



cushon

Cushon Master Trust

**Annual Governance Statement
Year Ending 31 December 2023**

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Introduction

This is the annual statement (the “Statement”) from the Trustees regarding the governance of the Cushon Master Trust (the “Scheme”) to demonstrate how the Scheme has complied with the required governance standards, often referred to as the Chair’s Statement. The Trustees have prepared this Statement in accordance with the requirements of the Occupational Pension Schemes (Scheme Administration) Regulation 2016. A copy of this Statement will be added to the Cushon Master Trust website <https://cushon.co.uk/workplace-pensions/climate-focused>.

This Statement relates to the Scheme year from 1 January 2023 to 31 December 2023. This Statement includes details of developments after the end of the 2023 Scheme year where the Trustees feel they will help in describing the ongoing governance of the Scheme.

The Trustees of the Scheme during the 2023 Scheme year were: -

- Abundzu Limited (represented by Barry Parr);
- Capital Cranfield Pension Trustees Limited (represented by Andrew Warwick-Thompson and then Paul Watson effective from 30 June 2023);
- Independent Trustee Services Limited (represented by Dianne Day); and
- Ross Trustees Services Limited (Chair) (represented by Roger Mattingly).

Subsequent to year end the following changes to the Trustee Board have taken place: -

- Resignation of Abundzu Limited (represented by Barry Parr) effective 31 January 2024;
- Appointment of Darren Agombar and Katie Blacklock, effective 1 March 2024;
- Resignation of Independent Trustee Services Limited (represented by Dianne Day) effective 31 May 2024.

The Scheme is an authorised Defined Contribution master trust, sponsored by Cushon MT Limited.

The Trustees are legally required to act in the interests of the Scheme members and beneficiaries and are committed to ensuring that the Scheme meets high standards. During the 2023 Scheme year and subsequently there have been some significant developments.

The Trustees meet formally, at least four times a year with meetings that cover: -

- Investments - providing members with secure, appropriate and effective investments for their retirement savings;
- Administration - the administration of the Scheme, including the collection, recording and investing of contributions, accounting and the payment of benefits;
- Accounting & legal – to ensure independent verification of the principal internal controls and financial statements, and;
- Risk and Governance - making sure that the Scheme is properly run, compliant with legislation and regulation and that no unnecessary risks are taken with members’ savings.

The Trustees believe that this structure enables them to distribute their workload effectively and to maintain the efficient running of the Scheme as it grows.

Additional Trustees’ meetings, either in person or by conference call and/or video-link, are organised as the need arises. During the Scheme year the Trustee Board held four main formal quarterly meetings on the following dates: -

- 23 March 2023

- 7 July 2023
- 21 September 2023
- 12 December 2023

In addition to the main formal quarterly Trustees' meetings, a further 41 meetings of the Trustees were held, covering the following topics:-

- Administration
- Audit
- Communication & marketing
- Investment
- Legal
- Risk & Governance
- Scheme Management
- Technology
- The Pensions Regulator's supervision
- The Workers Pension Trust transfer

The Trustees' meetings throughout the year were held both in person and via video conferencing.

Since the end of the Scheme year, the Trustees have continued to meet regularly.

Significant Developments

Scheme Growth

The number of members has increased during the 2023 Scheme year, from 101,414 at the start of the year to 111,422 at the end of the year.

The assets of the Scheme have increased significantly over the Scheme year. This is through a combination of regular monthly contributions; individual transfers-in by members seeking to consolidate their pensions savings in a well-managed, low-cost Scheme, and increases in investment market values. The total assets under management increased from £398.0m at the start of 2023 to £545.1m by the end of the 2023 Scheme year.

Cushon Technology

During the Scheme year the work migrating former Salvus Master Trust members to the Cushon technology platform continued, with the final former Salvus Master Trust members migrating at the end of February 2024. This has allowed all members prior to the Workers Pension Trust transfer (see below) to now manage their pension on the Cushon App, where members are able to see their retirement savings in real-time, monitor the value of their pension pots and plan for when they need to use them. The Cushon App enables members to take control of their money, make changes to their targets, contributions, transfer in other pensions, all in real-time and on the go.

All affected members have been contacted and provided with the necessary information to enable them to access and benefit from this technology.

Workers Pension Trust

During 2022 it was agreed that the Workers Pension Trust would transfer to the Cushon Master Trust, with work progressing through the 2023 Scheme year and completion of the transfer on 16 January 2024. All affected members have been contacted and provided with the relevant information. This transfer introduced another default investment strategy to the Scheme, agreed between the two Trustee Boards as part of the transfer. A full investment review has been completed in 2024 to determine whether the existing investment

strategies for the former Workers Pension Trust members remain appropriate. The former Workers Pension Trust members will be contacted with further information once any changes are approved.

Scheme Investment Review

The Trustees continue to review and improve the default investment strategies and changes were made to the Cushon Sustainable Investment Strategy during the 2023 Scheme year as a result of this ongoing review work.

In addition, a further Scheme default investment strategy was added to the Scheme during the 2023 Scheme year, being the Cushon Core Investment Strategy. This default investment strategy is made available to those employers who want lower investment management costs and do not require an allocation to Private Markets assets for their employees.

As part of the transfer of Workers Pension Trust into the Cushon Master Trust in January 2024, the Workers Pension Arrangement default investment strategy for former Workers Pension Trust members is also monitored by the Trustees.

Further details on the ongoing investment strategy reviews and the introduction of the new default investment strategy are included in the Scheme Investments section of this Statement.

Global Events

The past year has been a challenging time for us all – the cost-of-living crisis, the political instability both in the UK and globally, the conflicts in the Middle East and Ukraine. The Trustees are aware of the impact and challenges to members brought about by these incidents. The Trustees' focus is on ensuring that Scheme members can save for retirement in a well-run Scheme and are protected as far as possible from economic and political activity.

During times of uncertainty in financial markets it is normal for investments to fall and rise over the short term. The Trustees realise it is unsettling for members to see the value of their pension savings fall but it is important to remember that pensions are a long-term investment and over the course of members' working lives there will be other economic or political events that could see members' pension savings reduce, but over the longer-term values should recover. The Trustees monitor this on an ongoing basis.

Pension Transfers

The Trustees continue to review and assess the steps that need to be taken to help members to identify pension scams in line with transfer legislation. This legislation aims to better protect members and includes due diligence measures, a warning system of red and amber flags for high-risk transfers and also the offer to arrange a MoneyHelper session. MoneyHelper is a service provided by the Governance that offers free and impartial guidance and information on financial matters including pensions (<https://www.moneyhelper.org.uk/en>). In some cases members will not have a Statutory right to a transfer and in others the Trustees will have to conduct further due diligence before authorising the transfer.

Most pension transfers are legitimate and can proceed with minimum intervention. However, the pension transfer regulations place responsibility on the Trustees to ensure compliance and include a reporting requirement on all suspected scams to Action Fraud.

Stronger Nudges

Regulations came into force from 1 June 2022 which mean the Trustees must provide members with a stronger nudge to Pension Wise guidance when members decide to access their pension savings. The Trustees are required to refer members to Pension Wise guidance and explain the nature and purpose of this guidance.

The Pension Wise service, provided via MoneyHelper, offers free and impartial guidance on the options for accessing defined contribution (DC) pension savings.

Pensions Dashboard

Pensions dashboards will enable individuals to access their pensions information online, securely and all in one place. Dashboards will provide clear and simple information about an individual's multiple pension savings, including their State Pension. The goal is to help individuals clearly understand and be better engaged with their retirement savings. Pensions Dashboards will also support the pensions advice and guidance process, providing individuals with easier access to their pensions information when and where they want it.

Work is underway on this project and the Trustees are working to improve the accuracy of the member data that they hold, therefore, if members have lost touch with their Cushon Master Trust pension and are able to provide the Trustees with updated information they should contact the Scheme at help@cushon.co.uk.

DWP Digital Midlife MOT

The Government has launched an enhanced digital 'Midlife MOT' supporting people with their work, health and money. This brings together a wide range of services, tools and resources and has been designed to help individuals think about their work, health and money, with future planning in mind. Whether Scheme members want to take stock of their finances, enjoy a healthy working life or plan for a more secure retirement and review their pension arrangements, the digital Midlife MOT can help provide the support. [Check the status of your work, health and money - Midlife MOT \(jobhelp.campaign.gov.uk\)](https://www.jobhelp.campaign.gov.uk)

The Pensions Regulator (TPR) Authorisation

The Trustees have continued to undertake all necessary tasks and reporting to maintain the Scheme's status as an authorised DC master trust. This requires the Trustees to regularly provide Scheme governance and Significant Event reporting to The Pensions Regulator.

