ROCHE PENSION FUND

DEFINED CONTRIBUTION SECTION, BONUS CHOICE SECTION AND GROUP AVC ARRANGEMENT

ANNUAL GOVERNANCE STATEMENT FOR THE FUND YEAR ENDED 31 MARCH 2026

The Occupational Pension Schemes (Scheme Administration) Regulations 1996 ("the Administration Regulations") require the Trustee to prepare an annual statement regarding governance, which must be included in the annual trustee report. The governance and charges requirements apply to the Fund's Defined Contribution ('DC') pension arrangements and aim to help members achieve a good outcome from their retirement savings.

The Fund's DC arrangements are the Defined Contribution Section, the Bonus Choice Section and Additional Voluntary Contributions paid by members of the Fund's Defined Benefit (or 'DB') Section before it closed to future accrual ('DB AVCs'). Members paying AVCs since the DB Section closed have these invested in their pension account in the Defined Contribution Section (these funds are reported as DC Section funds in this statement).

This statement has been prepared by the Trustee and covers the required governance and charge disclosures under the headings set out below for the period 1 April 2025 to 31 March 2026 (the **'Fund year**').

1. The Fund's investment strategy – including the Default Arrangements
2. Net investment returns
3. Member-borne charges and transaction costs
    i. Default arrangements
    ii. Self-select (or 'individual') funds
    iii. Illustrations of the cumulative effect of costs and charges over time
4. Value for Members assessment
5. Processing of core financial transactions
6. Trustee's knowledge and understanding.

The Trustee has taken account of statutory guidance in preparing this statement, unless specified otherwise.

1. The Fund's investment strategy – including the Default Arrangements

The Trustee is required to design default arrangements in members' interests and keep them under review. The Trustee needs to take account of the level of costs and the risk profile that are appropriate for the Fund's membership in light of the overall objective of the default arrangements.

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 arrangements.

Default arrangements for members who do not make an alternative investment choice

The Trustee makes available a Default Investment Option. This applies automatically when members are enrolled, and members remain invested in it unless they subsequently choose different investments. More details about these arrangements are set out below.

The Fund has two main default arrangements, one for the DC Section and one for the Bonus Choice Section as well as members who have DB benefits who have previously paid AVCs:

- **DC Section - Roche Flexible Retirement Lifestyle Strategy**

  This arrangement assumes members will access these savings through drawdown in retirement.

- **Bonus Choice Section and DB AVCs - Roche Lifestyle Strategy Targeting Cash**

  This arrangement assumes members will access these savings as cash at retirement.

Additional default arrangements

The Fund also has other arrangements which are treated as default arrangements for the purposes of this statement for technical reasons. However, during the Fund year no further contributions have been invested in these arrangements unless members made an active investment choice to do so.

- The **Roche Lifestyle Strategy Targeting Annuity Purchase** remains a default arrangement because it was the Fund's main default arrangement for the DC Section before September 2020 and some members who were previously defaulted into this arrangement still have funds invested in it.

There are also four individual funds that are treated as additional default arrangements because some members' funds were automatically moved into these arrangements when changes were made to the Fund's range of self-select funds. These are as follows:

- **Roche World ESG Equity Tracker Fund (formerly known as the BlackRock ACS World ESG Equity Tracker Fund)**: On 13 October 2020, the Trustee removed the BlackRock (30:70) Currency Hedged Global Equity Index Fund and replaced it with the BlackRock ACS World ESG Equity Tracker Fund in the self-select fund range.

  The Roche World ESG Equity Tracker Fund invests in global equities with an aim to deliver risk and returns similar to the MSCI World Index (a pure equity index) whilst also minimising carbon exposure and maximising exposure to positive Environmental, Social and Governance (ESG) factors.

- **BlackRock Cash Fund**: On 27 October 2020, the Trustee transferred AVCs from Utmost Life and Pensions to the Fidelity platform. Members close to retirement had their AVCs automatically transferred to the BlackRock Cash Fund.

  The BlackRock Cash Fund aims to achieve a rate of interest on investments consistent with maintaining capital and ensuring that its underlying assets can easily be bought or sold in the market (in normal market conditions).

- **BlackRock ESG Screened and Selected Strategic Growth Fund**: On 20 September 2022, the Trustee removed the ASI (abrdn) Global Absolute Return Strategies ('GARS') Fund from the Roche Diversified Growth Fund and the self-select fund range. The Trustee transferred self-select member assets from the GARS Fund to the BlackRock ESG Strategic Growth Fund. The BlackRock ESG Strategic Growth Fund has since been renamed the BlackRock ESG Screened and Selected Strategic Growth Fund, but no changes were made to the actual fund aims or objectives.

  The BlackRock ESG Screened and Selected Strategic Growth Fund invests in a range of asset classes in the UK and overseas including equities, bonds, cash/currencies, property, commodities, and derivatives.

- **Roche Emerging Market ESG Equity Tracker Fund**: On 12 December 2023, the Trustee transferred self-select member assets from the BlackRock Emerging Market Equity Index Fund to the Roche Emerging Market ESG Equity Tracker Fund.

  The Roche Emerging Market ESG Equity Tracker Fund invests in emerging market equities and aims to provide returns by closely tracking the performance of the Solactive L&G ESG Emerging Markets Index (the fund's benchmark index). The fund also aims to maximise exposure to

positive ESG factors while minimising the carbon exposure.

The Fund's Lifestyle Strategies

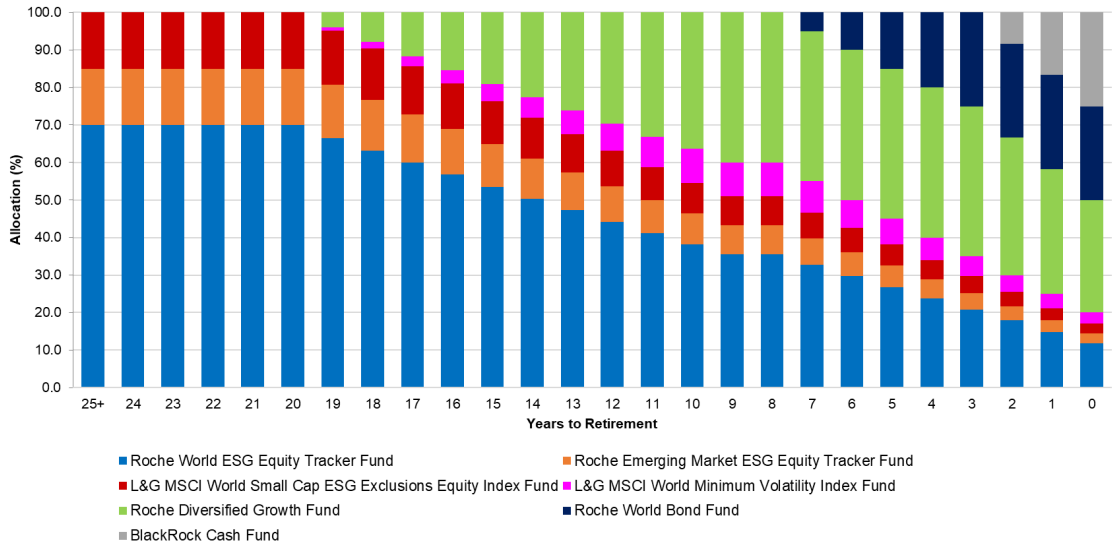
The Fund offers three Lifestyle Strategies. All aim to deliver efficient, cost-effective ways of growing members' retirement savings without exposing them to unreasonable risk. They invest pension accounts in the same way until eight years before target retirement age. This is known as the 'growth phase' and aims to grow the funds in which a member invests as much as possible.

Funds in the pension accounts start to switch from 20 years before retirement age, from investing solely in equities to include multi-asset investments. This aims to still achieve some growth but while spreading risk. From eight years before retirement age, the three Lifestyle Strategies start to invest differently depending on whether annuity, drawdown or cash is being targeted at retirement.

