

Panavision Europe Pension and Life Assurance Scheme – Defined Contribution Section - Annual Chair’s Statement

Scheme Year ended 30 June 2023

Regulations effective from 6 April 2015 require pension trustees to prepare a statement showing how they have met certain minimum governance standards in relation to defined contribution benefits. As Chair of the Trustees of the Panavision Europe Pension and Life Assurance Scheme (“the Scheme”) it is my pleasure to provide this Statement covering the period 1 July 2022 to 30 June 2023.

This statement covers five principal areas, namely:

1. The investment strategy relating to the Scheme's default investment option;
2. The processing of Scheme core financial transactions;
3. The charges and transaction costs for the Scheme’s investments and the extent to which the charges and transaction costs represent good value for members;
4. Net return on investments, and;
5. The Trustees’ compliance with knowledge and understanding (TKU) requirements.

As Chair of the Trustees, it is my pleasure to report to you on how the Trustees have embedded these standards over the Scheme year.

This Statement does not contain advice in respect of actions that members should take and is not intended to be used for that purpose. If you need help finding a regulated financial adviser, you can visit the Financial Conduct Authority website <https://www.fca.org.uk/consumers/finding-adviser>. If you choose to use a financial adviser, please be sure to check their area of expertise and their charges before making any commitments.

1. Default Investment Option

The Trustees have appended the Statement of Investment Principles (the “SIP”) dated September 2022 prepared for the Scheme in compliance with Section 35 of the Pensions Act 1995 and regulation 2 / regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005. The SIP covers our aims and objectives in relation to the default investment option and is available on a public website (<https://uk.panavision.com/legal>).

The Trustees are responsible for establishing a default investment option for members who do not select their own investment options from the fund range available and for reviewing this arrangement at least once every three years.

The last detailed review of the default investment option was carried out in December 2021 and concluded that the default investment option, the Target Drawdown Retirement Path, remained appropriate with no changes made as a result of this review.

The review also covered the alternative lifestyle strategies and range of self-select fund options and concluded that these remained appropriate for members.

As part of this review, the Trustees also conducted a member survey seeking views on what type of ESG fund might be preferred by members which led the Trustees to add the Mercer Sustainable Global Equity Fund as a new self-select fund option from July 2022.

Elements of the investment strategy of the Scheme have been delegated to Mercer Workplace Savings ('MWS'). This includes strategic and tactical asset allocations along with manager selection. MWS review the continued appropriateness and suitability of the investment solutions underlying the Scheme on an annual basis.

MWS implemented some changes to the glidepath of the default investment option, the Target Drawdown Retirement Path, in January 2023 for members targeting retirement from January 2026 onwards, with the aim of improving inflation protection and reducing the 'cash drag' on returns whilst continuing to offer some protection to the value of a member's pension savings. The Target Drawdown Retirement Path will now introduce the cash allocation two years from retirement as opposed to the previous three years, and also reduce the cash allocation to 10% at retirement as opposed to the previous 25%.

The Trustees and their professional advisers, Mercer Limited ("Mercer"), review the performance of the Scheme's investments, including the default investment option, against the stated objectives and benchmarks on a quarterly basis. Any concerns are raised with the investment manager via Mercer.

2. Core Financial Transactions

As required by the regulations, the Trustees must ensure that core financial transactions have been processed promptly and accurately. As set out in Regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the "Administration Regulations"), core financial transactions are broadly defined as:

- Investment of contributions made to the Scheme by members and their employer(s);
- Transfers into and out of the Scheme of assets relating to members;
- Switches of members' investments between different funds within the Scheme; and
- Payments from the Scheme to or in respect of members (e.g. payment of death benefits).

The Trustees operate a system of internal controls to monitor the Scheme's administration and management. Included in this system are mechanisms for ensuring the prompt and accurate processing of financial transactions.

The Trustees have delegated the administration of Scheme member records to Mercer as a professional third party administrator, and appointed Scottish Widows to provide investment platform services to the Scheme.