Scheme Investments

Investment Strategy Review

The last full formal Scheme default investment strategy review prior to the end of the 2023 Scheme year was completed during 2022 with the first investment into the Cushon Sustainable Investment Strategy in August 2022.

Since this time, the Trustees have continued to review their default investment strategies on an ongoing basis with a view to improving the investment offering available to members. A full formal review of the Scheme's investment strategies, including the default investment strategies was also conducted in March 2024 including the investment arrangements for the former Workers Pension Trust members. The Trustees are considering implementation of changes to the investment strategies to enhance value for members. Members will be informed of any relevant changes when implementation is agreed.

Broadly, the Trustees' investment objective in respect of the default investment strategies is to maximise returns for members adjusted for risk and inflation, regardless of when they take their benefits.

The Trustees know that members have different attitudes to risk and different aims for their retirement savings. When setting the investment strategies, the Trustees consider various aspects including: -

- The demographics of the Scheme membership;
- The average and range of members' pot sizes;
- Costs;
- Likely benefit choice at retirement;

- The different type of investments available and their risk profile;
- Current and future market outlook;
- Investment horizon;
- Realisation of investments; and
- Environmental, Social and Governance (“ESG”) factors, including climate change.

The Trustees’ Statement of Investment Principles (“SIP”) details the Trustees’ investment policy and includes their investment beliefs (aims and objectives). These investment beliefs are considered when developing the investment strategies to ensure that all decisions are consistent with these beliefs and are made in the interests of members. They also form part of the investment governance reporting framework, which is used to monitor effective implementation and management of the investment strategies on behalf of members.

The Trustees believe that responsible, sustainable, and social impact investment opportunities can contribute to meeting their investment objectives. Further detail on the Trustees Responsible Investment and Stewardship Policy (the “RI Policy”), including the Trustees’ investment beliefs, can be found at <https://cushon.co.uk/workplace-pensions/climate-focused>. This RI Policy was reviewed during the 2023 Scheme year on 9 June 2023. This RI Policy is subject to ongoing review.

Having taken investment advice from Isio Group Limited (“Isio”), the Trustees agreed to introduce a further default investment strategy, Cushon Core Investment Strategy, to be used for those employers who want a lower cost default investment strategy and do not wish to invest in Private Markets assets.

The ongoing review of the Cushon Sustainable Investment Strategy resulted in changes being made to the Cushon Global Bonds fund completed in October 2023 with the introduction of two additional fund managers and sub funds:-

- Ninety One Global Total Return Credit Fund; and
- LGIM Future World Corporate Bond Index Fund.

Following receipt of advice from their investment adviser, Isio, the Trustees formally approved the introduction of the Cushon Core Investment Strategy and the changes to the Cushon Global Bonds Fund applying to both default investment strategies at a Trustees’ meeting held on 20 January 2023.

In addition, the allocation to the Schroders Capital Climate+ Long Term Assets Fund that invests in Private Markets assets that was agreed by the Trustees in 2022 was implemented from April 2023.

Further detail on the improvements to the Cushon Sustainable Investment Strategy are provided later in this Statement.

Default Investment Strategies

During the 2023 Scheme year the following default investment strategies were in place: -

1. Cushon Sustainable Investment Strategy; and
2. Cushon Core Investment Strategy.

A default investment strategy is designed to suit the needs of most members. Members who do not select their own investments will automatically be invested in the default investment strategy agreed with their employer. At the end of 2023 99.7% of members had their contributions invested in the default investment strategies.

Default investment strategies get a lot of care and attention because the Trustees have a legal obligation to ensure that the default investment strategies remain appropriate for the majority of members. The Trustees set the overall investment objectives and decide on the investment mix, after taking professional advice. The Trustees design a strategy that is suitable for the membership as a whole and review the performance regularly.

Investments in the default investment strategies are managed right through to a members target retirement age. The target retirement age can be set through the Cushon App. If a target age is not selected, it will default to age 65.

The Trustees regularly review how the default investment strategies are performing and can confirm that this is consistent with their aims and objectives detailed within the SIP and that the aims and objectives currently remain suitable for the relevant members.

The investment performance of the default investment strategies are reviewed by the Trustees at each formal quarterly Trustees' meeting (dated 23 March, 5 July, 21 September and 12 December 2023 during the 2023 Scheme year). In addition, 14 further investment meetings of the Trustee Board took place during 2023, at which the Scheme investments including the default investment strategies and self-select offerings were discussed.

Cushon Sustainable Investment Strategy

The Cushon Sustainable Investment Strategy aims to make a positive impact on the climate and society, as well as members' likely retirement outcomes. The Cushon Sustainable Investment Strategy holds a well-diversified blend of investments, including: -

- A unique mix of shares in over 700 companies across the world aligned to the UN Sustainable Development Goals;
- Bonds issued by companies with a low carbon footprint with a focus on climate and social impacts; and
- Climate-aware companies with operations such as wind and solar farms, battery technology, green hydrogen, climate insurance and social housing.

How the Cushon Sustainable Investment Strategy Works

The Cushon Sustainable Investment Strategy aims to grow savings in the early years (this is called the growth phase). Then when members are 7 years away from their selected target retirement age, the way money is invested starts to change automatically. These changes are aimed at helping protect the value of members' pensions from the bigger ups and downs in investment markets (this is called the pre-retirement phase).

For instance, if a member has chosen a target retirement age of 67, their investments will start to move out of the growth phase and into the pre-retirement phase from age 60, 7 years before their 67th birthday.

Growth Phase

Until a member gets to within 7 years of their target retirement age, their pension pot is invested in a well-diversified mix of investments, including global equities, bonds, and private market investments. They are chosen to provide long-term growth potential.

When making investment decisions, the Trustees consider the potential financial performance of these investments. The Trustees also consider how the organisations issuing these investments positively impact on the environment, people and society. This is called responsible investing and it is an important element of the Cushon Sustainable Investment Strategy. The Trustees' investment managers have been selected because they

offer strong support for these considerations. Members' money will be invested across three investment funds: -

Cushon Global Equity Fund – 15%

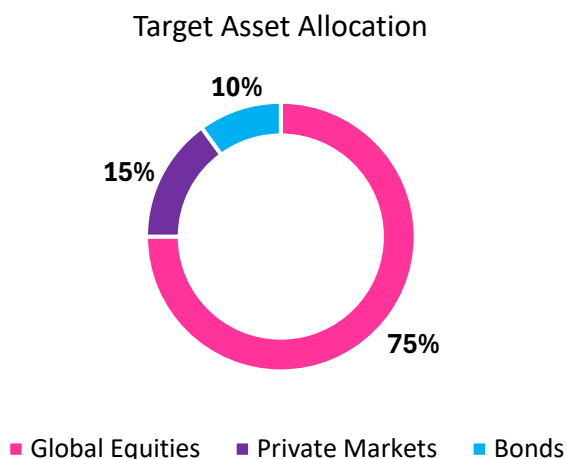
The Trustees look to invest in low carbon emitting companies to help the transition to a low carbon economy, both in developed and emerging markets. The Trustees align these to the United Nation's Sustainable Development Goals.

Cushon Global Bonds Fund – 10%

The Trustees use a number of leading managers who oversee global bond portfolios that carry a low carbon bond mandate and a social impact mandate.

Cushon Multi-Asset Growth Fund – 75%

The Trustees invest in things like renewable energy, sustainable transport, clean technology, forestry, energy infrastructure via Private Markets assets, as well as a range of low carbon emitting companies via listed equities. This fund has a target allocation of 20% in Private Markets assets and 80% in listed equities.



Pre-Retirement Phase

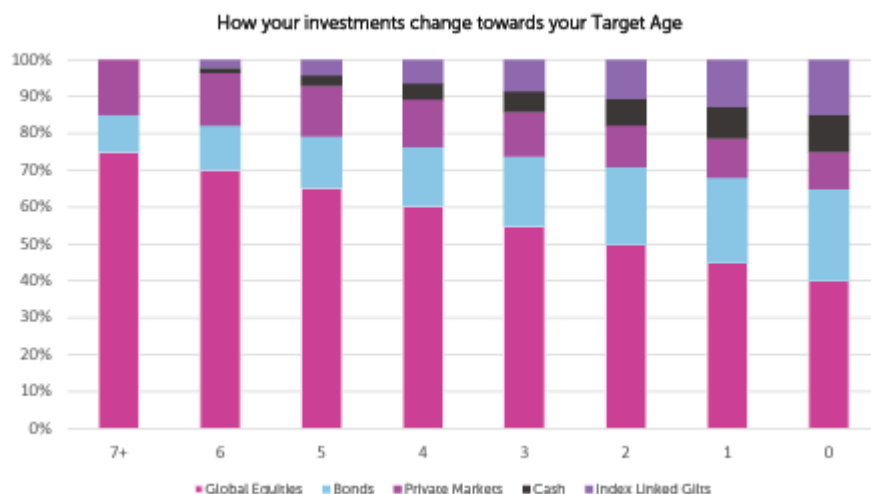
As members approach their target retirement age, the Trustees will move their pension pot gradually into other investments that are considered to be more cautious. This means pensions will still have some opportunity to grow, but the focus will be to try to protect the value of the pension from the bigger ups and downs in investment markets. There are no guarantees, and the value of pension pots can still go down as well as up at any point, but this should help avoid any larger ups and downs in investment markets.