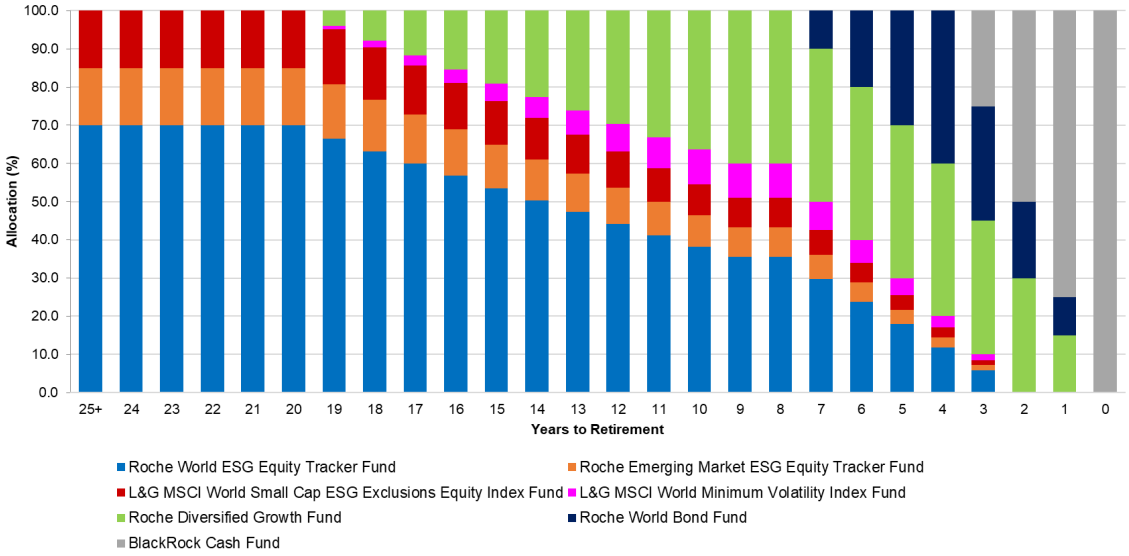
In all three Lifestyle Strategies, pension accounts are invested in funds that seek to better protect them from sudden falls in value and protect the purchasing power as members reach retirement age. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members.

The glidepaths for each of the Lifestyle Strategies are shown below:

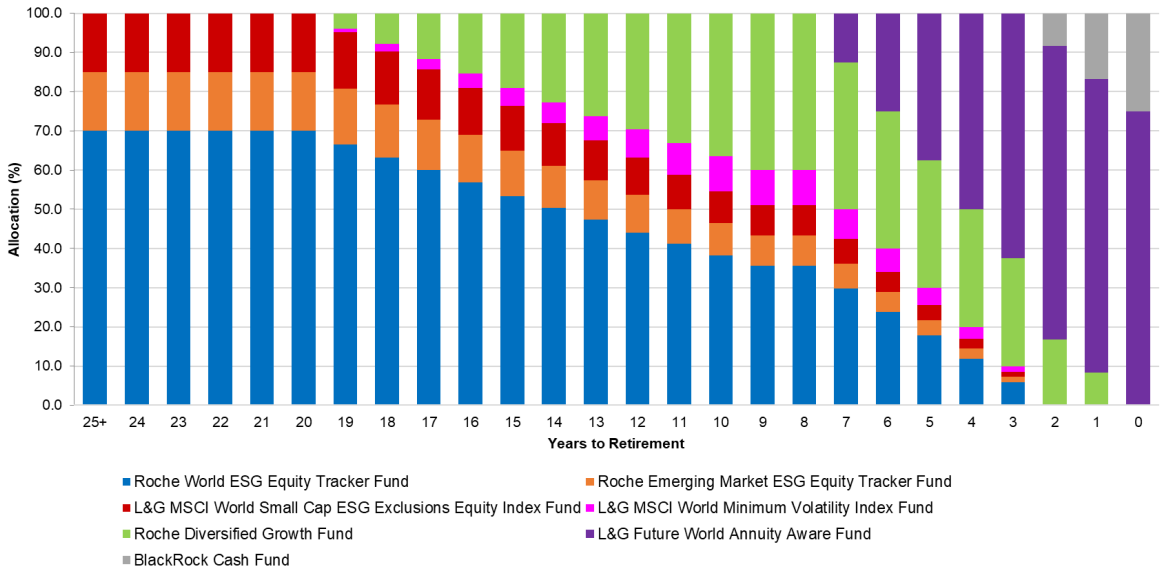
Roche Flexible Retirement Lifestyle Strategy (Targeting Drawdown)



Roche Lifestyle Strategy Targeting Cash



Roche Lifestyle Strategy Targeting Annuity



Further details of the default arrangements - Statement of Investment Principles

Further details of the aims, objectives, and the Trustee policies regarding all the default arrangements can be found in a document called the 'Statement of Investment Principles' (SIP) which is at the end of this statement and available via the following link:
https://www.rochepensionfund.co.uk/media/Trustee%20Documents/Roche-SIP-(Joint-DB-DC).pdf

Review of the default arrangements

The Trustee undertakes a full review of the strategy and performance of all default arrangements at least every 3 years. A full review was completed on 26 May 2023 with a number of changes agreed. The agreed changes were implemented on 12 December 2023. No changes were made to the default arrangements or self-select fund range during the Fund year to 31 March 2026. The next triennial review commenced in June 2026.

Quarterly Performance Monitoring

The Trustee reviews the performance of all the funds against their aims, objectives, and policies, as specified in the SIP, on a quarterly basis. This review includes an analysis of fund performance to check that the risk and return levels meet expectations. Performance is reviewed against target benchmarks that have been agreed with the investment managers.

Default arrangement asset allocation

The Trustee is required to disclose its full asset allocations of investments for each default arrangement. The tables below show the average percentage of assets allocated in the default arrangements to specified asset classes over the Fund year to 31 March 2026.

Where a fund invests in one or more underlying funds, the asset allocation shown is that of the underlying funds. A description of the asset classes is provided below the tables.

For more information on the investment options offered by the Fund, please see the Fund website:
https://www.rochepensionfund.co.uk/?undefined=%5Bobject+HTMLDivElement%5D

Roche Flexible Retirement Lifestyle Strategy

	Average asset allocation over year to 31 March 2026 (%)			
Asset class	25 years old	45 years old	55 years old	Normal Retirement Age (NRA)
Cash	0.3	0.3	4.1	29.2
Bonds	0.0	0.0	9.9	32.2
Listed equities	99.7	99.7	85.2	37.9
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Private debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.8	0.7

Source: Investment managers as at 31 March 2026.

Roche Lifestyle Strategy Targeting Cash

	Average asset allocation over year to 31 March 2026 (%)			
Asset class	25 years old	45 years old	55 years old	NRA
Cash	0.3	0.3	4.1	100.0
Bonds	0.0	0.0	9.9	0.0
Listed equities	99.7	99.7	85.2	0.0
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Private debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.8	0.0

Source: Investment managers as at 31 March 2026.

Roche Lifestyle Strategy Targeting Annuity

	Average asset allocation over year to 31 March 2026 (%)			
Asset class	25 years old	45 years old	55 years old	NRA
Cash	0.3	0.3	4.1	25.0
Bonds	0.0	0.0	9.9	75.0
Listed equities	99.7	99.7	85.2	0.0
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Private debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.8	0.0

Source: Investment managers as at 31 March 2026.

Additional default arrangements

	Asset allocation as at 31 March 2026 (%)			
Asset class	Roche World ESG Equity Tracker Fund	BlackRock Cash Fund	BlackRock ESG Screened and Selected Strategic Growth Fund	Roche Emerging Market ESG Equity Tracker Fund
Cash	0.0	100.0	17.7	1.7
Bonds	0.0	0.0	31.6	0.2
Listed equities	100.0	0.0	46.4	98.1
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Private debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	4.4	0.0

Source: Investment managers as at 31 March 2026.

Notes:
Normal Retirement Age for the Fund is age 65, although members can select their own retirement age.

The following describes the types of investments covered by the above asset classes:

- ***Cash:*** *Cash and assets that behave similarly to cash e.g. treasury bills and repurchase agreements.*
- ***Bonds:*** *Loans made to the bond issuer, usually a government or a company, to be repaid at a later date.*
- ***Listed Equity:*** *Shares in companies that are listed on global stock exchanges.*
- ***Private Equity:*** *Unlisted equities that are not publicly traded on stock exchanges.*
- ***Infrastructure:*** *Physical structures, facilities, systems, or networks that provide or support public services.*
- ***Property:*** *Real estate, potentially including offices, retail buildings which are rented out to businesses.*
- ***Private Debt:*** *Other forms of loan that do not fall within the definition of a 'Bond'.*
- ***Other:*** *Any assets that do not fall within the above categories*

2. Net investment returns

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 ('the 2021 Regulations') introduced a new requirement for the Trustee to calculate and set out in this statement the return on investments from their default and self-select funds, net of transaction costs and charges.