The Trustees have set service level agreements (SLAs) with the administrator, which cover the accuracy and timeliness of all core administration processes, including core financial transactions. The service level standards are reviewed periodically to ensure they remain appropriate and meet legislative requirements. The processes adopted by Mercer to ensure SLAs are met include:

- Transactions recorded and monitored on the workflow system.
- Member / policyholder transactions are independently checked via a quality queue within the workflow process.
- Investment deadline on receipt of DC contributions (receipt of reconciled and validated contribution data and money) hardcoded into workflow system which feeds into a central investment cycle spreadsheet that is monitored and reviewed to highlight exceptions.
- Daily monitoring of bank accounts (and separate cheque receipt log, which is reconciled daily and is maintained by a central treasury team).

- Two individuals checking all investment and banking transactions.
- Monthly reconciliation of contributions received.
- Input onto the administration system and any subsequent changes approved by an authorised individual.

Mercer’s administration reports provide performance versus the SLAs. During the year, the Trustees reviewed performance of the administrator against these service levels. Performance against SLAs was discussed, and the Trustees had the opportunity to raise any issues.

The Trustees receive Mercer’s assurance report on internal controls. During the Scheme year, the report received from Mercer was for the period 1 January to 31 December 2022 and included the Independent Service Auditor’s opinion that, in all material aspects, its controls were suitably designed and those tested operated effectively.

The Trustees appointed an independent auditor, Ernst and Young LLP, to carry out an annual audit of the Scheme, including the material financial transactions that have taken place during the Scheme year. The auditors carried out spot checks to ensure that contributions to the Scheme or payments made by the Scheme are paid in accordance with the Scheme’s rules.

The Scheme’s risk register details the key risks to Scheme members including those in relation to financial transactions, and considers the impact, likelihood, controls and mitigation steps for each risk. This register is monitored and reviewed on at least an annual basis.

Mercer’s performance and the agreed SLA time periods are provided on the next page.

	SLA (days)	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Customer Experience Centre Contact	1	100%	100%	n/a	n/a
First Contact Team Contact	1	n/a	n/a	100%	100%
Data Change	15	100%	100%	100%	100%
Death – Acknowledgement	2	n/a	n/a	n/a	100%
Death - Quotation	2	n/a	n/a	n/a	100%
Death - Settlement	2	n/a	n/a	n/a	50%
DWP	28	n/a	n/a	n/a	100%
Enquiry / Query	10	97%	100%	100%	100%
Leaver Deferred – Settle	19	67%	100%	100%	100%
New Entrants	15	100%	88%	100%	n/a
Individual Member Switch	8	n/a	100%	100%	100%
Retirement - Settlement	13	100%	100%	100%	100%
Retirement - Quotation	10	100%	n/a	100%	88%
Transfer Out - Quotation	20	100%	100%	86%	100%
Transfer Out - Settle	15	100%	100%	100%	100%
Total		96%	89%	99%	95%

The Trustees will continue to seek the relevant details to support effective monitoring of these processes.

I am pleased to confirm that in the last Scheme year there were no material administration service issues that needed to be reported here by the Trustees. The overall SLA performance for the Scheme year was 95%, which is an improvement from the previous Scheme year. All Scheme contributions were received within the statutory deadline, all requests for information have been met within the statutory time limits and there were no reported breaches. I am confident that the processes and controls in place with the administrator are robust and will continue to ensure that financial transactions are dealt with accurately and efficiently.

3. Charges and Transaction Costs

As required by the Administration Regulations, the Trustees are required to report on the charges and transaction costs for the investments used in the default investment option, as well as the wider fund choice available and their assessment on the extent to which the charges and costs represent good value for members.

