this statement, the transaction costs shown are those incurred when the Fund's fund managers buy and sell assets within investment funds.

The charges and transaction costs have been supplied by Legal and General Investment Managers (LGIM) who are the Fund's investment platform provider. When preparing this section of the statement the Trustee has taken account of the relevant statutory guidance and can confirm that the transaction cost data is complete.

The TER (total expense ratio – as explained above) and the transaction costs for all the available funds during the period covered by this statement are set out in the table below.

Funds	Transaction Costs	TER	Transaction Costs*	TER*
	% per annum		£ per annum	
L&G Cash Fund	0.04	0.10	40	100
L&G UK Equity Index Fund	0.03	0.08	30	80
L&G World (ex-UK) Equity Index Fund	0.06	0.15	60	150
L&G All Stocks Gilt Fund	0.15	0.08	150	80
L&G Inflation Linked Gilt Fund	0.21	0.08	210	80
L&G Managed Property Fund	-0.49	0.60	-490	600
L&G Pre-Retirement Inflation Linked Fund	0.18	0.10	180	100
L&G World Emerging Markets Equity Index Fund	0.04	0.35	40	350
L&G World Equity Index - GBP Hedged Fund	0.09	0.18	90	180
L&G Active Corporate Bond Fund	0.34	0.15	340	150
L&G Diversified Fund	0.00	0.18	0	180
Schroder Diversified Growth Fund	0.34	0.56	340	560
Blended Diversified Growth Fund	0.17	0.37	170	370
L&G Sustainable Global Equity Index Hdg Fund (LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund)	0.15	0.20	150	200

Transaction costs are to 31 March 2023 and have been calculated using the 'slippage' methodology. This is impacted by market moves between instructing and executing a trade so can result in negative costs if the price of the stock moves in the fund's favour before the trade is completed.

**All £ figures are provided for context and have been calculated using an illustrative fund value of £100,000.*

All funds are managed by LGIM except the Schroder Diversified Growth Fund (which is also a component of the Blended Diversified Growth Fund).

The default strategies over the period, the Lump Sum Lifestyle Fund and the Drawdown Lifestyle Fund, include holdings in the L&G Robeco Sustainable Multi-Factor Global Equity Index Fund, the Blended Diversified Growth Fund and the Legal & General Cash Fund, which carry different charges.

Both the Annuity Lifestyle Strategies (2021 and 2016), also include holdings in the Pre-Retirement Inflation Linked Fund. The actual funds held depend on the age of the member, time to expected retirement and which

lifestyle strategy is used and the costs therefore differ according to these factors.

A maximum charge, known as the statutory charge cap, of 0.75% pa, is imposed on default arrangements. The IA's default arrangements comply with the charge cap.

Pound and pence illustrations

The following tables give a summary of the projected pension pot and impact of costs and charges up to a normal retirement age of 62. The figures are presented against three relevant member examples: active youngest member, active average member and deferred member. Additionally, the tables include the performance of the funds in different time intervals depending on the age of the member.

The funds shown in the illustration are:

- Fund with the highest number of members invested: Default Lifestyle Strategy
- Highest absolute returning fund over 12 months to 31 March 2023: L&G UK Equity Index Fund
- Lowest absolute returning fund over 12 months to 31 March 2023: L&G Inflation-Linked Gilt Fund
- Fund with highest costs and charges over 12 months to 31 March 2023: Schroders Diversified Growth Fund
- Fund with lowest costs and charges over 12 months to 31 March 2023: L&G Managed Property Fund

Example Member	Projection period (years)	Drawdown focused (default)		L&G UK Equity Index Fund		L&G Inflation-Linked Gilt Fund	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Active youngest member	1	£51,200	£51,000	£51,200	£51,200	£49,300	£49,200
	3	£66,600	£66,000	£66,600	£66,400	£60,100	£59,800
	5	£83,400	£82,300	£83,400	£83,100	£70,900	£70,400
	10	£132,400	£129,300	£132,400	£131,500	£98,500	£97,100
	15	£193,500	£186,900	£193,500	£191,600	£126,900	£124,300
	20	£268,400	£255,900	£269,700	£266,300	£155,900	£151,900
	25	£357,200	£334,400	£364,600	£358,800	£185,600	£180,000
	30	£458,800	£420,900	£482,900	£473,700	£216,100	£208,400
	35	£569,200	£513,200	£630,200	£616,200	£247,400	£237,300
	36	£592,000	£532,200	£663,800	£648,600	£253,800	£243,100
Active average member	1	£89,300	£88,800	£89,600	£89,600	£86,300	£86,200
	3	£108,700	£107,200	£110,200	£110,000	£99,000	£98,500
	5	£129,300	£126,500	£132,700	£132,200	£111,900	£111,000
	10	£185,400	£178,300	£198,400	£196,900	£144,600	£142,400
	12	£209,400	£200,200	£228,900	£227,000	£157,900	£155,100
Deferred average member	1	£28,600	£28,500	£28,700	£28,700	£27,600	£27,600
	3	£31,000	£30,500	£31,400	£31,300	£27,900	£27,800
	5	£33,400	£32,600	£34,300	£34,100	£28,200	£27,900
	10	£39,800	£37,900	£42,700	£42,300	£28,900	£28,400
	13	£43,700	£41,100	£48,700	£48,200	£29,300	£28,600