The tables below show performance, net of all charges and transaction costs, of all funds available to members during the Fund year to 31 March 2026.

It is important to note that past performance is not a guarantee of future performance.

(i) Default arrangements

Roche Flexible Retirement Lifestyle Strategy

Performance to 31 March 2026	Annualised returns (%)		
Age of member at start of period	1 year	3 years p.a.	5 years p.a.
25	18.6	14.4	8.3
45	18.5	13.8	7.5
55	12.2	10.0	5.5
60	10.0	8.2	3.6
65	7.0	6.4	2.9

Roche Lifestyle Strategy Targeting Cash

Performance to 31 March 2026	Annualised returns (%)		
Age of member at start of period	1 year	3 years p.a.	5 years p.a.
25	18.6	14.4	8.3
45	18.5	13.8	7.5
55	12.2	10.0	5.2
60	8.2	6.4	1.5
65	4.1	4.6	3.1

Roche Lifestyle Strategy Targeting Annuity Purchase

Performance to 31 March 2026	Annualised returns (%)		
Age of member at start of period	1 year	3 years p.a.	5 years p.a.
25	18.6	14.4	8.3
45	18.5	13.8	7.5
55	12.2	9.9	4.9
60	7.1	4.4	-1.8
65	2.7	2.0	-3.1

Source: Underlying returns provided by Fidelity, age-specific returns calculated by Mercer.
Performance shown net of all charges and transaction costs.
Performance has been calculated based on a fixed weighted average of underlying fund performance in the current lifestyle strategies, with the weightings as at the ages shown. All lifestyle strategies follow the same glide-path up to 8 years before retirement, at which point the strategies begin de-risking towards their stated retirement objective, i.e. income drawdown, annuity purchase, or cash.

(ii) Self-select investment funds

Performance to 31 March 2026	Annualised returns (%)		
Fund name	**1 year**	**3 years p.a.**	**5 years p.a.**
BlackRock Corporate Bond Index Fund All Stocks	4.1	4.2	-0.9
BlackRock World ex UK Equity Index Fund	16.8	14.5	10.7
BlackRock Over 15 Years UK Gilt Index Fund	-0.5	-4.3	-10.8
BlackRock Cash Fund	4.1	4.6	3.1
BlackRock UK Equity Index Fund	18.6	11.2	9.4
BlackRock Over 5 Year Index Linked Gilt Fund	2.5	-5.0	-9.0
HSBC Islamic Pension Fund	17.1	17.0	12.8
L&G Future World Annuity Aware Fund	2.2	1.1	-5.2
Nordea Diversified Return Fund	-2.8	1.3	1.4
Roche Diversified Growth Fund*	5.1	4.5	2.3
Roche World ESG Equity Tracker Fund	16.5	15.5	9.5
BlackRock ESG Screened and Selected Strategic Growth Fund	12.7	7.5	4.0
L&G MSCI World Small Cap ESG Exclusions Equity Index Fund*	20.9	10.7	6.0
Roche Global Sustainable Equity Fund	12.6	9.6	5.1

Source: Underlying returns provided by Fidelity
Performance shown net of all charges and transaction costs.
**Part of the lifestyle strategies only, not available as an individual fund.*

Performance to 31 March 2026	Annualised returns (%)		
Fund name	**1 year**	**3 years p.a.**	**Since Inception p.a.**
L&G MSCI World Minimum Volatility Fund[1,*]	4.7	n/a	9.3
Roche Emerging Market ESG Equity Tracker Fund[2]	25.9	n/a	15.3
Roche World Bond Fund[2]	4.6	n/a	4.2

Source: Underlying returns provided by Fidelity
Performance shown net of all charges and transaction costs.
**Part of the lifestyle strategies only, not available as an individual fund.*
[1]This fund replaced the BlackRock Aquila Connect Global Minimum Volatility Index (Currency Hedged) Fund in June 2023, therefore 3 year performance is not yet available. Since inception performance is shown from 8 June 2023.
[2]These funds were launched in December 2023, therefore 3 year performance is not yet available. Since inception performance is shown from 12 December 2023.

3. Member Borne Charges and Transaction costs

The Trustee must report the level of costs and charges borne by members through the investment funds in this statement. These comprise:

- **Member borne charges: these are explicit and represent the costs associated with operating and managing an investment fund. They are identified here as a Total Expense Ratio ('TER').**
- **Transaction costs: these are not explicit and incurred when the investment manager buys and sells assets within investment funds.**

The Trustee is also required to confirm that the charges on the default arrangements have not exceeded 0.75% p.a. (the legislative charge cap) and produce one or more illustrations of the cumulative effect of the costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

The costs and charges that are incurred by members during the Fund year in respect of each investment strategy and fund are set out below. These comprise the TER and transaction costs. There were no performance-based fees associated with the underlying investments used within the Fund over the year to 31 March 2026.

Where transaction costs have been provided as a negative cost, these have been set to zero by the Trustee to avoid potentially understating the total level of costs and charges.

(i) Lifestyle Strategies

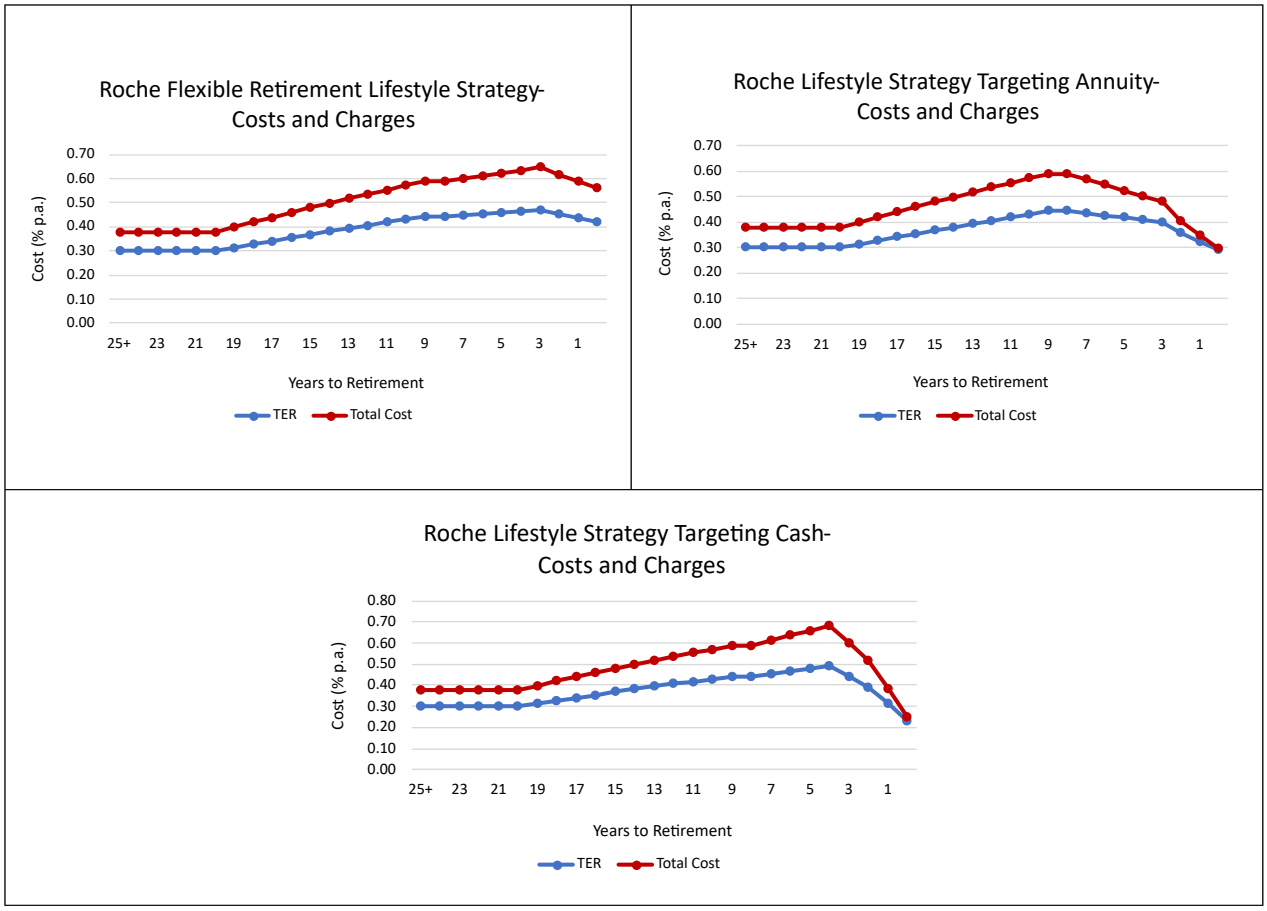
There are three Lifestyle Strategies under the DC arrangements, each of these is treated as default arrangements as at 31 March 2026:

- **Roche Flexible Retirement Lifestyle Strategy:** default arrangement for the DC Section only
- **Roche Lifestyle Strategy Targeting Annuity:** legacy default arrangement for the DC section only
- **Roche Lifestyle Strategy Targeting Cash**: default arrangement for the Bonus Choice Section and for defined benefit members who have paid AVCs

A Lifestyle Strategy means that members' assets are automatically moved between different investment funds as they approach their retirement date. The TER that a member pays therefore depends on how far they are away from retirement.