Charges related to investment management are deducted from members' funds. There are two different types of investment charges; the annual management charge ("AMC") and the total expense ratio ("TER"). The AMC includes the fee applied by the investment manager of the underlying funds. In addition to the investment manager charges, the AMC for the Scheme includes a platform charge from Scottish Widows and Mercer charges for intermediary services, investment governance and asset allocation. Further to these costs there is also a Trustee charge included in the AMC, through the unit price of the funds. This is used by the Trustees as a contribution towards the Scheme's administration expenses. The TER will be the same or higher than the AMC as it includes any additional expenses associated with the running and management of the funds such as custody costs (which may vary from time to time).

The table below shows the TER applicable for each of the funds available within the Scheme, including those underlying the Scheme's current default investment option. These charges are deducted from members' pension savings. The Scheme is used as a qualifying arrangement for auto enrolment purposes and as such must comply with regulations on charge controls introduced from April 2015. Specifically, the Scheme's default investment option must have a TER equal to, or below, the charge cap of 0.75% p.a. of savings. The Trustees can confirm this threshold is monitored and was adhered to over the Scheme year.

In relation to transaction costs, we note that when buying and selling investments, transaction costs can be incurred. Transaction costs are not explicitly deducted from a fund but are captured in its investment performance (in other words, higher transaction costs will lead to lower fund returns). Due to the way in which transaction costs are required to be calculated, they can be negative or positive in nature; a negative figure is effectively a gain (on average) from trading activity, whilst a positive figure is effectively a cost from trading activity.

The fees deducted from individual member funds, as at 30 June 2023, are set out below:

Fund	TER (%, p.a.)	Transaction Cost (%, p.a.) ³
Mercer Defensive	0.505	0.174
Mercer Moderate Growth	0.492	0.108
Mercer Growth ¹	0.476	0.137
Mercer High Growth	0.500	0.099
Mercer Target Drawdown 2024 Retirement Fund ¹	0.531	0.990
Mercer Target Drawdown 2025 Retirement Fund ¹	0.533	0.111
Mercer Target Drawdown 2026 Retirement Fund ¹	0.543	0.126
Mercer Target Drawdown 2027 Retirement Fund ¹	0.532	0.128
Mercer Target Drawdown 2029 Retirement Fund ¹	0.509	0.132
Mercer Target Drawdown 2028 Retirement Fund ¹	0.520	0.130
Mercer Target Drawdown 2030 Retirement Fund ¹	0.498	0.134
Mercer Target Drawdown 2031 Retirement Fund ¹	0.488	0.136
Mercer Drawdown Retirement Fund ¹	0.528	0.093
Mercer Target Annuity 2024 Retirement Fund ²	0.404	0.024
Mercer Target Annuity 2025 Retirement Fund ²	0.414	0.040
Mercer Target Annuity 2026 Retirement Fund ²	0.423	0.055
Mercer Target Annuity 2027 Retirement Fund ²	0.441	0.070
Mercer Target Annuity 2028 Retirement Fund ²	0.452	0.085
Mercer Target Annuity 2029 Retirement Fund ²	0.462	0.100
Mercer Target Annuity 2030 Retirement Fund ²	0.473	0.115
Mercer Target Annuity 2031 Retirement Fund ²	0.484	0.130
Mercer Annuity Retirement Fund ²	0.397	0.016
Mercer Sustainable Global Equity Fund	0.845	- ⁴
Mercer Active Money Market Fund	0.245	0.013

Source: Scottish Widows, 30 June 2023.

¹ Used in the Scheme's default investment option - Target Drawdown Retirement Path.

² Used in the Scheme's alternative lifestyle investment option - Target Annuity Retirement Path.

³ Transaction costs cover the period 01/07/2022 to 30/06/2023 and represent annualised costs incurred by the fund manager within the underlying fund. Figures do not currently contain impacts of dilution adjustments incurred at the Scottish Widows fund level when Scottish Widows deals in the underlying funds.

⁴ Scottish Widows could not provide transaction costs for the Sustainable Global Equity Fund as it was not invested in by members over the Scheme year.