Example Member	Projection period (years)	Schroder Diversified Growth Fund		L&G Managed Property Fund	
		Before charges	After charges	Before charges	After charges
Active youngest member	1	£51,000	£50,500	£50,300	£50,000
	3	£65,700	£64,200	£63,300	£62,300
	5	£81,700	£78,700	£76,900	£75,100
	10	£127,600	£119,000	£114,200	£109,200
	15	£183,400	£165,800	£156,300	£146,700
	20	£251,300	£220,200	£204,000	£188,000
	25	£333,900	£283,500	£257,900	£233,200
	30	£434,400	£357,100	£319,000	£283,000
	35	£556,700	£442,600	£388,000	£337,700
	36	£584,200	£461,300	£402,900	£349,200
Active average member	1	£89,200	£88,400	£88,000	£87,500
	3	£108,800	£106,100	£104,500	£102,900
	5	£129,900	£124,800	£121,900	£118,800
	10	£190,700	£176,900	£169,300	£161,500
	12	£218,500	£200,100	£190,000	£179,700
Deferred member	1	£28,600	£28,300	£28,200	£28,000
	3	£30,900	£30,100	£29,600	£29,100
	5	£33,500	£32,000	£31,100	£30,200
	10	£40,700	£37,200	£35,200	£33,200
	13	£45,800	£40,700	£37,900	£35,100

Projected fund values are rounded to the nearest hundred pounds.

Assumptions and notes

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of inflation.
2. Contributions are paid halfway through the year.
3. Investment returns and costs/charges as a percentage reduction per annum are assumed to be deducted at the end of the year.
4. Charges and costs are deducted before applying investment returns.
5. Switching costs are not considered in the lifestyle strategy.
6. Inflation is assumed to be 2.5% each year.
7. Contributions are assumed from age 26 to 62 for the youngest active member and from age 50 to 62 for the average active member and are assumed to increase in line with earnings inflation of 0% per year (in real terms).
8. Values shown are estimates and are not guaranteed.
9. The real projected growth rates for each fund are as follows:

Fund	Real projected growth rate (p.a.)
Drawdown focused (default) Lifestyle Strategy	From 3.100% to 4.500% (adjusted depending on term to retirement)
L&G UK Equity Index Fund	4.50%
L&G Inflation-Linked Gilt Fund	0.50%
Schroder Diversified Growth Fund	4.00%
L&G Managed Property Fund	2.50%

10. Transactions costs and other charges have been provided by LGIM and covered the period:

- 1 April 2021 to 31 March 2023 for LGIM Robeco Global Sustainable Multi-Factor Equity Index Fund (GBP Hedged) and L&G Inflation-Linked Gilt Fund,
- 1 April 2020 to 31 March 2023 for UK Equity Index Fund and L&G Managed Property Fund,
- 1 April 2018 to 31 March 2023 for Blended Diversified Growth Fund, L&G Cash Fund and Schroder Diversified Growth Fund.

Transaction costs have been averaged by WTW using a time-based approach. The transaction costs for blended funds were estimated by WTW based on the transaction costs for the underlying funds.

A zero cost has been used where there are negative transaction costs (i.e. an overall gain was made on the transaction, which can happen as a result of changes in the pricing of the assets being bought or sold). This is because it is not expected that transaction costs will always be negative. It is important to note that using a negative or zero cost during any one scheme year may not accurately represent the actual transaction costs a member may expect to see in any future scheme year.

11. Example member:

- Youngest active: age 26, total contribution: £5,100, starting fund value: £44,000
- Average active: age 50, total contribution: £5,900, starting fund value: £80,000
- Average deferred: age 49, total contribution: nil, starting fund value: £27,500

4 Value for members

The Trustee is required to assess the extent to which member borne charges and transaction costs represent good value for members. It is difficult to give a precise legal definition of "good value", but the Trustee considers that it broadly means that the combination of costs and the quality of what is provided in return for those costs is appropriate for the Fund membership as a whole, when compared to other options available in the market.