The TER and transaction costs ranges for each Lifestyle Strategy are shown in the table and charts below. They show that the TER on all three of the Lifestyle Strategies is below the charge cap set by the Regulations of 0.75% p.a. no matter how far the member is from their selected retirement age.

Period	TER (% p.a.)	Transaction Costs (% p.a.)	Total Cost (% p.a.)
From 1 April 2025 to 31 March 2026:			
Roche Flexible Retirement Lifestyle Strategy	0.30 – 0.47	0.08 – 0.17	0.38 – 0.65
Roche Lifestyle Strategy Targeting Annuity Purchase	0.29 – 0.44	0.01 – 0.15	0.30 – 0.59
Roche Lifestyle Strategy Targeting Cash	0.23 – 0.49	0.02 – 0.19	0.25 – 0.68



The TERs and transaction costs for each of the funds underlying the Lifestyle Strategies, and the additional default arrangements are shown in the table in section 3(ii).

(ii) Self-select (or 'individual') funds

As explained above, four of the funds within the self-select fund range are classified as default arrangements for the purposes of this statement. These funds are highlighted in bold.

The TERs and transaction costs for each self-select fund, including the additional default arrangements, are shown below. Importantly, the table shows that the TERs for the additional default arrangements, shown in bold are below the charge cap set by the Regulations of 0.75% p.a.

Fund name	TER (% p.a.)	Transaction Costs (% p.a.)	Total Cost (% p.a.)
Roche World ESG Equity Tracker Fund*	0.51	0.05	0.56
BlackRock UK Equity Index Fund	0.23	0.21	0.44
BlackRock World (ex-UK) Equity Index Fund	0.23	0.04	0.27
HSBC Islamic Pension Fund	0.33	0.01	0.34
Nordea Diversified Return Fund	0.91	0.19	1.10
BlackRock Over 15 Years UK Gilt Index Fund	0.23	0.06	0.29
BlackRock Over 5 Year Index Linked Gilt Fund	0.23	0.01	0.24
BlackRock Corporate Bond Index Fund All Stocks	0.25	0.01	0.26
L&G Future World Annuity Aware Fund*	0.31	0.00	0.31
BlackRock Cash Fund*	0.23	0.02	0.25
Roche Emerging Market ESG Equity Tracker*	0.51	0.05	0.56
BlackRock ESG Screened and Selected Strategic Growth	0.38	0.33	0.71
Roche Global Sustainable Equity Fund	0.46	0.05	0.51
Roche World Bond Fund*	0.43	0.18	0.61

**Funds are also included in one or more Roche Lifestyle Strategy.*

Funds only available as part of the Lifestyle Strategies	TER (% p.a.)	Transaction Costs (% p.a.)	Total Cost (% p.a.)
Roche Diversified Growth Fund	0.64	0.26	0.90
L&G MSCI World Minimum Volatility Fund	0.38	0.04	0.42
L&G MSCI World Small Cap ESG Exclusions Equity Index Fund	0.41	0.05	0.46

(iii) Illustration of the cumulative effect of costs and charges over time

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

The illustrations have been provided by Fidelity and are based on a number of assumptions about the future as 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 individual members.

Each illustration, A, B and C is shown for a different type of member invested in the **Roche Flexible Retirement Lifestyle Strategy** as this is the default arrangement that most of our members have their pension account invested in.

Illustrations D, E, F, G, H and I show members invested in each of the other default arrangements; i.e. the **Roche Lifestyle Strategy Targeting Cash**, the **Roche Lifestyle Strategy Targeting Annuity**, the **Roche World ESG Equity Tracker Fund,** the **BlackRock Cash Fund, BlackRock ESG Screened and Selected Strategic Growth Fund and the Roche Emerging Market ESG Equity Tracker Fund.**

Each illustration is shown as a chart and a table as follows:

- Chart: This shows a projection of the member's pension account at retirement age, with and without member borne costs and charges applied.
- Table: These show the projected pension account if the typical member were also invested in the fund with the highest total charge – the Fidelity Nordea Diversified Return Fund and the fund with the lowest total charge – the BlackRock Over 5 Years Index Linked Gilt Fund

Assumptions made about the illustrations

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

- *Projected fund values are shown in today's monetary terms, which means that they have been adjusted for the effect of future inflation.*
- *Annual salary growth and inflation is assumed to be 2.5% p.a.*
- *Starting fund values and future contributions used are representative of the average for the Fund*
- *Where on-going contributions are assumed, these increase in line with inflation each year.*
- *Transaction costs have been averaged over up to 5 years.*
- *The assumed growth rates (gross of costs and charges) on the funds used within the illustrations are set out below:*

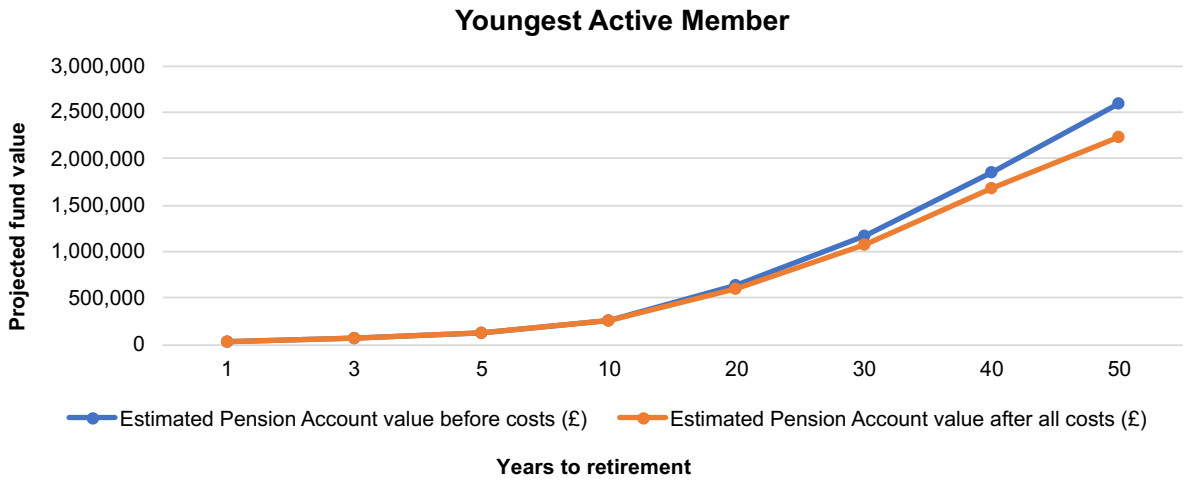
*Roche World ESG Equity Tracker**	*6.00%*	*BlackRock Cash Fund**	*2.00%*
*Roche Diversified Growth Fund**	*4.00%*	*Nordea Diversified Return Fund*	*4.00%*
*L&G MSCI World Small Cap ESG Exclusions Equity Index Fund**	*7.00%*	*L&G MSCI World Minimum Volatility Fund**	*6.00%*
*Roche World Bond Fund**	*4.00%*	*BlackRock ESG Screened and Selected Strategic Growth*	*4.00%*
BlackRock Over 5 Years Index Linked Gilt Fund	*7.00%*	*L&G Future World Annuity Aware Fund**	*6.00%*
*Roche Emerging Market ESG Equity Tracker**	*7.00%*		

**Funds are also included in one or more Roche Lifestyle Strategy*

For the Roche Flexible Retirement Lifestyle Strategy, the Roche Lifestyle Targeting Cash Strategy and the Roche Lifestyle Targeting Annuity Purchase Strategy, the projections allow for the changing proportion invested in the different underlying funds. Assumptions are similar to assumptions used for the annual benefit statements (which are based on the Actuarial Standard TM1 guidance produced by the Institute and Fellowship of Actuaries).