Impact of Costs and Charges

Using the charges and transaction cost data provided by Scottish Widows and in accordance with regulation 23(1)(ca) of the Administration Regulations, the Trustees have prepared illustrations detailing the impact of the costs and charges paid by representative members of the Scheme on their pension savings. The statutory guidance has been considered when providing these examples.

The illustrations that follow take into account the following elements:

- Initial pension savings value;
- Contributions, where applicable;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time period.

To illustrate the impact of charges on a typical active member's pension savings, we have provided the below illustrations, which accounts for all estimated member costs, including the TER, transaction costs and inflation.

Illustration 1: Typical Active Member

Projected Pension Savings in Today's Money						
	Default: Target Drawdown Retirement Path		Most expensive fund: Mercer High Growth Fund		Least expensive fund: Mercer Active Money Market	
Year End	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred	Value with Charges Incurred
1	£83,795	£83,287	£83,785	£83,267	£80,539	£80,330
2	£91,025	£89,955	£91,004	£89,913	£84,271	£83,848
3	£98,445	£96,757	£98,413	£96,692	£87,948	£87,304
4	£106,062	£103,697	£106,016	£103,605	£91,570	£90,701
5	£113,878	£110,775	£113,818	£110,656	£95,139	£94,038
10	£152,729	£145,032	£156,007	£148,068	£112,201	£109,872
15	£180,755	£167,585	£204,025	£189,348	£128,032	£124,374
16	£185,736	£171,438	£214,397	£198,103	£131,059	£127,125

Notes:

1. Values shown are estimates at end of each year and are not guaranteed.
2. Projected pension savings values are shown in today's terms.
3. Starting age is assumed to be 49, with a normal retirement age of 65.
4. Starting pension savings assumed to be £76,750.
5. Starting salary is assumed to be £41,400, with total contributions of 12% p.a. of salary assumed.
6. Price inflation is assumed to increase 2.5% per year.
7. When allowing for the transaction costs within the growth assumptions, the Trustees have used an average of the transaction costs provided by Scottish Widows for the last five Scheme years (where available). This is because the transaction cost for each will fund will fluctuate, so using an average is likely to be more accurate over a long time period.
8. Charges, transaction costs and gross growth rates are assumed as follows:

	TER	Transaction costs	Growth rate assumptions
Default	0.476% p.a. for members eight or more years from retirement, rising to 0.531% p.a. for members at retirement	0.131% p.a. for members eight or more years from retirement; an average of 0.123% for members within eight years of retirement	5% p.a. before inflation for members eight or more years from retirement, falling to 2.51% p.a. before inflation for members at retirement
Mercer High Growth	0.500% p.a.	0.119% p.a.	5% p.a. before inflation
Mercer Active Money Market	0.245% p.a.	0.014% p.a.	1% p.a. before inflation

Illustration 2: Youngest Active Member

Projected Pension Savings in Today's Money						
Year End	Default: Target Drawdown Retirement Path		Most expensive fund: Mercer High Growth Fund		Least expensive fund: Mercer Active Money Market	
	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred	Value with Charges Incurred
1	£8,385	£8,334	£8,384	£8,332	£8,112	£8,091
2	£11,581	£11,459	£11,579	£11,455	£10,912	£10,863
3	£14,862	£14,648	£14,859	£14,640	£13,670	£13,587
4	£18,230	£17,900	£18,224	£17,888	£16,388	£16,263
5	£21,686	£21,218	£21,678	£21,201	£19,065	£18,893
10	£40,381	£38,837	£40,352	£38,780	£31,864	£31,370
15	£61,672	£58,301	£61,606	£58,176	£43,740	£42,799
20	£85,918	£79,804	£85,797	£79,578	£54,760	£53,266
25	£113,531	£103,559	£113,330	£103,193	£64,985	£62,853
30	£144,978	£129,802	£144,666	£129,249	£74,472	£71,634
35	£180,790	£158,793	£180,332	£158,000	£83,275	£79,676
39	£199,836	£172,568	£212,381	£183,128	£89,858	£85,621