This process happens automatically and gradually over a 7 year period until the target retirement age is reached. Members should remember that target retirement ages can be changed at any time using the Cushon App. The Trustees expect members to be more engaged with their Scheme pension via the Cushon App to make better informed decisions regarding their investments and how and when they take their Scheme benefits. The 7 year period has been designed with that expectation in mind to allow for a longer Growth phase with better expected member outcomes on average.

When Members Reach Their Target Retirement Age

When members reach their target retirement age they will still be invested in a well-diversified mix of global equities, bonds and cash. This is a more cautious mix of investments, but still aims to provide continued modest growth.

The chart below shows how pension investments change as members get closer to their target retirement age. If a member has not selected their own target retirement age, this will be defaulted to age 65. This means investments will begin changing from age 58. If a different target retirement age is selected the investment will be altered accordingly. So, for example, if a member chooses a target retirement age of 70, their pension investments will start changing from age 63.



The Trustees also agreed during the Scheme year that members invested in the Cushon Sustainable Investment Strategy that had already started to access their benefits from the Scheme via Flexible Access Drawdown, or wanted to going forward, would be switched into the new Pension Access investment strategy unless they make an alternative self-select investment choice. The Pension Access strategy replaces the Private Markets investment allocation with the Cushon Market Advantage fund for greater liquidity.

Cushon Core

The Cushon Core Investment Strategy aims to make a positive impact on the climate and society, as well as members’ likely retirement outcomes. The Cushon Core Investment Strategy will hold a well-diversified blend of investments, including: -

- A unique mix of shares in over 700 companies across the world aligned to the UN Sustainable Development Goals;
- Bonds issued by companies with a low carbon footprint with a focus on climate and social impacts.

How the Cushon Core Investment Strategy Works

The Cushon Core Investment Strategy aims to grow savings in the early years (the growth phase). Then when members are 7 years away from their target retirement age, the way money is invested starts to change automatically. These changes are aimed at helping protect the value of members’ pensions from the bigger ups and downs in investment markets (this is called the pre-retirement phase).

For instance, a member has chosen a target retirement age of 67, their investments will start to move out of the growth phase and into the pre-retirement phase from age 60 – 7 years before their 67th birthday.

Growth Phase

Until a member gets to within 7 years of their target retirement age, their pension pot is invested in a well-diversified mix of investments, including global equities and bonds investments. They are chosen to provide long-term growth potential.

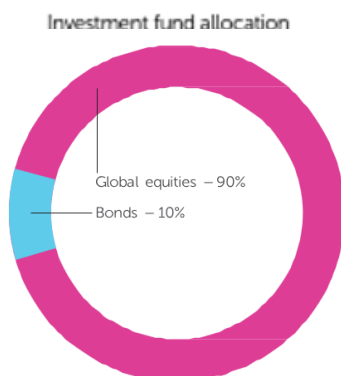
When making investment decisions the Trustees consider the potential financial performance of these investments. The Trustees also consider how the organisations issuing these investments positively impact on the environment, people and society. This is called responsible investing, and it is an important element of the Cushon Core Investment Strategy. The Trustees' investment managers have been selected because they offer strong support for these considerations. Members' money will be invested across two investment funds: -

Cushon Global Bonds Fund – 10%

The Trustees use a number of leading managers who oversee global bond portfolios that carry a low carbon bond mandate and a social impact mandate.

Cushon Global Equities Fund – 90%

The Trustees look to invest in low carbon emitting companies to help the transition to a low carbon economy, both in developed and emerging markets. The Trustees align these to the United Nation's Sustainable Development Goals.



Pre-Retirement Phase

As members approach their target retirement age the Trustees will move their pension pot gradually into other investments that are considered to be more cautious. This means pensions will still have some opportunity to grow, but the focus will be to try to protect the value of the pension from the bigger ups and downs in investment markets. There are no guarantees, and the value of pension pots can still go down as well as up at any point, but this should help avoid any larger ups and downs in investment markets.

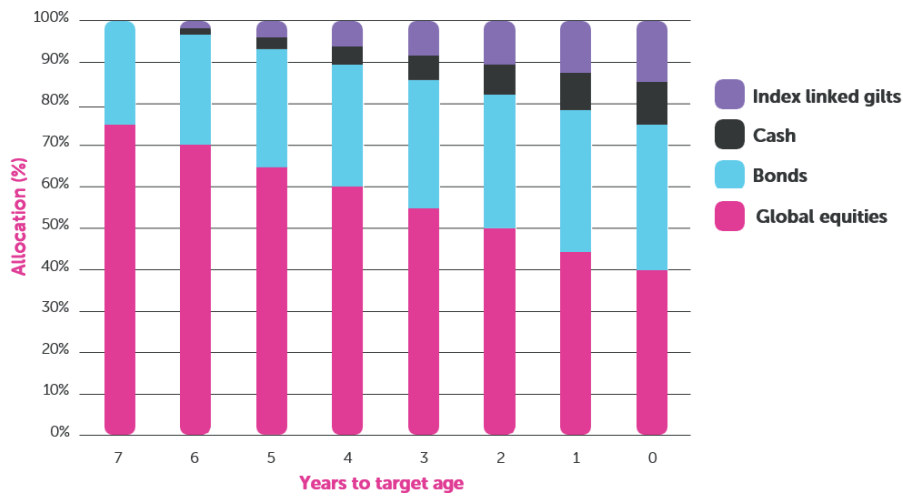
This process happens automatically and gradually over a 7 year period until the target retirement age is reached. Members should remember that target retirement ages can be changed at any time using the Cushon App. The Trustees expect members to be more engaged with their Scheme pension via the Cushon App to make better informed decisions regarding their investments and how and when they take their Scheme benefits. The 7 year period has been designed with that expectation in mind to allow for a longer Growth phase with better expected member outcomes on average.

When Members Reach Their Target Retirement Age

When members reach their target retirement age they will still be invested in a well-diversified mix of global equities, bonds and cash. This is a more cautious mix of investments, but still aims to provide continued modest growth.

The chart below shows how pension investments change as members get closer to their target retirement age. If a member has not selected their own target retirement age, this will be defaulted to age 65. This means investments will begin changing from age 58. If a different target retirement age is selected, the investment will be altered accordingly. So, for example, if a member chooses a target retirement age of 70, their pension investments will start changing from age 63.

How your investments will change



Return on Investments

The Department for Work and Pensions (“DWP”) published guidance for trustees of occupational defined contribution (DC) pension schemes which came into effect on 1 October 2021. The publication sets out the requirement for trustees to calculate and state the return on investments from their default investment strategies and self-select funds, net of transaction costs and charges. This information must be recorded in the annual Chair’s Statement from the first scheme year ending after 1 October 2021 and published on a publicly accessible website.

The Scheme return on investment information has been prepared with regard to the Statutory guidance issued by the DWP, where the data is available. Where the data has not been available this has been indicated. Longer term performance information has been unavailable, due to the inception date of the launch dates of the Scheme’s investment strategies including the introduction of the new default investment strategies.

For members who have access to the Cushon App, the actual investment return relevant to their own personal circumstances is detailed in the App.

The net investment returns for the Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy are detailed within Appendices 2 and 3.

It should be noted that charges vary based on the commercial terms agreed with participating employers and specific information is detailed within the Cushon App.



Scan the QR code to download the Cushon app

Self-Select Funds

Although over 99% of members are invested in a default investment strategy, it is important to review the performance of the self-select funds that are available. Most of these funds are passively managed index-trackers. However, some are actively managed funds meaning they are typically invested in markets that have the potential to reward specialist research capabilities or specific skills of the investment manager. These characteristics tend to increase the cost of investing in these funds; however, they do have the potential to outperform the market and provide enhanced returns. Further details of the self-select funds can be found on the Cushon App. They are also available via help@cushon.co.uk.

The Trustees complete reviews of the self-select offering to streamline the funds available and monitor these on an ongoing basis with their investment adviser, Isio, on at least a quarterly basis. Since the end of the 2023 Scheme year the Trustees completed a full formal review of the self-select investment options available to members with Isio in March 2024.

Members who select their own investments should monitor their own investment selections on a regular basis to ensure they remain suitable.

The net investment returns for the current self-select funds are detailed within Appendix 4.