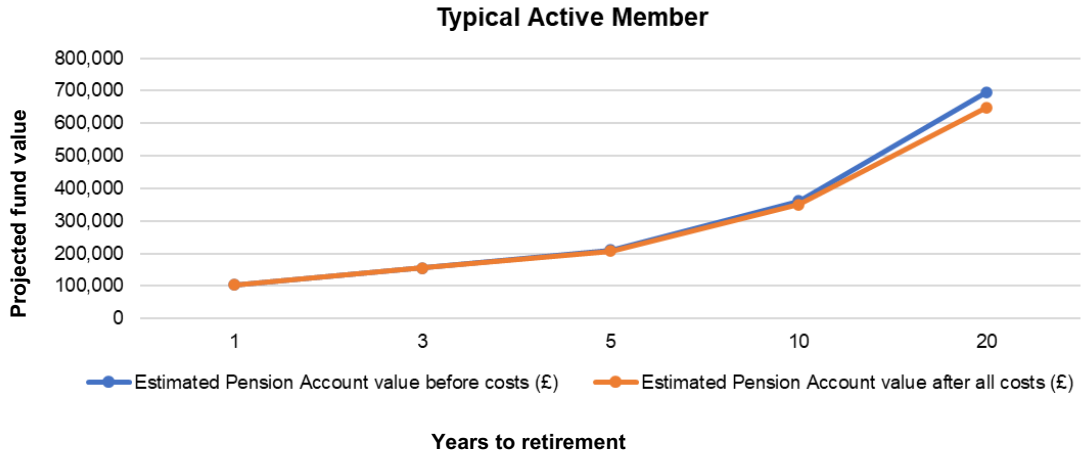
Values shown are estimates and are not guaranteed. It is recommended that members consider both the level of costs and charges and the expected return on assets (i.e. the risk profile of the strategy) in making investment decisions. For full details of the assumptions made, see the Further notes and assumptions' section here: Roche Pension Fund DC & DB AVC Section (rche) Pension Charges | Fidelity Workplace Pensions.

Illustration A: is based on a new Fund member who has 50 years until their retirement and is invested in the Roche Flexible Retirement Lifestyle Strategy. The member has £1,800 of total monthly contributions being paid into their pension account.



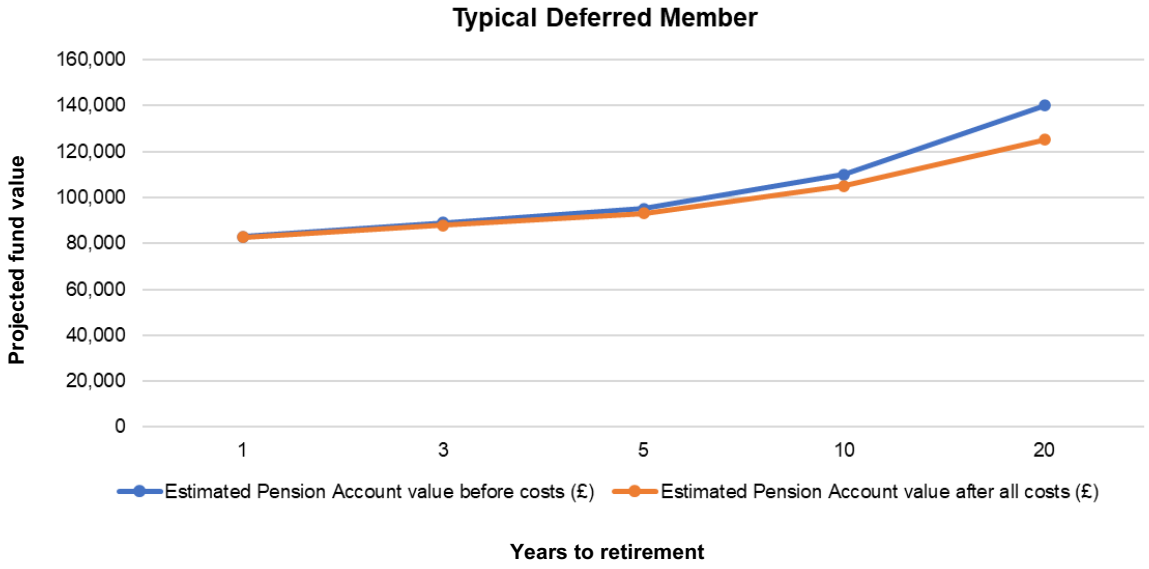
Projected pension account in today's money									
Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Flexible Retirement Lifestyle Strategy			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*21,800*	*21,800*	*0*	*21,700*	*21,700*	*0*	*21,500*	*21,300*	*200*
3	*68,500*	*68,200*	*300*	*67,800*	*67,400*	*400*	*65,500*	*64,400*	*1,100*
5	*119,000*	*118,000*	*1,000*	*117,000*	*116,000*	*1,000*	*110,000*	*107,000*	*3,000*
10	*267,000*	*263,000*	*4,000*	*258,000*	*252,000*	*6,000*	*230,000*	*217,000*	*13,000*
20	*678,000*	*659,000*	*19,000*	*629,000*	*603,000*	*26,000*	*495,000*	*442,000*	*53,000*
30	*1,300,000*	*1,250,000*	*50,000*	*1,160,000*	*1,080,000*	*80,000*	*803,000*	*676,000*	*127,000*
40	*2,270,000*	*2,140,000*	*130,000*	*1,860,000*	*1,680,000*	*180,000*	*1,150,000*	*918,000*	*232,000*
50	*3,770,000*	*3,480,000*	*290,000*	*2,590,000*	*2,230,000*	*360,000*	*1,570,000*	*1,160,000*	*410,000*

Illustration B: is based on a typical active member who has 20 years until their retirement and is invested in the Roche Flexible Retirement Lifestyle Strategy. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



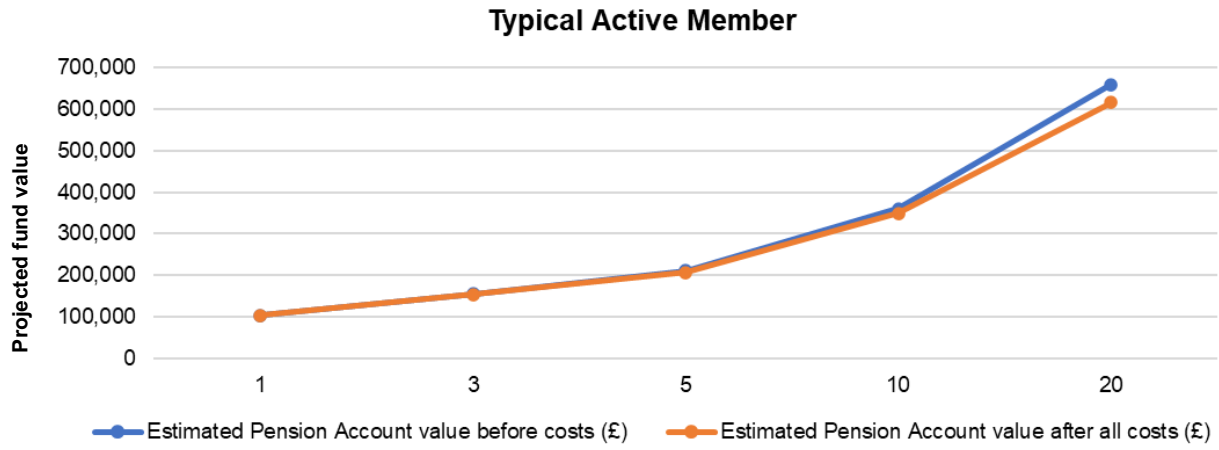
Projected pension account in today's money									
Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Flexible Retirement Lifestyle Strategy			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*104,000*	*104,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*156,000*	*155,000*	*1,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*211,000*	*208,000*	*3,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*361,000*	*350,000*	*11,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*696,000*	*648,000*	*48,000*	*602,000*	*528,000*	*74,000*

Illustration C: is based on a deferred member (a member who is no longer making contributions into their pension account) who has 20 years to their retirement and is invested in the Roche Flexible Retirement Lifestyle Strategy. The member has a current fund value of £80,000.