Notes:

1. Values shown are estimates at end of each year and are not guaranteed.
2. Projected pension savings values are shown in today's terms.
3. Starting age is assumed to be 26, with a normal retirement age of 65.
4. Starting pension savings assumed to be £5,270.
5. Starting salary is assumed to be £25,570, with total contributions of 12% p.a. of salary assumed.
6. Price inflation is assumed to increase at 2.5% per year.
7. When allowing for the transaction costs within the growth assumptions, the Trustees have used an average of the transaction costs provided by Scottish Widows for the last five Scheme years (where available). This is because the transaction cost for each will fund will fluctuate, so using an average is likely to be more accurate over a long time period.
8. Charges, transaction costs and gross growth rates are assumed as follows:

	TER	Transaction costs	Growth rate assumptions
Default	0.476% p.a. for members eight or more years from retirement, rising to 0.531% p.a. for members at retirement	0.131% p.a. for members eight or more years from retirement; an average of 0.123% for members within eight years of retirement	5% p.a. before inflation for members eight or more years from retirement, falling to 2.51% p.a. before inflation for members at retirement
Mercer High Growth	0.500% p.a.	0.119% p.a.	5% p.a. before inflation
Mercer Active Money Market	0.245% p.a.	0.014% p.a.	1% p.a. before inflation

Illustration 3: Typical Deferred Member

Projected Pension Savings in Today's Money						
	Default: Target Drawdown Retirement Path		Most expensive fund: Mercer High Growth Fund		Least expensive fund: Mercer Active Money Market	
Year End	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred	Value with no Charges Incurred	Value with Charges Incurred	Value with no Charges Incurred
1	£54,263	£53,934	£54,256	£53,921	£52,084	£51,949
2	£55,692	£55,019	£55,679	£54,992	£51,310	£51,045
3	£57,159	£56,126	£57,139	£56,085	£50,548	£50,156
4	£58,665	£57,255	£58,637	£57,200	£49,796	£49,283
5	£60,210	£58,407	£60,174	£58,337	£49,056	£48,424
10	£65,429	£61,498	£68,488	£64,369	£45,518	£44,353
14	£66,707	£61,063	£75,958	£69,641	£42,872	£41,343

Notes:

1. Values shown are estimates at end of each year and are not guaranteed.
2. Projected pension savings values are shown in today's terms.
3. Starting age is assumed to be 51, with a normal retirement age of 65.
4. Starting pension savings assumed to be £52,870.
5. Price inflation is assumed to increase at 2.5% per year.
6. When allowing for the transaction costs within the growth assumptions, the Trustees have used an average of the transaction costs provided by Scottish Widows for the last five Scheme years (where available). This is because the transaction cost for each will fund will fluctuate, so using an average is likely to be more accurate over a long time period.
7. Charges, transaction costs and gross growth rates are assumed as follows:

	TER	Transaction costs	Growth rate assumptions
Default	0.476% p.a. for members eight or more years from retirement, rising to 0.531% p.a. for members at retirement	0.131% p.a. for members eight or more years from retirement; an average of 0.123% for members within eight years of retirement	5% p.a. before inflation for members eight or more years from retirement, falling to 2.51% p.a. before inflation for members at retirement
Mercer High Growth	0.500% p.a.	0.119% p.a.	5% p.a. before inflation
Mercer Active Money Market	0.245% p.a.	0.014% p.a.	1% p.a. before inflation

The Trustees acknowledge the requirement to publish these illustrations on a website (<https://uk.panavision.com/legal>) and this Statement will be available ahead of the deadline of seven months following the Scheme year end and signposted on annual benefit statements.