Retirement Options via the Cushon Master Trust

Retirement Bridge

During the 2023 Scheme year Retirement Bridge was a way of enabling members from the age of 55 to remain invested in the Scheme, while taking some or all of their tax-free cash and then, if they wish, drawing down an income from the remainder of their pensions savings. This feature enables members to take full advantage of pension freedoms. There are very few members who use this facility but, regardless, the Trustees have a duty to monitor these funds. Since the end of the 2023 Scheme year the Retirement Bridge facility was closed to new members as the Cushon technology platform now provides options for members to take benefits via Flexible Access Drawdown and take advantage of the pension freedoms while remaining invested in the normal Scheme investment strategies. Existing Retirement Bridge members were contacted in June 2024 with information about their options.

For those members that have chosen Retirement Bridge the pension fund is invested in target-dated funds managed by Alliance Bernstein. These invest the member's pot in a fund that corresponds to their date of birth or a stated target retirement date range of 2 years. The funds are made up of a collection of growth assets, such as equities, and income-producing assets, such as fixed income gilts, whose mix is adjusted as the member approaches age 75.

The objective of the Retirement Bridge strategy is to produce a sustainable income at a level similar to that of a typical joint-life, level annuity, but one that is expected to grow over time. The reward of an increasing income in retirement does, however, come with some level of risk. Alliance Bernstein constantly monitors the risk profile of the funds and prudently manages the income that is paid out with a pay-out percentage rate set each year. The drawdown rate is not guaranteed to increase each year, but they aim to maintain the drawdown rate between a range of 90% and 102.5% of the annuity benchmark rate.

Since the introduction of the Cushon Sustainable Investment Strategy, Cushon Core Investment Strategy and Cushon self-select investment options the Trustees have begun work on a review of the retirement offering within the Scheme, although the Trustees investment adviser, Isio, has confirmed that the Retirement Bridge strategy continues to be a suitable investment in the interim. This review started in 2023 and has continued

into 2024, with the Trustees awaiting further proposals from Cushon MT Limited as the Scheme sponsor in September 2024.

The Retirement Bridge funds were a Scheme self-select investment option that is no longer available for members to select.

Pension Access

Pension Access launched in June 2023, allowing members to partially withdraw monies from their pension via the Cushon App.

When members invested in the Cushon Sustainable Investment Strategy access their pension, their allocation to the Schroders Capital Climate+ fund that invests in Private Markets assets is switched to the Cushon Market Advantage fund. All other investment allocations remain the same and the change in investments as a member ages will remain in line with the previous Cushon Sustainable Investment Strategy allocations. This is subject to member confirmation after accessing their pension pot that they are comfortable with this continuing or if not the alternative fund(s) they wish to invest in instead.

Further detail is available on the Cushon App or via help@cushon.co.uk.

Retirement Review

The Trustees are currently reviewing the retirement options available to members and will look to develop this offering throughout 2024. Retirement communications will be updated with information as the review progresses and further options are added for members.

The net investment returns for the Retirement Bridge funds are detailed within Appendix 5 and the pension access funds are detailed within Appendix 6.

Statement of Investment Principles (SIP)

The SIP details the current investment strategies and was reviewed once during the 2023 Scheme year to take account of: -

- The introduction of the Cushon Core Investment Strategy;
- Changes to the Cushon Global Bonds fund;
- Amendments to the Trustees' investment beliefs on climate change;
- Operational detail on the introduction of the Schroders Capital Climate+ investment;
- Stewardship priorities;
- Pension access investments; and
- Retirement Bridge updates.

This revision to the SIP took place on 9 June 2023.

Following the 2023 Scheme year end the SIP was reviewed to consider the new investment disclosure requirements and the inclusion of the former Workers Pension Trust members' investment strategies. For SIPs produced after 1 October 2023, the Trustees must state their policy for their default arrangements investing in illiquid assets. This revision to the SIP took place on 22 February 2024 and this is available on the Cushon website (<https://cushon.co.uk/workplace-pensions/climate-focused>) and is included in this Statement as Appendix 1.

Investment Governance

As well as reviewing the investment strategies, an important aspect of the Trustees' governance of the Scheme is to receive and consider reports on the investment performance of the funds held. Isio provides the Trustees with investment reports on a quarterly basis for all Scheme investments.

The reports received from Isio include performance test information which checks whether passive funds are tracking their benchmark effectively and whether active funds are adding value over and above their benchmark, after investment charges have been deducted. These reports have recently been reviewed to ensure that the information provided is sufficient to meet the needs of the Trustees and allows them to monitor Scheme investment performance effectively.

Conclusion

During the 2023 Scheme year investment in the Schroders Capital Climate+ Long Term Assets Fund within the Cushon Sustainable Investment Strategy was completed in April, building the target Private Markets assets allocation, enhancing diversification, growth potential and climate change resilience for members.

Also during the 2023 Scheme year the Trustees reviewed and updated the Cushon Global Bonds fund offered as a self-selection option and used as part of the Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy. They also launched the lower cost default investment strategy, Cushon Core Investment Strategy, for those employers who want a lower cost alternative without Private Markets investments.

The default investment strategies are designed to meet the needs of most members and are in line with the Trustees' stated investment beliefs (aims and objectives).

The Trustees monitor the ongoing suitability of the investments, including the default investment strategies, on a regular basis to ensure the ongoing suitability for the membership.

For those members who prefer to make their own investment selections, an appropriate self-select fund range has been made available and again these options are reviewed on a regular basis to ensure the ongoing suitability.

The Trustees are satisfied that the investment offering available to members, both from the default investment strategies and the self-select range, is suitable and will meet the needs of the majority of members.

To further develop and strengthen the options available from the Scheme, work on the options available to members at retirement is ongoing and the Trustees will look to provide members with more options as this review develops throughout 2024.

Charges and Transaction Costs

An important aspect of assessing value is to consider the costs incurred by members of the Scheme. The costs associated with saving for retirement via a pension scheme are a combination of clear, published, charges and more opaque 'transaction' costs that are not as easy to identify. The sum of these costs can have a significant impact on a member's pension savings over the long term. The Trustees are obliged to obtain and publish this information; they also benchmark these costs and charges against similar member/employer cohorts as part of their assessment of value for members.

The charges borne by members within the Scheme are comprised of three main elements: -

- Member charges, which includes the Annual Management Charge (“AMC”) and depends on which investment strategy/fund(s) are used and the fees negotiated by the participating employer;
 - The AMC is made up of the Cushon platform charge and the fund manager charge;
- Additional expenses of investing in a particular fund;
 - The Total Expense Ratio (“TER”) is the total cost associated with managing and operating an investment fund, i.e. the AMC plus the additional expenses.
- Transaction costs incurred when contributions are invested and members’ pots divested or switched between investments. These charges cover items such as commission paid to stockbrokers, bank transaction charges, stamp duty and platform fees paid when a fund manager engages in trading within the fund. The full transaction cost data in respect of the Scheme has been provided by the fund managers.

In addition, a limited number of members pay a flat fixed monthly fee, ranging from £0.50 to £2.00 per month, as well as the above charges based on what their employer negotiated when it signed up for the Scheme.

There were no performance-based fees applicable during the 2023 Scheme year. At the date of this Statement there have been no performance-based fees applicable since the end of the 2023 Scheme year and there are no plans to introduce performance-based fees. Performance-based fees are additional charges that are applied when a certain level of investment return is achieved.

As the Trustees’ investment adviser Isio has carried out a review of the transaction costs and is comfortable they are broadly below or in line with the peer group average with the only exception being the self-select Cushon Sustainable Emerging Markets Equity fund which was higher than the average. The transaction costs are kept under review by the Trustees with advice from Isio.

Charge Cap

A charge cap applies to the default investment strategies that are being used as qualifying schemes for Auto Enrolment purposes. No member funds in a default investment strategy for Auto Enrolment can exceed this charge cap limit of 0.75% TER per annum or equivalent.

The Trustees can confirm compliance with the charge cap requirements during the 2023 Scheme year and continue to ensure ongoing compliance via routine monitoring.

Flat Fee De-minimis Changes

As set out above a limited number of members also pay a flat fixed monthly fee. The Trustees have implemented a de-minimis pension pot value amount of £102, below which a flat fee cannot be charged to members. This de-minimis amount only applies to those members for whom a flat fee and AMC are being charged.

Total Expense Ratio (TER)

The average TER for the Scheme default investment strategies that were in place during the Scheme year were as follows: -

Lifestyle strategy	Average TER*
Cushon Sustainable Investment Strategy	0.53%
Cushon Core Investment Strategy	0.26%

*Weighted average.

Within the average TER for the default investment strategies, members receive the following investment-related benefits: -

- Investment strategy: this takes account of membership needs and controls risks as members approach retirement and the need for protection increases;
- Investment performance: most Scheme investments have performed as expected and in line with their objectives.