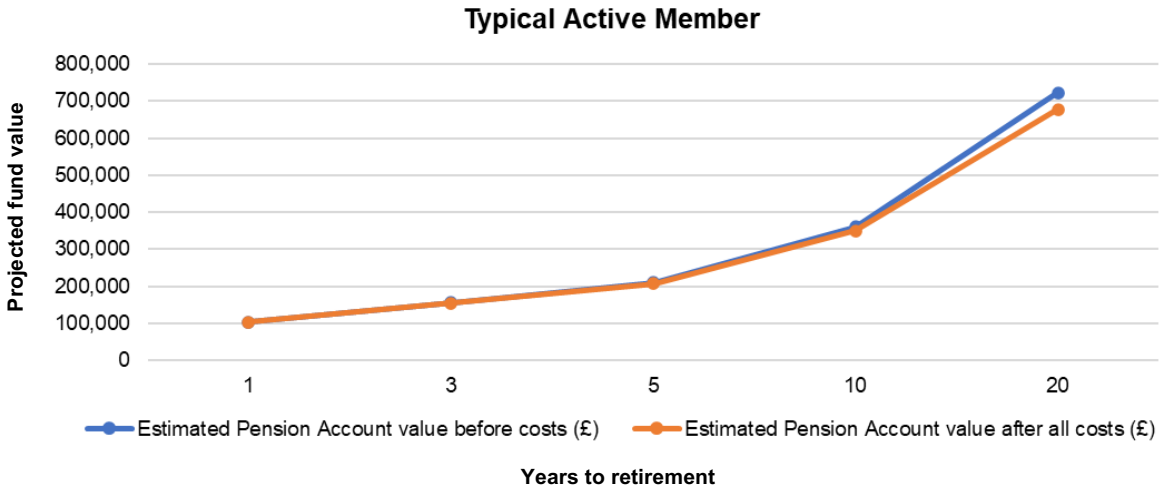
Projected pension account in today's money									
Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Flexible Retirement Lifestyle Strategy			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*83,500*	*83,300*	*200*	*82,900*	*82,600*	*300*	*81,100*	*80,200*	*900*
3	*91,000*	*90,300*	*700*	*88,900*	*87,900*	*1,000*	*83,500*	*80,800*	*2,700*
5	*99,100*	*97,900*	*1,200*	*95,100*	*93,100*	*2,000*	*86,000*	*81,400*	*4,600*
10	*122,000*	*120,000*	*2,000*	*110,000*	*105,000*	*5,000*	*92,500*	*82,900*	*9,600*
20	*188,000*	*180,000*	*8,000*	*140,000*	*125,000*	*15,000*	*106,000*	*85,900*	*20,100*

Illustration D: is based on a typical active member who has 20 years until their retirement and is invested in the Roche Lifestyle Strategy Targeting Cash. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



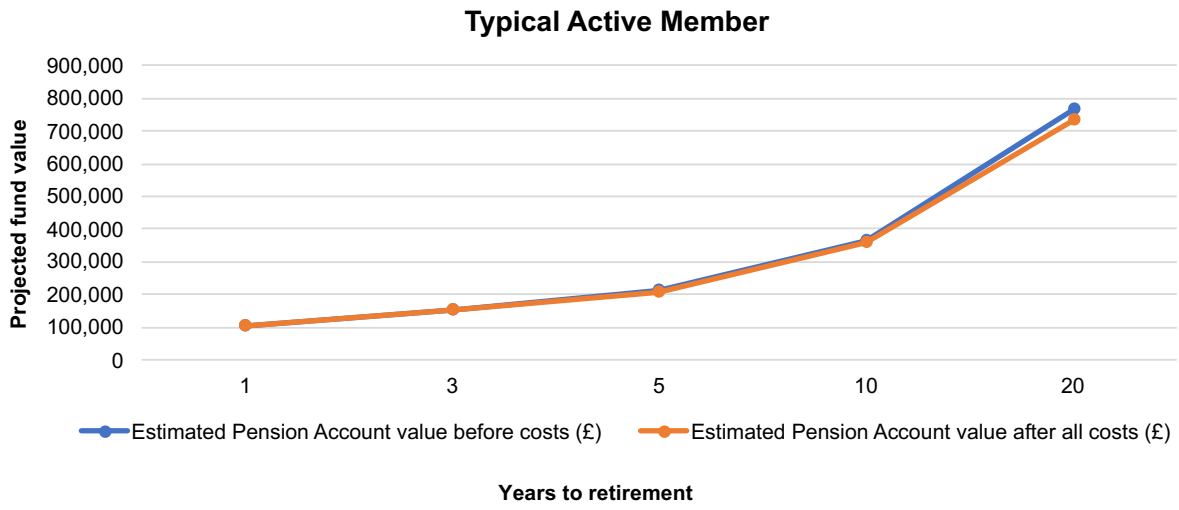
Projected pension account in today's money									
Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Lifestyle Strategy Targeting Cash			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*104,000*	*104,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*156,000*	*155,000*	*1,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*211,000*	*208,000*	*3,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*361,000*	*350,000*	*11,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*658,000*	*615,000*	*43,000*	*602,000*	*528,000*	*74,000*

Illustration E: is based on a typical active member who has 20 years until their retirement and is invested in the Roche Lifestyle Strategy targeting Annuity. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



Projected pension account in today's money									
Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Lifestyle Strategy Targeting Annuity Purchase			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*104,000*	*104,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*156,000*	*155,000*	*1,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*211,000*	*208,000*	*3,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*361,000*	*350,000*	*11,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*722,000*	*678,000*	*44,000*	*602,000*	*528,000*	*74,000*

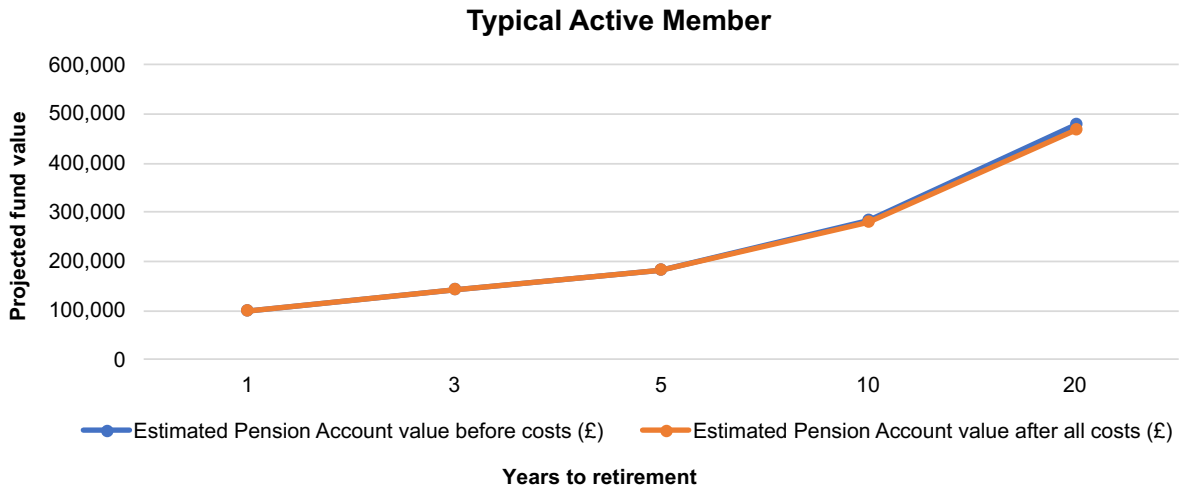
Illustration F: is based on a typical active member who has 20 years until their retirement and is invested in the Roche World ESG Equity Tracker Fund. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



Projected pension account in today's money

Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche World ESG Equity Tracker Fund			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*104,000*	*104,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*155,000*	*154,000*	*1,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*211,000*	*208,000*	*3,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*366,000*	*358,000*	*8,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*766,000*	*735,000*	*31,000*	*602,000*	*528,000*	*74,000*