Value for Members

The Trustees are required to assess the extent to which the Scheme delivers value for members across three key areas:

Assessment area	Type of assessment
Costs and charges	Comparative assessment against three larger DC arrangements, considering the level of ongoing member-borne charges and transaction costs.
Net investment performance	Comparative assessment against three larger DC arrangements, considering investment performance net of all member-borne costs and charges.
Governance and administration	Standalone assessment of the Scheme's governance and administration arrangements, covering: core financial transactions; record keeping; default investment strategy; investment governance; trustee knowledge and understanding; member communications; and management of conflicts of interest.

The Trustees have carried out a value for member assessment as at 30 June 2023. The conclusions of this assessment are set out in the table below:

Assessment area	Type of assessment
Costs and charges	<p>The Trustees have assessed the Scheme as offering poor value from a costs and charges perspective, relative to the three comparator schemes.</p> <p>The Trustees note that charges are higher than available within the comparator schemes and is investigating whether overall charges within the Scheme could be reduced.</p>
Net investment performance	<p>The Trustees have assessed the Scheme as offering reasonable value from a net investment performance perspective, relative to the three comparator schemes.</p> <p>The Scheme's default strategy has had mixed performance against the comparator arrangements over all periods to 30 June 2023 and across the different ages assessed. Performance of the two most popular self-select funds has been better but still mixed relative to the comparator arrangements over both the five year and one year periods considered.</p> <p>As noted above, the Trustees are investigating whether overall Scheme charges could be reduced.</p>
Governance and administration	<p>The Trustees have assessed the Scheme as offering good value from a governance and administration perspective:</p> <ul style="list-style-type: none"> • All core financial transactions were processed promptly and accurately over the Scheme year, although we note some deviation from SLAs. • The Scheme holds all of the data required by law and has appropriate controls in place, with risks identified. • The default investment option remains appropriate and a review was carried out in December 2021, with no changes recommended. • The Scheme has appropriate investment governance procedures and policies in place and the parties involved understand their roles and have awareness of their authority.

	<ul style="list-style-type: none"> The Trustees have a wide range of backgrounds, experience and skills and are confident that their combined knowledge and understanding enables them to exercise properly their function as the Trustees to the Scheme. Members are communicated with appropriately via a range of media. The Trustees have a Conflicts of Interest Register which is reviewed at each Trustee meeting and any new conflicts are recorded.
Overall	Overall, considering all three areas set out above, the Trustees have assessed the Scheme as offering reasonable value for members.

4. Net Return on Investments

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 of all relevant pension schemes, regardless of asset size, are required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges.

The tables below set out annualised net performance for the one and five year periods for the lifestyle strategies (for ages 25, 45, and 55) and for the self-select fund range.

Lifestyle Strategies

Target Drawdown Retirement Path	Annualised returns to 30 June 2023 (%)	
	1 year	5 years
Age of member		
25	4.5	3.6
45	4.5	3.6
55	4.5	3.3

Target Annuity Retirement Path	Annualised returns to 30 June 2023 (%)	
	1 year	5 years
Age of member		
25	4.5	3.6
45	4.5	3.6
55	4.5	0.4

Self-Select Funds

Self-Select funds	Annualised returns to 30 June 2023 (%)	
	1 year	5 years
Mercer Growth	4.5	3.6
Mercer Defensive	-1.8	0.4
Mercer High Growth	5.4	4.4
Mercer Active Money Market Fund	2.9	0.8

Source: Mercer. Performance shown net of all charges and transaction costs.

Please note, there are more funds available to members of the Scheme, however there were no members invested during the Scheme year.

5. Trustee Knowledge & Understanding

In accordance with sections 247 and 248 of the Pensions Act 2004, the Trustees are required to maintain an appropriate level of knowledge and understanding that, together with professional advice available to them, enables them to properly exercise their functions and duties in relation to the Scheme. This requirement has been met during the course of the Scheme year and the Trustees have undertaken regular training throughout the year.