The Value assessment was undertaken taking account of the Pensions Regulator's Code of Practice No.13 (Governance and administration of occupational trust-based schemes providing money purchase benefits). The Trustee reviews all member-borne charges (including transaction costs where available) annually, with the aim of ensuring that members are obtaining value for money given the circumstances of the Fund. The date of the last review was July 2023 for the 2022/23 Fund Year. The Trustee notes that value for money does not necessarily mean the lowest fee, and the overall quality of the service received has also been considered in this assessment. The review focused on evaluating the value of the investment services that members pay for, whilst also considering the broader value delivered to members but which the Company meets the cost of such as services members receive in relation to administration, communications and the wider governance of the Fund.

The Trustee assessment was supported by a report prepared by the Fund's advisers, WTW, grading value for members as good, fair or poor.

In accordance with the Pensions Regulator's DC Code of Practice No 13 and with the relevant legislation, the Trustee concluded that the Fund represents good value for money for its members.

A pension scheme is viewed as offering good value for members if the scheme demonstrates that it offers services that are of good quality and meet the specific needs of the membership, set against the costs and charges members pay.

The assessment itself was consistent with the Regulator's framework as outlined in its 'how to' guide for assessing value, including:

- clear identification of the services members are paying for (in this instance, members only meet the investment costs);
- an evaluation of the Fund's charges against the wider market (for comparable services);
- an evaluation of the range and performance of the services provided against the perceived member need (this centred on a review of the performance of the Fund's investment funds, after all charges, in the context of their investment objectives but also considered aspects of wider value that members do not meet the cost of, including administration, communication, and governance oversight);
- conclusion on whether Fund offers members good value; and
- considering any areas of perceived poor value.

In carrying out the assessment, the Trustee also considered, in the context of the members' preferences, characteristics and needs, the other benefits members receive from the Fund, which include:

- the oversight and governance of the Trustee, including ensuring the Fund is compliant with relevant legislation, such as the charge cap, and holding regular meetings to monitor the Fund and address any material issues that may impact members
- the range of investment options and strategies on offer
- the quality of communications delivered to members
- the quality of support services such as the online portal where members can access fund information online
- the efficiency of administration processes and the extent to which the administrator met or exceeded its service level standards for the Fund Year

In summary, overall, the Trustee believes that members of the Fund are receiving good value for the charges and costs that they incur, for the following reasons:

In respect of services members meet the cost of:

- The Trustee's assessment included a review of the performance of the Fund's investment funds (after all charges) in the context of their investment objectives. The returns on the investment funds members can choose during the period covered by this statement have generally been consistent with their stated investment objectives. The passive investment options have tracked their benchmarks over the year. Active investment options have experienced mixed performance over the year on both an absolute and relative basis. Given the market context the active funds have generally performed in line with expectations and as part of ongoing monitoring they are reviewed regularly by the Trustee.
- The charges for access to the investment options offer good value in relation to the benefits and services members receive when compared to other options available in the market.
- The charges for all funds fall below the statutory charge cap that applies to the default investment option within arrangements used for automatic enrolment purposes (0.75% pa).
- The Trustee's investment consultants review charges in the market and provide a report, at least annually to the Trustee. The most recent report (undertaken as part of the value for members assessment) advised that the Fund's charges were below that of schemes with a similar proportion of passively invested assets.
- The Trustee believes the transaction costs provide good value for members as the ability to transact forms an integral part of the investment approaches, and we expect this to lead to greater risk-adjusted

investment returns net of fees over time. In the latest value for members assessment, the Fund's transaction costs were assessed and found to be below or in line with the market average for the majority of funds.

In respect of other benefits that members receive from the Fund, which they do not meet the cost of:

- The Company pays for the day-to-day administrative costs of running the Fund, reducing the level of member-borne charges compared to alternatives available in the market.
- As detailed in the earlier section covering processing of financial transactions, the Trustee is comfortable with the quality and efficiency of the administration processes.
- Members benefit from a well governed scheme where the Trustee carefully assesses and monitors investments and ensures a comprehensive and high-quality administration service is maintained.
- Members benefit from online access to their accounts through the MySyngenta system operated by the Fund's administrators, WTW.
- Members have access to highly rated active and passive investment options – with a broad range of choice.
- The Trustee and the Company place significant emphasis on communications, for which members are not charged. For example, the Trustee provides bespoke investment guides, retirement decision trees and communicates with members on an ad-hoc basis with relevant updates and newsletters.
- The Chair of the Trustee meets annually with the Pension Consultation Group (PCG). Members of the PCG collect views and questions from IA members which are fed back and discussed.
- In association with the Company, members are given access to financial education sessions.