The 2020 survey of charges (the most recent survey) published by the DWP places the average member charge for qualifying DC arrangements at 0.48% for bundled services (i.e. investment and administration services) and 0.49% for unbundled. The corresponding member charges within this survey for qualifying and non-qualifying master trusts are 0.48% and 0.31% p.a. respectively.

Having assessed the services covered by the investment charges paid by members Isio notes that the TERs paid by members in the current and legacy investment strategies were above average relative to the market. As a result, the Trustees completed an investment strategy review in March 2023, which included a review of costs across all sections of the Scheme, with the aim of ensuring the Scheme default investment strategies provide value for members going forward. That review concluded that the Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy default investment strategies continue to provide value for members relative to the underlying investment costs and charges. The review indicated that the Workers Pension Arrangement default investment strategy applicable for former Workers Pension Trust members does not provide the same value for members and the Trustees are considering the implementation changes for those members.

Default & Self-Select Charges Information

Cushon Sustainable Investment Strategy – Fund Charges to 31 December 2023

The level of charges applied to the Cushon Sustainable Investment Strategy is set out below.

Strategy Phase	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)
Cushon Sustainable Investment Strategy – Growth phase	0.20 to 0.72	0.0110	0.2110 to 0.7310	0.0640
Cushon Sustainable Investment Strategy – Pre-retirement phase	0.20 to 0.72	0.0276	0.2276 to 0.7476	0.0740

The full breakdown of the Cushon Sustainable Investment Strategy fund charges, net investment returns and asset allocation to 31 December 2023 is included within Appendix 2.

Cushon Core Investment Strategy – Fund Charges to 31 December 2023

The level of charges applied to the Cushon Core Investment Strategy is set out below.

Strategy Phase	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)*	C - Total Expense Ratio (% per annum)*	Transaction Costs (% per annum)
Cushon Core Investment Strategy – Growth phase	0.24	0.0086	0.2486	0.0693
Cushon Core Investment Strategy – Pre-retirement phase	0.24	0.0215	0.2639	0.0772

*The additional expenses and therefore the Total Expense Ratio are based on the period from the inception of the Cushon Core Investment Strategy on 30 June 2023 to 31 December 2023.

The full breakdown of the Cushon Core Investment Strategy charges, net investment returns and asset allocation to 31 December 2023 is included within Appendix 3. Please note that during the 2023 Scheme year the only AMC applicable for the Cushon Core Investment Strategy was 0.24%.

Self-Select - Fund Charges to 31 December 2023

The level of charges that apply to the current self-select funds offered to members for investment are set out in the below.

Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)
Cushon Cash	0.14 to 0.94	0.0000	0.14 to 0.94	0.1100
Cushon Fixed Interest Gilts	0.128 to 0.93	0.0000	0.128 to 0.93	-0.0100
Cushon Global Impact	0.49 to 1.29	0.0300	0.52 to 1.32	0.0600
Cushon Index-Linked Gilts	0.128 to 0.93	0.0000	0.128 to 0.93	0.0400
Cushon Shariah	0.39 to 1.19	0.0750	0.465 to 1.2265	0.0000
Cushon Sustainable Emerging Market Equity	0.34 to 1.14	0.0000	0.34 to 1.14	0.2900
Cushon Sustainable Europe (ex UK) Equity	0.193 to 0.99	0.0000	0.193 to 0.99	0.1100
Cushon Sustainable Global Equity	0.185 to 0.99	0.0000	0.185 to 0.99	0.0900
Cushon Sustainable Japanese Equity	0.193 to 0.99	0.0000	0.193 to 0.99	0.0700
Cushon Sustainable North American Equity	0.193 to 0.99	0.0000	0.193 to 0.99	0.0200
Cushon Sustainable Pacific ex Japan Equity	0.193 to 0.99	0.0000	0.193 to 0.99	0.0900
Cushon Sustainable UK Corporate Bonds	0.175 to 0.98	0.0000	0.175 to 0.98	0.0100
Cushon Sustainable UK Equity	0.144 to 0.94	0.0000	0.144 to 0.94	0.3300
Cushon Global Bonds (self-select)	0.29 to 1.0	0.1104	0.4004 to 1.1104	0.1100
Cushon Global Equity (self-select)	0.20 to 1.09	0.0000	0.20 to 1.09	0.0700

The AMC ranges in the above table reflects the commercial requirement to cover costs but still allow the Scheme to remain open to the very smallest employers and deliver the same features and Scheme benefits.

The full breakdown of self-select fund charges and net investment returns to 31 December 2023 is included within Appendix 4.

Retirement Bridge - Fund Charges to 31 December 2023

The level of charges that apply to the Retirement Bridge Target-Dated Funds are set out in the table below.

Fund Name	A – Annual Management Charge (AMC) (% per annum)	B – Additional Expenses (% per annum)	C – Expense Ratio (% per annum)	Transaction Costs (% per annum)
AB Retirement Bridge 1948 Drawdown Strategy	0.83	0.0221	0.8541	0.0462
AB Retirement Bridge 1950 Drawdown Strategy	0.83	0.0251	0.8541	0.0319
AB Retirement Bridge 1951 Drawdown Strategy	0.83	0.0266	0.8543	0.0259
AB Retirement Bridge 1953 Drawdown Strategy	0.83	0.0288	0.3250	0.0163
AB Retirement Bridge 1954 Drawdown Strategy	0.82	0.0297	0.8539	0.0129
AB Retirement Bridge 1956 Drawdown Strategy	0.82	0.0304	0.8539	0.0084
AB Retirement Bridge 1958 Drawdown Strategy	0.82	0.0306	0.8536	0.0059
AB Retirement Bridge 1960 Drawdown Strategy	0.82	0.0306	0.8533	0.0064
AB Retirement Bridge 1961 Drawdown Strategy	0.82	0.0306	0.8534	0.0064
AB Retirement Bridge 1964 Drawdown Strategy	0.82	0.0306	0.8533	0.0065
AB Retirement Bridge 1966 Drawdown Strategy	0.82	0.0306	0.8533	0.0049
AB Retirement Bridge 1967 Drawdown Strategy	0.82	0.0306	0.8533	0.0064
AB Retirement Strategies Fund 2026-2028	0.78	0.0177	0.7975	0.0428
AB Retirement Strategies Fund 2032-2034	0.78	0.0279	0.8076	0.0269
AB Retirement Strategies Fund 2035-2037	0.78	0.0311	0.8106	0.0264
AB Retirement Strategies Fund 2038-2040	0.78	0.0324	0.8119	0.0282
AB Retirement Strategies Fund 2041-2043	0.78	0.0273	0.8068	0.0308

The full breakdown of the Retirement Bridge fund charges and net investment returns to 31 December 2023 are included within Appendix 5.

Pension Access - Fund Charges to 31 December 2023

From 26 June 2023 members invested in the Cushon Sustainable Investment Strategy default that had started to take benefits from the Scheme via Flexible Access Drawdown were switched into an alternative investment strategy without the Private Markets allocation that is included in the Cushon Sustainable Investment Strategy unless they made an alternative investment choice. Also from that date onward any members that wish to start drawing benefits from the Scheme via Flexible Access Drawdown are also switched into this alternative Pension Access investment strategy unless they made an alternative investment choice.

The Pension Access investment strategy is designed to allow for members that want to start accessing their benefits gradually, especially where members might want to draw some or all of their tax free cash lump sum but leave the remainder of their pot invested to draw on later at from their target retirement age.

Growth Phase

For members invested in the Pension Access investment strategy that are 7 years or more from their target retirement age the strategy invests as follows: -

- Cushon Global Equity – 75%
- Cushon Global Bonds – 10%
- Cushon Market Advantage – 15%

As members approach their target retirement age the Trustees will move their pension pot gradually into other investments that are considered to be more cautious. This means pensions will still have some opportunity to grow, but the focus will be to try to protect the value of the pension from the bigger ups and downs in investment markets. There are no guarantees, and the value of pension pots can still go down as well as up at any point, but this should help avoid any larger ups and downs in investment markets.

This process happens automatically and gradually over a 7 year period until the target retirement age is reached. Members should remember that target retirement ages can be changed at any time using the Cushon App.

Retirement Phase

When members reach their target retirement age they will still be invested in a well-diversified mix of global equities, bonds and cash. This is a more cautious mix of investments, but still aims to provide continued modest growth. The at target retirement age portfolio invests as follows: -

- Cushon Global Equity – 40%
- Cushon Global Bonds – 25%
- Cushon Market Advantage – 10%
- Cushon Inflation Linked Government Bonds – 15%
- Cushon Sterling Cash – 10%

The level of charges that apply to the Pension Access strategy are set out in the table below.