The Trustees have put in place arrangements for ensuring that they take responsibility for keeping up to date with relevant developments and consider their training requirements. Training for the Trustees is provided regularly during meetings from the Scheme's pension consultant (Mercer). The Trustees assess any training gaps during their regular meetings and records of Trustee training are maintained.

The Trustees receive professional advice from Mercer as administrator, actuary and consultant, and Shoosmiths as their appointed legal advisors, to support them in reviewing the performance of the Scheme and in governing the Scheme in line with the Trust Deed and Rules. The Trustees consider the relevant skills and experience of those advisors and consider these to be key criteria when evaluating advisor performance and selecting new advisors. Additionally, the following measures have applied during the period:

- Mercer attend the formal Trustee Board meetings.
- The Trustees have wide ranging skills and experience, including pension experience. The Trustees receive briefings from their advisors on all legislative and regulatory developments at each meeting.

The Trustees are conversant with, and have a working knowledge of, the Trust Deed and Rules. If there are any ambiguities over the interpretation of the Rules, legal advice is sought from Shoosmiths.

The Trustees are conversant with, and have a working knowledge of, the current SIP. The Trustees undertake regular training on investment matters and reviews the investments held by the Scheme at each meeting. The Trustees have sufficient knowledge of investment matters to be able to challenge their advisors.

The Trustees have a robust training programme in place for any newly appointed Trustees. Upon appointment, a Trustee is required to complete the Pensions Regulator's online training programme. The Trustee toolkit is expected to be completed within six months of appointment. New Trustees meet with the Chair of Trustees shortly after their appointment, and are provided with an information pack and access to all Scheme documents and advisors.

All of the Trustees have completed the Pension Regulator's Trustee Toolkit training. The Trustees maintain a training log. The Trustees undertook the following training and education during the Scheme year:

- Pensions Dashboard training (05/07/22)
- DC News & Views (05/07/22, 14/09/22, 16/12/22, 15/03/23 and 21/06/23) – Various topics including Single Code of Practice, Investment Consultancy Provider strategic objectives, SIP and Chair's Statement Requirements and Policy on Illiquid Investments with regards to the Default SIP and Chair's Statement.

- ESG Update (14/09/22) – Annual 2022 MWS ESG Report was covered for Trustees to understand the improvements to MWS’s ESG integration in investment approach.
- Market update on Sterling interest rates and inflation training session (24/11/22)

The Trustees undertook a number of activities over the past year, which demonstrate how they have a working knowledge of pension & trust law, funding & investment principles, the Trust Deed and Rules and the SIP. These activities include:

- Integrated Risk Management
- Annual Scheme Governance Documents
- Investment Consultancy Provider Strategic Objectives
- Annual MWS ESG Review and Annual MWS Strategy Review

The Risk Register and Business Plan are reviewed and updated regularly. These demonstrate that the Trustees hold relevant knowledge on DC specific internal controls and the regulatory requirements. The Trustees also review and assess, on an ongoing basis, whether the systems, processes and controls across key governance functions are consistent with this set out in the Pensions Regulator’s Code of Practice 13. The Risk Register and Business Plans were last updated in June 2023, and discussed in the Trustee meeting 21 June 2023.

As a result of the training activities which have been completed by the Trustees, and taking into account the professional advice available to the Trustees, the Trustees are confident that the combined knowledge and understanding of the Board enables it to exercise properly its function as the Trustees to the Scheme.

This statement has been prepared in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 as amended by the Occupational Pension Schemes (Charges and Governance) 2015 and I confirm that the above statement has been produced by the Trustees to the best of my knowledge.

Finally, I would like to thank both the Company and my fellow Trustees for their diligence and support in running the Scheme for the benefit of the members.

Signed for and on behalf of The Trustees of the Panavision Europe Pension and Life Assurance Scheme.

Signature: Mark FursseDonn _____

Mark FursseDonn - Chair of the Trustees

Date: _____

Appendix – Statement of Investment Principles

<Latest SIP to be appended to final version>