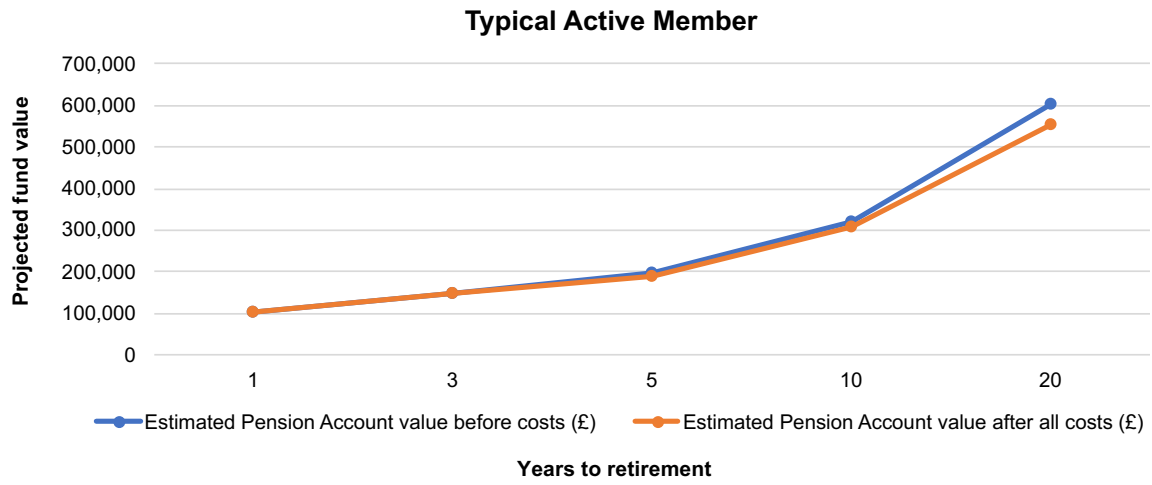
Illustration G: is based on a typical active member who has 20 years until their retirement and is invested in the BlackRock Cash Fund. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



Projected pension account in today's money

Year	BlackRock Over 5 Years Index Linked Gilt Fund			BlackRock Cash Fund			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*100,000*	*100,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*142,000*	*141,000*	*1,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*183,000*	*181,000*	*2,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*284,000*	*280,000*	*4,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*479,000*	*466,000*	*13,000*	*602,000*	*528,000*	*74,000*

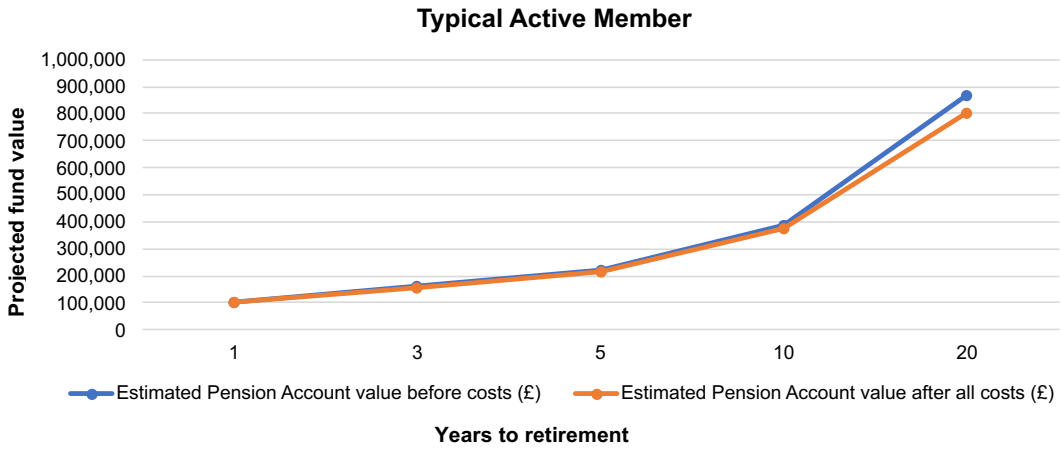
Illustration H: is based on a typical active member who has 20 years until their retirement and is invested in the BlackRock ESG Screened and Selected Strategic Growth Fund. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



Projected pension account in today's money

Year	BlackRock Over 5 Years Index Linked Gilt Fund			BlackRock ESG Screened and Selected Strategic Growth Fund			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*102,000*	*102,000*	*0*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*149,000*	*146,000*	*3,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*196,000*	*191,000*	*5,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*322,000*	*307,000*	*15,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*602,000*	*553,000*	*49,000*	*602,000*	*528,000*	*74,000*

Illustration I: is based on a typical active member who has 20 years until their retirement and is invested in the Roche Emerging Market ESG Equity Tracker. The member has a current fund value of £80,000 and has £1,800 of total monthly contributions being paid into their pension account.



Projected pension account in today's money

Year	BlackRock Over 5 Years Index Linked Gilt Fund			Roche Emerging Market ESG Equity Tracker			Nordea Diversified Return Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	*105,000*	*105,000*	*0*	*105,000*	*104,000*	*1,000*	*102,000*	*101,000*	*1,000*
3	*159,000*	*158,000*	*1,000*	*159,000*	*157,000*	*2,000*	*149,000*	*145,000*	*4,000*
5	*218,000*	*216,000*	*2,000*	*218,000*	*214,000*	*4,000*	*196,000*	*189,000*	*7,000*
10	*390,000*	*383,000*	*7,000*	*390,000*	*375,000*	*15,000*	*322,000*	*300,000*	*22,000*
20	*866,000*	*839,000*	*27,000*	*866,000*	*805,000*	*61,000*	*602,000*	*528,000*	*74,000*

4. Value for Members assessment

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

- Every year, the Trustee captures all member-borne charges (including transaction costs) and considers the benefits of membership of the Fund's DC arrangements so it can assess whether members are getting good value. The most recent value for members assessment was completed in June 2026 and covered the period from 1 April 2025 to 31 March 2026.
- Working in conjunction with its DC advisers, the Trustee has developed its own cost-benefit analysis framework which we use to assess whether members receive good value relative to the costs and charges they pay. Benchmarking relative to other pension arrangements and/or industry best practice guidelines is also undertaken.
- The costs borne by members are the TERs and transaction costs set out in sections 3(i) and 3(ii).
- The Trustee has considered the benefits of membership under the following 5 categories: governance, investments, administration, retirement support and, member communications and engagement.
- The Trustee's beliefs in relation to each of these categories are set out below. These beliefs have formed the basis of our analysis of the benefits of membership. We have also highlighted some of the key benefits of membership in each of these categories.

Governance: 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.

- The Trustee regularly reviews and updates its governance processes and procedures to ensure that these meet regulatory and industry best practice requirements.
- The Trustee has established a Governance sub-committee to ensure that governance matters are given sufficient focus. The sub-committee meets regularly and reports back to the full Board at quarterly meetings.
- The Trustee has put in place a professional Scheme Secretary whose remit is to work with the board to ensure the Fund is efficiently and properly run, members' benefits are secure and support efficient and effective governance.
- The Trustee board has an Investment sub-committee which has a goal to provide a good quality savings plan for its members.
- The Trustee has completed its Own Risk Assessment (ORA) in line with regulatory requirements.

Investments: The Trustee believes in provision of default arrangements that deliver suitable risk/return outcomes and a range of alternative investment options suitable for the needs of the membership.

- The Fund offers Lifestyle Strategies that target all permissible routes members may take for accessing their savings in retirement. The Fund also offers a range of self-select (or 'individual' funds) across the risk/return spectrum. The investment funds range has been designed, following advice from the Fund's investment adviser, with the specific needs of members in mind. The structure of the default arrangements used for members that do not make an investment decision suitably reflect how members are expected to access their funds at retirement, depending upon whether they are in the DC and AVC Section or the Bonus Choice Section.
- The Trustee also considers how ESG, climate change and stewardship are integrated within investment processes when appointing new investment managers and monitoring existing ones. The Trustee considers sustainability themed investments with a view to introducing new fund

options where it believes they may be appropriate for the Fund's members.

- The Trustee undertook the 2025 ESG Beliefs Survey to assist in understanding the range of beliefs and views of the Trustee Directors on key ESG issues, including the identification of areas of agreement and divergence. The Trustee agreed to add an ESG policy to the Fund's Effective System of Governance.

- The Trustee and its advisers have monitored performance closely over the Fund year to ensure that the investment strategy remains appropriate for the long term.

Administration: The Trustee believes in good customer experience and providing members with the right information at the right time through the right medium.

- The Trustee is satisfied that the administrator has sufficient checks in place to monitor and report on the standard of the administration service and the member experience, and to ensure that when administrative errors do occur, they are promptly identified and addressed.