5 Trustee Knowledge and Understanding

The Fund's Trustee Directors are required to maintain appropriate levels of knowledge and understanding to run the Fund effectively. Each director must:

- Be conversant with the trust deed and rules of the Fund, the Fund's statement of investment principles and any other document recording policy for the time being adopted by the Trustee relating to the administration of the Fund generally; and
- Have, to the degree that is appropriate to enable the director to carry out his or her functions as a trustee, the knowledge and understanding of the law relating to pensions and trusts and the principles relating to investing the assets of occupational pension schemes.

The Trustee has measures in place to comply with the legal and regulatory requirements regarding conversance and knowledge and understanding. Details of how the conversance and knowledge and understanding requirements have been met during the period covered by this statement are set out below.

The Trustee of the Fund is Syngenta Pensions Trustee Ltd, which has a Board of nine directors. When vacancies on the Board arise, care is taken to assess candidates against the needs for effective governance of the Fund, aiming to ensure the Board includes individuals with a range of skills, knowledge and experience appropriate to the management of the Fund. The combined knowledge and understanding of the Trustee as described below, together with the advice that is available to it, enables the Trustee to properly exercise its function as trustee of the Fund:

- The combined experience of the Trustee Board includes expertise in financial matters, risk management, employee/member communications, HR, treasury, investment and legal matters.
- Specialist legal, actuarial and investment advisers attend Trustee meetings to advise on specific matters on the agenda and may contribute more generally to discussions.
- The Board includes an independent Trustee. Various individuals represent the independent Trustee at meetings based on each individual's advanced technical knowledge and expertise.

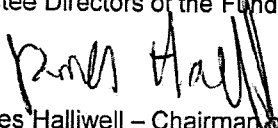
- The Board is conversant with the Fund's Rules, statement of investment principles and other key administrative documents such as Fund policies and has appropriate knowledge of pensions and trust law and matters relating to the Fund's funding and investment.

The Trustee has met the legal and regulatory requirements regarding conversance and knowledge and understanding by:

- Maintaining a rolling programme of bespoke Trustee training (at both Board and Committee level) which is delivered through training days and within Trustee meetings. Training is often linked to topical matters or matters of particular relevance and is reviewed regularly. Topics during the Fund Year included:
 - Legal updates
 - Ombudsman cases
 - Rules review
 - Data protection and cyber security
 - Preliminary training on the Pensions Regulator's (TPR's) draft Single Code of Practice (including the Risk Management Function and Own Risk Assessment)
- Requiring newly appointed Trustee Directors to complete TPR's trustee toolkit and other Trustee Directors to keep up to date with it. This toolkit is a series of learning modules covering some of the key information that is relevant to trustees, for example the trustee's role, pensions law and an introduction to investment.
- Alaster Ndlovu was appointed as a new Trustee Director on 1 April 2022. In addition, Natalie Winterfrost replaced David Kidd as one of the representatives from Law Debenture, the Fund's independent Trustee director. Alaster and Natalie received training and an introduction to key Fund documents including the Trust Deed and Rules and the SIP in addition to Fund policies. As a result of training, all Trustee Directors are conversant with the Fund's trust deed and rules, SIP and policy documentation, and have appropriate knowledge of pensions and trust law and matters relating to the Fund's funding and investment.
- Receiving appropriate legal, investment and other advice as required from the Trustee's appointed advisers. The advice topics during this reporting period included:
 - Monitoring of investment performance
 - TPR's new single Code of Practice (the General Code)
 - Facilitation of drawdown through a master-trust
- Receiving regular legal and regulatory updates from the Trustee's advisers
- Attending seminars from external providers according to individual needs
- Reviewing the training programme annually following an effectiveness assessment including Trustee knowledge, understanding and skills to address any identified gaps.
- Having Fund documents available to the Trustee Board online through a dedicated secure site.
- Recording all training and attendance at relevant seminars in the Trustee training log.

The evaluation of the Trustee Director's knowledge and understanding is primarily carried out and assessed via the Trustee skill assessment which is carried out annually using Trustee questionnaires, discussions during Trustee meetings and a review by the Trustee's advisers. This identifies any additional training gaps and improvements that can be made to improve the effectiveness of the Trustee Board.

Taking into account the knowledge and experience of the Trustee Directors with the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisors (e.g., investment consultants and legal advisors), the Trustee Directors believe they are well placed to exercise their functions as Trustee Directors of the Fund properly and effectively.



James Halliwell – Chairman of the Trustee.