Strategy Phase	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)*	C - Total Expense Ratio (% per annum)*	Transaction Costs (% per annum)
Pension Access (drawdown) – Growth phase	0.20 to 0.72	0.0106	0.2106 to 0.7306	0.0815
Pension Access (drawdown) – Retirement phase	0.20 to 0.72	0.0229	0.2229 to 0.7429	0.0860

*The additional expenses and therefore the Total Expense Ratio are based on the period from the inception of the Pension Access investment strategy on 26 June 2023 to 31 December 2023.

The full breakdown of the Pension Access fund charges and net investment returns to 31 December 2023 are included within Appendix 6.

Illustration of Charges and Disclosure Costs

The following table sets out an illustration of the impact of charges and transaction costs on the projection of an example member's pension savings.

The “before costs” figures represent the projected pensions savings assuming an investment return with no deduction of member borne charges or transaction costs. In comparison, the “after costs” figures represent the projected pension savings using the same assumed investment return after deducting the member borne charges.

An illustration is shown for the default investment strategies members were invested in during the 2023 Scheme year. In addition, detail on the following investment strategies has been included: -

- The fund with the highest investment charge at Scheme level – this is the Cushon Global Impact fund.
- The fund with the lowest investment charge at Scheme level – this is the Cushon Fixed Interest Gilts fund.
- The fund with the highest before-costs expected return – these are the Cushon Pacific Ex-Japan Equity, Cushon Global Impact and Cushon Inflation Linked Government Bonds funds. The Cushon Sustainable Pacific ex Japan Equity fund has been illustrated.
- The funds with the lowest before-costs expected return – this is the Cushon Cash fund.

Notes to the illustrations detailed below are: -

- Values shown are estimates and are not guaranteed.
- Projected pension pot values are shown in today’s terms.
- Costs and charges applied to the pension pot are assumed to remain at the same level throughout the term of the pension as those that applied during the 2023 Scheme year.
- Future investment growth is determined by the investment strategy or fund selected and are in line with the method and assumptions governing Statutory Money Purchase Illustrations (SMPI) as detailed by the Faculty and Institute of Actuaries in Technical Memorandum 1 (TM1) effective as at 31 December 2023. The assumed growth rates are: -
 - Cushon Sustainable Investment Strategy - 4.8 per annum in the growth phase and 4.4% per annum for the at retirement portfolio;
 - Cushon Sustainable Pacific ex Japan Equity Fund - 7.0% per annum;
 - Cushon Cash Fund - 1.0% per annum;
 - Cushon Core Investment Strategy - 4.8% per annum in the growth phase and 4.4% per annum for the at retirement portfolio;
 - Cushon Global Impact fund – 7.0% per annum;
 - Cushon Fixed Interest Gilts fund – 3.0% per annum.
- Future changes in investments as a result of lifestyling have been factored into the calculations, where applicable.
- The total costs and charges are assumed to be at the following rates: -
 - Cushon Sustainable Investment Strategy - 0.60% per annum;
 - Cushon Sustainable Pacific ex Japan Equity fund - 0.573% (being the mean average Platform Charge of 0.34% plus the investment TER of 0.143% plus transaction costs);
 - Cushon Cash fund – 0.54% (being the mean average Platform Charge of 0.34% plus the investment TER of 0.09% plus transaction costs);
 - Cushon Core Investment Strategy – 0.333% per annum;
 - Cushon Global Impact fund – 0.87% per annum (being the mean average Platform Charge of 0.34% plus the investment TER of 0.47% plus transaction costs);
 - Cushon Fixed Interest Gilts fund – 0.42% per annum (being the mean average Platform Charge of 0.34% plus the investment TER of 0.08%, disallowing for negative transaction costs).

These charges are in line with the average Total Expense Ratio detailed within this Statement.

- Inflation is assumed to be 2.5% each year.
- The starting pot size is £6,500.
- The starting pensionable earnings are assumed to be £28,800.
- The projections assume that pensionable earnings increase in line with inflation, which is assumed to be 2.5% per annum.

- Contributions are assumed to be 8.0% of pensionable earnings per year (employee plus employer contributions). 8.0% is the actual average contribution received for the contributory sections of the Scheme.

This illustration has been produced having regard to the DWP 'Reporting of costs, charges and other information: guidance for trustees and managers of relevant occupational schemes' effective from 1 October 2018 and last updated on 21 October 2022. The Trustees' investment adviser has confirmed that this illustration does not deviate from the principles in that guidance.

Projected Pension Pot in Today's Money

Years from now	Cushon Sustainable Investment Strategy (Most Popular Default)		Cushon Sustainable Pacific ex Japan Equity Fund (Highest expected return)		Cushon Cash Fund (Lowest expected return)	
	Before charges	After charges	Before charges	After charges	Before charges	After charges
0	£6,500	£6,500	£6,500	£6,500	£6,500	£6,500
1	£8,888	£8,835	£9,028	£8,976	£8,647	£8,601
2	£11,327	£11,205	£11,663	£11,542	£10,760	£10,657
3	£13,817	£13,610	£14,411	£14,203	£12,840	£12,669
4	£16,361	£16,052	£17,276	£16,962	£14,886	£14,638
5	£18,958	£18,531	£20,264	£19,822	£16,900	£16,566
10	£32,798	£31,499	£37,236	£35,782	£26,497	£25,605
15	£48,178	£45,480	£58,171	£54,909	£35,350	£33,719
20	£65,272	£60,555	£84,005	£77,838	£43,515	£40,998
25	£84,276	£76,813	£115,892	£105,335	£51,042	£47,527
30	£105,408	£94,350	£155,259	£138,315	£57,979	£53,377
35	£128,910	£113,269	£203,871	£177,929	£64,370	£58,618
40	£155,052	£133,683	£263,907	£226,539	£70,254	£63,308
45	£183,839	£155,462	£338,061	£286,589	£75,670	£67,503
50	£213,310	£169,501	£429,663	£355,815	£80,653	£71,252

Years from now	Cushon Core Investment Strategy (Alternative Default)		Cushon Global Impact Fund (Highest Investment Charges)		Cushon Fixed Interest Gilts Fund (Lowest Investment Charges)	
	Before charges	After charges	Before charges	After charges	Before charges	After charges
0	£6,500	£6,500	£6,500	£6,500	£6,500	£6,500
1	£8,888	£8,859	£9,028	£8,949	£8,774	£8,737
2	£11,327	£11,259	£11,663	£11,480	£11,056	£10,973
3	£13,817	£13,702	£14,411	£14,097	£13,347	£13,208
4	£16,361	£16,189	£17,276	£16,801	£15,646	£15,441
5	£18,958	£18,720	£20,264	£19,597	£17,953	£17,673
10	£32,798	£32,070	£37,236	£35,052	£29,616	£28,812
15	£48,178	£46,659	£58,171	£53,298	£41,494	£39,919
20	£65,272	£62,603	£84,005	£74,845	£53,592	£50,992
25	£84,276	£80,033	£115,892	£100,298	£65,914	£62,033
30	£105,408	£99,091	£155,259	£130,707	£78,464	£73,042
35	£128,910	£119,933	£203,871	£168,203	£91,250	£84,017
40	£155,052	£142,727	£263,907	£214,520	£104,274	£94,961
45	£183,839	£167,393	£338,061	£271,736	£117,543	£105,872
50	£213,310	£184,080	£429,663	£333,028	£131,062	£116,750

Core Financial Transactions

The Trustees are required to report on the processes and controls in place in relation to the “core financial transactions”. The law specifies that these include the following: -

- investing contributions paid into the Scheme;
- transferring assets related to members into or out of the Scheme;
- transferring assets between different investments within the Scheme; and
- making payments from the Scheme to or in respect of members.

The Trustees must ensure that these important financial transactions are processed promptly and accurately. In practice these tasks are delegated to the Scheme administrator, Link Pension Administration (HS) Limited (“Link”). With effect from 16 May 2024 Link was acquired by Mitsubishi UFJ Trust & Banking Corporation and the division that provides administration services for the Trustees is now trading as MUFG Retirement Solutions (“MUFG”).

The average number of working days from the date that contributions are received to the date of payment to the investment manager has been 1.4 days.

The average working days from the date of contribution receipt to date of actual investment has been 3.2 days.

The table below sets out how the Scheme administrator, MUFG, has performed over the year in the processing and payment of death claims, retirement settlements, transfers into and out of the Scheme and investment switch instructions.