- Members have online access to their pension accounts, and a member helpline is available. The member experience is monitored through surveys that members are asked to complete after contacting the helpline, call statistics, and complaint details.

Retirement support: The Trustee believes it is important to have retirement processes that enable members to make informed decisions and select appropriate option(s) at retirement.

- Members are signposted to financial planning and key communications signpost Pension Wise, and unbiased Independent Financial Advice.

- The Fund has implemented a retirement options policy to enable members to access their benefits more flexibly. These options are now available to members.

- As a result of the funds being invested through the Fidelity platform, the Fidelity Retirement Service is available to members and provides practical information, tools, and other retirement support.

- A retirement guide for DC Section members was updated over 2025 to improve clarity. This was emailed to members over age 50 in October 2025.

Member communications and engagement: The Trustee believes in getting impactful messages in relevant ways to the right people at the right time to empower them to consciously do the right thing for their future.

- The Fund provides effective communications that are accurate, clear, informative, and timely. The Fund issues bi-annual newsletters to members providing topical updates on matters such as changes for inherited pensions, updates on pensions dashboards, and updates to the Statutory Money Purchase Illustrations (SMPI).

- From time to time the Trustee undertakes member engagement campaigns to encourage members to engage with their pension savings.

- As and when any changes are made to members' investment options, the Trustee issues targeted communications to ensure impacted members understand their options and can make decisions which are appropriate for their circumstances.

- The Fund has a dedicated website to provide members with the latest Fund news and Fund information that sign posts resources available to them e.g. PlanViewer and MoneyHelper websites.

- The Trustee undertook a member survey during 2024 to understand the member experience and their level of understanding of the current arrangement. Following this, Fidelity have looked to improve member access to PlanViewer by allowing members to access all DC accounts through a single sign on.

- The Trustee has established a Communications sub-committee to ensure that communication matters are given sufficient focus. The sub-committee meets regularly, and communication updates are provided to the full Board at quarterly meetings.

- Fidelity provides members with free educational literature and access to free webinars.

Does the Fund deliver value for members?

The Trustee's assessment over the period 1 April 2025 to 31 March 2026 concluded that the charges and transaction costs borne by members are reasonable in comparison to current market rates and represent good value for members relative to the benefits of membership of the Fund's DC arrangements.

5. Processing of Core Financial Transactions

The Trustee has a specific duty to ensure that core financial transactions are processed promptly and accurately. Core financial transactions include the investment of contributions, the 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.

Core financial transactions are undertaken on behalf of the Trustee by the Fund's DC administration and platform provider, Fidelity, whilst the Company is responsible for ensuring that contributions are paid promptly on members' behalf. The timing of such payments is monitored by the Trustee predominantly from quarterly administration reports submitted by Fidelity. The Fund Secretary also holds regular meetings with Fidelity to support and monitor the administration function and help ensure good member experiences.

The Trustee has service level agreements (SLAs) in place with Fidelity. The SLAs detail a number of key administration processes to be performed and the target timescale within which each of these processes should be completed. There are SLAs in place for all core financial transactions. Under the current agreement, Fidelity aims to accurately complete all financial transactions within 5 working days, with the exception of the investment of contributions, which is within 2 working days of receipt from the Company and after reconciliation by Fidelity. During the Fund year, Fidelity met the SLA requirements with an average of 95% of activities completed within 5 working days for the DC and AVC Section, and 92% on average for the Bonus Choice Section.

The Trustee, with its DC adviser, reviews the key administration processes adopted by Fidelity from time to time and has received assurances from Fidelity in respect of their checking and peer review processes, in order to minimise the risks of inaccurate or late payment of core financial transactions. Key processes to help meet SLAs include:

- Provision of quarterly administration reports – covering areas such as asset values, contribution payments, membership statistics, service levels and membership complaints and experience metrics – enabling the Trustee to check core financial transactions and review processes in relation to any member complaints made involving core financial transactions.

- Monthly contribution checks and daily reconciliation of the Trustee's bank account.

- Checks for all investment and banking transactions prior to processing.

- Straight-through processing for many tasks therefore avoiding the need for manual intervention and, in turn, significantly reducing the risk of error.

- Annual data reviews leading to identification of missing or potentially incorrect data.

- Documentation and operation in line with quality assurance policies and procedures.

- Operation in line with the business continuity plan and confirmation that the administrator has prioritised core financial transactions during this period.

Controls around administration and the processing of core financial transactions are documented in the Fund's risk register, which is regularly reviewed.

Have core financial transactions been processed in a timely and accurate manner?

There were no significant issues with core financial transactions in the period. The Trustee therefore concludes that the majority of financial transactions have been processed in a timely and accurate manner.

6. Trustee Knowledge and Understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for Trustee Directors 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 Trustee Directors properly.

The information in this section relates to the whole Trust and not solely to the DC arrangements. The whole Trust is managed by a Trustee board comprised of eight Trustee Directors. The Chair of the Trustee is a professional, independent Trustee. Of the seven remaining Trustee Directors, four are appointed by the Employer and the remaining three are Member Nominated.

The Trustee has processes and procedures in place to meet the Pension Regulator's Trustee Knowledge and Understanding requirements.

Changes to the Trustee board during the Fund year

There was one change to the Trustee board during the Fund year. Mark Pattenden stepped down as Trustee Director on 27 February 2026. A search for a replacement is in progress.

Onboarding new Trustee Directors

The Fund has a structured induction programme for newly appointed Member Nominated Directors (MNDs). This includes:

- An induction pack including access to key Fund documentation such as the Trust Deed and Rules.
- Onboarding calls to introduce them to advisers and provide an overview of their roles and responsibilities.

Trustee training

The Trustee Directors discussed their training needs and, with input from their advisers developed a training plan for the Fund year taking account of any identified gaps, the Trustee's business plan, ongoing projects, and relevant forthcoming developments. Some training areas covered during the Fund year included developments in pensions legislation and regulation, investment strategy and markets, cyber security and data protection, scheme governance and trusteeship, and developments in DC provision and master trusts.

A training log is maintained alongside the training plan. In addition to attending Fund specific training, the Trustee Directors receive DC and legal updates at Trustee meetings. The Chair of the Trustee is also subject to continuous professional development requirements.

Sub-committees

The Trustee Board delegates some aspects of the Fund's management to sub-committees including an Investment sub-committee, a Governance sub-committee, a Communications sub-committee and ad hoc project sub-committees. The members of each sub-committee receive additional training in the areas and topics which are relevant to the sub-committee's functions.

Trustee effectiveness

A Trustee Effectiveness review questionnaire was issued to all Trustee Directors in Q1 2026, and results were discussed at the Q1 2026 Trustee meeting.

Trustee knowledge and understanding

All Trustee Directors have access to key Fund documents through a secure online facility.

The Trustee also regularly engages with its professional advisers to ensure it takes advice when needed including having the advisers attend quarterly meetings and key sub-committee meetings. The Chair of the Trustee also holds monthly update calls with the actuarial and legal advisers.

Throughout the Fund year, the Trustee demonstrated –

- a working knowledge of the Trust Deed and Rules, the current Statement of Investment Principles, and any relevant policy documents; and
- sufficient knowledge and understanding of the law relating to pensions and trusts and the principles relating to the funding and investment of occupational schemes.

A few examples of how the Trustee demonstrated these matters are set out below:

- Review of quarterly administration reports to monitor service delivery against agreed service level standards and assessing the member experience.
- Review of quarterly investment reports to assess fund performance against benchmarks, and funds against overall Fund aims and objectives, as set out in the Statement of Investment Principles.
- Review and update to the Statement of Investment Principles.
- Review and update of the risk register, taking into account relevant legal requirements.
- Responding to member queries throughout the period and exercising its discretions under the Fund rules in the event of the death of a member.

Does the Trustee board's combined knowledge and experience together with the support of their advisers enable them to properly exercise their functions as Trustee?

The Trustee considers that it meets the Pension Regulator's Trustee Knowledge and Understanding requirements and is confident that its combined knowledge and understanding, together with the support of its advisers, enables it to properly exercise its functions as the Trustee of the Fund.

Signed on behalf of the Trustee of the Roche Pension Fund by the Chair of the Trustee.

_____

Rachel Croft on behalf of Independent Governance Group
Chair of the Trustee
Roche Products Pension Trust Limited