MUFG Performance Against Service Level Agreement

Task	Completed - Total	Completed – In Target	Completed within SLA
Deaths	111	36	29%
Retirement Settlement	526	508	97%
Transfer In	341	201	59%
Transfer Out	1168	227	19%
Investment switch	118	108	92%

Performance of processing certain transactions has improved by adding functionality on the Cushon App. Members can initiate fund switches, transfers in and out and retirement quotations and benefit withdrawals on the Cushon App and update their death benefit nomination form, all reducing the time taken for these events to be concluded. That being said, the Scheme administrator, MUFG, had a backlog of work during 2023 which impacted the service that was provided to Scheme members, in particular with regard to transfers and death cases. Actions to address this backlog were taken and the backlog has been largely cleared since the end of 2023. The Scheme administrator recruited new staff and instigated cross-training of staff to increase the service capacity, amended organisational structures and reviewed and updated processes to improve quality and efficiency. However, the Trustees are continuing to closely monitor service levels to ensure that the service provided for members returns to and is then maintained at the standards expected by the Trustees. The Trustees are conducting additional monitoring via monthly reporting on service levels and additional engagements with the Scheme administrator and Cushon Group Limited as the Cushon Platform provider.

The Scheme ‘core financial transactions’ have been impacted by the backlog issue and in a significant number of cases have not been processed promptly. While collection and investment of contributions has been maintained, settlement of transfers, retirements and deaths has been delayed in many instances. However, the accuracy of processing core transactions has been maintained in most cases.

During 2021 a correction to the lifestyle profiling / rebalancing work was identified. For a small number of members and over a limited time period assets had not been re-balanced in the period prior to the de-risking phase and also assets had not been switched to reflect the correct risk profile during the de-risking phase. Work on correcting all member records and making detriment payments was completed for current Scheme members. However, there remains a very small number of former members for whom payments are still being processed. No action was taken for those members who were in a better position as a result of the error.

Monitoring Employer Contributions

An important factor in collecting contributions from participating employers is the success or otherwise of making a direct debit (“DD”) transaction. Statistics show that DDs average at over 99% success each month. The Scheme administrator has processes in place to identify and follow up on the failures. This includes system-generated reports that enable the Scheme administrator to contact the participating employers. The cause of these failures is typically due to either the participating employer cancelling the DD or not having sufficient funds in their account.

If this was anything other than an accidental lapse, and contributions do not follow promptly, the contribution monitoring protocols come into play. These protocols aim to initiate a rapidly escalating chasing process carried out by the Scheme administrator on behalf of the Trustees that reminds the participating employer of its responsibility and moves on to notifying the impacted members and TPR, as is required by law. The Scheme administrator provides the Trustees with a quarterly report on the payment of contributions and any action taken in respect of late payments. This includes whether they have had to instigate the contribution monitoring protocol.

Data Quality

The Trustees regularly review the quality of the Scheme data, with a formal annual common and Scheme specific data check taking place. The last checks having been completed by the Scheme administrator in December 2023 and an action plan put in place thereafter to improve data quality.

Conclusion

The Trustees are comfortable that core transactions were generally processed accurately throughout the 2023 Scheme year. However, there were delays in processing a significant number of some core transactions, particularly transfers, retirements and deaths during the 2023 Scheme year and so not all core transactions were processed promptly. The Trustees have raised concerns about the service levels being provided in respect of certain administration tasks directly with the Scheme administrator MUFU, which has added additional resource to ensure the service levels improve through 2024 to reach the Trustees expected service standards. The Trustees are now receiving monthly updates from MUFU on service level performance, identified issues and improvement actions in addition to the standard quarterly reporting.

Value for Members

The Trustees complete an annual value for members assessment, in which they consider the following aspects against the expected outcome in each area: -

- The investment outcomes, i.e. investment governance, decisions and implementation.
- The quality of administration, service and support, i.e. administration overall, communications, engagement and participating employer support.
- Member borne costs and charges, i.e. AMC, TER, transaction costs and any other member charges.

When completing the assessment, the Trustees consider whether the investments, options, benefits offered by the Scheme and the costs and charges payable by members represent good value when compared to other options available in the market.

There is no objective legal definition of “good value” and so the process of determining good value for members is not wholly objective and requires the Trustees to exercise their judgement. In doing so the Trustees have been guided by TPR’s value for members guidance.

Value for members is not solely about providing a low-cost investment vehicle. The Trustees also consider other aspects of the Scheme that provide value and have formed an assessment about the quality and scope of these services, how these have performed over the Scheme year and whether they think this will continue into the future. The Trustees have determined that value for members can be assessed by looking at the following areas: -

Investment Outcomes

- If investment strategies were well designed and monitored in line with member needs;
- If investment decisions were robust and take account of relevant factors;
- If members’ assets are held securely and invested as promised.

Quality of Administration, Service and Support

- If members’ records are accurate and benefits secure and accessible when due;
- If members receive quality mandatory communications, enhanced by effective engagement that helps support informed decision making;
- If participating employers are supported in fulfilling their Auto Enrolment duties and in considering member contribution levels.

Member Borne Costs and Charges

- If the AMC is in line with investment outcomes and service received, when benchmarked against similar member/employer cohorts;
- If historical TER's and additional expenses are appropriate;
- If transaction costs are in line with industry and sector averages.

The overall ratings assessed by the Trustees for the 2023 Scheme Year was made up as follows: -

Category	Maximum Score	Actual Score
Investment outcomes	40%	30.5%
Administration, service and support	35%	24.0%
Member costs and charges	25%	18.5%
Total	100%	73.0%

When considering the value for member assessment and reviewing documented criteria the Trustees have reached the following conclusions in each area: -

Investment Outcomes

The Trustees are responsible for the investments that are made available to members, with investment advice sought from their appointed investment adviser, Isio.

During the 2023 Scheme year the Trustees reviewed and made improvements to the Cushon Sustainable Investment Strategy and introduced a new default investment strategy option for employers, Cushon Core Investment Strategy. The Trustees also reviewed their investment beliefs, the SIP, their RI Policy and Voting Preference letters issued to default investment strategy investment managers with voting rights.

The Trustees recognise ESG considerations as material and dynamic sources of risks and opportunities and believe that incorporating ESG factors, including climate change, into investment decision making is in the best interests of members, in accordance with their legal duties. So far, the Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy have achieved a 78% reduction of financed CO₂ emissions (scopes 1 and 2), compared to an independently verified benchmark. With the Scheme's innovative default investment strategies, the Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy, the Trustees are targeting at least an 80% reduction in carbon footprint (scope 1 and 2 emissions) by 30 September 2030 compared with the 2022 baseline and net zero well in advance of 2050.

Discussion on the Scheme investments took place at 4 quarterly Trustees' meetings plus 14 further investment meetings, at which the Trustees met with their investment adviser, investment platform provider and investment managers to discuss and consider all aspects of the investment proposition, with value for members at the heart of all of those discussions.

Investment Governance

The Trustees' aim is to have an investment strategy that is well designed and monitored in line with members' needs. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- Do the Trustees have access to quality strategic investment advice and investment manager research/due diligence;
- Clear aims and objectives of the default and self-select strategies;
- Completion of regular reviews of the default and self-select strategies' suitability for members' needs;
- Consideration of member characteristics trends;

- Regular quality reporting of investment outcomes and monitoring of alignment to the Trustees' investment policies and objectives;
- Investment managers and funds monitored for alignment to the Trustees' investment beliefs, including ESG and stewardship policies;
- Trustees' benchmarking investment outcomes against peers and adequacy outcomes (e.g. the Pensions and Lifetime Savings Association ("PLSA") Retirement Living Standards).

Taking into account these criteria and evidence the Trustees have determined that investment strategies are well designed and monitored in line with members' needs. They have acknowledged that they would like to see a greater analysis of member characteristics and the development of the decumulation journey.

Investment Decisions

The Trustees' aim is that investment decisions are robust and take account of relevant factors. When considering whether this objective is met, the Trustees assessed the following criteria and evidence: -

- Whether the quality and performance of their investment adviser is assessed regularly and benchmarked against the market;
- The Trustees' considerations on investment innovations in UK DC schemes and their potential benefits for members;
- Whether the Trustees take appropriate and timely action when investment outcomes are not within expectations or misaligned with investment policies;
- Whether the Trustees consider member trends that impact investments.

Taking into account these criteria and evidence the Trustees have determined that investment decisions are robust and take account of relevant factors. They note that the default investment strategies are innovative. In addition, work is required on the investment strategy in retirement which the Trustees believe can be improved upon and they expect to agree further developments in 2024.

Investment Implementation

The Trustees' aim is that members' assets are held securely and invested as promised. When considering whether this objective is met, the Trustees assessed the following criteria and evidence: -

- Thorough operational due diligence and ongoing monitoring of the investment platform is completed to provide members with security of assets;
- Administration reports show members' money (contributions, switches, and transfers) is generally invested in a timely fashion and into the right funds;
- Investment errors reported and corrected;
- Lifestyling/rebalancing is completed on time and accurately;
- Effective interface with systems to complete investment transactions.

Taking into account these criteria and evidence the Trustees have determined that members' assets are held securely and generally invested as promised. They have, however, acknowledged that there has been a lifestyling incident that occurred during the Scheme year in November 2023 and affected a relatively small number of members. The errors were subsequently corrected and rectification completed for all affected members. The Trustees want to ensure that controls are put in place to avoid any future occurrence of these types of incidents and have been provided with confirmation of remedial actions by Cushon Group Limited as the Cushon technology platform provider.

Quality of Administration, Service and Support

The Trustees are keen to provide as much useable information as they can to members and participating employers, to help them understand their pension arrangements better and the importance of monitoring pensions savings and achieving an optimal outcome.

Much of the Trustees' responsibility in this area is delegated to Cushon MT Limited and the Scheme administrator.

Administration

The Trustees' aim is that member records are accurate, benefits secure and accessible when due. When considering whether this objective is met, the Trustees assessed the following criteria and evidence: -

- Regular administration reports are received, indicating quality administration service;
- Service level agreements are monitored and action taken where below standard;
- Audit assurance framework reports and other relevant party assurances are obtained;
- Financial transactions are processed promptly and accurately;
- All systems and processes are monitored for cyber, fraud and other relevant risks.

Taking into account these criteria and evidence the Trustees have determined that the administration provided to members has been below satisfactory during the 2023 Scheme year and into 2024. The Trustees are aware that the poor service levels are impacting on the service being provided to members and have made it clear that they need to see improvements in MUFG's and Cushon Group Limited's systems and processing as the service levels have fallen significantly below the Trustees' expectation. The Trustees' have noted that the backlog of work in 2023 has been cleared and service level performance has improved significantly over the first five months of 2024. However, the Trustees expect further significant improvements through the rest of 2024 and have increased their level of oversight with increased frequency of assessment via monthly reporting on service levels by MUFG and Cushon Group Limited.

The Trustees are also expecting further improvements and efficiencies in service delivery from systems and processes developments managed between Cushon Group Limited and MUFG with increased automation.

Communication and Engagement

The Trustees' aim is that members receive quality mandatory communications, enhanced by effective engagement that helps support informed decision making. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- Are standard communications clear, easy to understand, jargon free and appropriate for the Scheme membership and issued in a timely fashion?;
- Are notices of changes that affect members clear, especially those with a call to action?;
- Are newsletters and ad-hoc communications relevant and do they promote good member outcomes, including the importance of regular contributions?;
- Is the Cushon App available and has the provider committed to digital engagement?;
- Is support and signposting available for informed member decision-making especially at retirement?;
- Are call lines and other inbound services available to members when required and of a good quality?;
- Does member feedback and testing lead to continuous improvement across all services?.

Taking into account these criteria and evidence the Trustees have determined that communication and engagement is satisfactory. With all members transitioned to the Cushon technology platform with access to the Cushon App this area is expected to improve further. The Trustees note that the remainder of the former Salvus Master Trust members were migrated onto the Cushon technology platform at the end of February 2024 with a plan in place to migrate the former Workers Pension Trust members before the end of 2024. Work

is continuing to try to engage members better and ensure they understand their pension and the benefits it can deliver.

The Trustees note that there is a need to prioritise a long-term effective retirement solution and work on that has commenced and is continuing through 2024. This will further enhance the benefits to the members.

Employer Support

The Trustees' aim is that participating employers are supported in fulfilment of their Auto Enrolment duties and consideration of member contribution levels. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- Is the employer portal available and working effectively?;
- Are the contribution monitoring processes and communications effective?;
- Is frequently asked questions ("FAQs") documentation and participating employer support available and effective?.

Taking into account these criteria and evidence the Trustees have determined that participating employer support is good. This assessment is supported by the Cushon Client Success team who support participating employers with all pension related matters and enquiries.

Member Borne Costs and Charges

Details of the costs and charges associated with membership of the Scheme are provided in the Default & Self-select charges information section of this Statement. These charges vary dependent upon the commercial terms agreed with the participating employer.

Annual Management Charge (AMC)

The Trustees' aim is that the AMC is in line with the investment outcomes and services received when benchmarked against similar member/employer cohorts. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- The AMC is appropriate for each default investment strategy and self-select option (given the assets held and design);
- Whether the Cushon Platform Charge, that makes up part of the AMC, is competitive for the services provided.

Taking into account these criteria and evidence the Trustees have determined that a greater consistency of charges across the Scheme is desirable. The Trustees feel they would like to see members benefit from rationalisation/standardisation that makes pricing more consistent across the Scheme. The Trustees need to have a better understanding of how Cushon MT Limited sets the variable Cushon Platform Charge on top of the investment costs. This has been raised with Cushon MT Limited, as the Scheme sponsor, and the Trustees will progress these discussions through 2024.

Total Expense Ratio (TER)

The Trustees' aim is that the historical TER and additional expenses are appropriate. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- Charge cap compliance confirmation (Auto Enrolment);
- Investment Platform provider reporting.

Taking into account these criteria and evidence the Trustees have determined, with input from their investment adviser Isio, that the additional expenses are broadly appropriate. However, as with the AMC the

Trustees wish to have a greater consistency of the Cushon Platform Charge that makes up the TER and discussions on this with Cushon MT Limited will continue through 2024.

Other Member Charges

The Trustees' aim is that transaction costs are in line with industry and sector averages and any other member charges in addition to the AMC/TER are appropriate for the services being provided. When considering whether this objective is met the Trustees assessed the following criteria and evidence: -

- Are transaction costs within tolerance, considering any investment restructure during the period;
- Other member charges e.g. flat fee structures and intermediary fees.

Taking into account these criteria and evidence the Trustees have determined, with input from their investment adviser Isio, that the other member charges are broadly appropriate.

The total fund charges paid by members are above average relative to the market. The Trustees have therefore committed to the following actions during 2024: -

- Ensure all members have access to the Cushon App and the benefits this provides;
- Aim to improve member engagement;
- To further develop and improve the Cushon Sustainable Investment Strategy;
- To enhance the retirement options available to members.

Conclusion

In conclusion, the Trustees have determined following a review in May 2024, that the Scheme provides satisfactory value for members currently. However, there are a number of improvements that the Trustees have targeted for completion during 2024 and into the start of 2025 that should improve their value for members assessment.

Trustee Knowledge and Understanding

Occupational pension schemes, such as this Scheme, are complex structures and the level of knowledge and expertise required of the Trustees is rightly set at a high level. The pensions landscape is in a constant state of development, as new regulations and legislation impacts on the way in which schemes must be governed.

The law requires the Trustees to possess, or have access to, sufficient knowledge and understanding to run the Scheme effectively. This includes the requirement for the Trustees to have knowledge and understanding of the law relating to pensions and trusts, and the principles relating to the investment of the assets of the Scheme. It also requires the Trustees to have a working knowledge of the Scheme Trust Deed and Rules, Statement of Investment Principles, and other Scheme policy documentation relating to the administration of the Scheme.

As part of the new Trustees' induction process, Trustees familiarise themselves with these documents and many other key Scheme documentation, including the Trustees' Governance Plan and Policies.

The Scheme documents are referenced during meetings and any amendments considered as specific agenda items.

The Trustees have access to a Trustee SharePoint site, which is a secure online portal holding key documentation for the Scheme. In December 2023 Board Pack Technology provided by Diligent Boardbooks Limited was introduced for use by the Trustees and will the aim of ultimately replacing the existing SharePoint

site as the primary system for the Trustees. This new technology allows the Trustees to collaborate, review meeting packs and access Trustee Board documentation and knowledge in a single, secure ecosystem.

The Trustees take their training and development responsibilities very seriously and keep a record of the training completed and provide this to the Scheme Secretary every quarter and upon request. Training activities completed during 2023 have covered all aspects of DC scheme governance, pensions and trust law, investment principles and strategy, member engagement, TCFD and other relevant topics. Each Trustee has logged at least 30 hours on these activities during 2023.

All of the Trustees have completed the relevant modules of the Trustee Toolkit which have been made available by TPR.

During the Scheme Year and following on from TPR's DC Master Trust Authorisation process the Trustees continue to monitor and review the Scheme's operations, and the Trustees' duties and obligations as part of this process.

The Trustee Board's combined knowledge and understanding is wide ranging and together with the ongoing training and development that is undertaken, and the use of appointed third party advisers on matters such as investment and legal, enables the Trustees to exercise properly their functions as the Trustees of the Scheme. Nonetheless there is no room for complacency, and it is for this reason that Trustee Knowledge and Understanding is reviewed on an ongoing basis as a regular topic for discussion at each main formal quarterly Trustees' meeting.

During the 2023 Scheme year the Trustees demonstrated their continued satisfaction of the 'Trustee Knowledge and Understanding' requirements in a number of ways: -

- The Trustees continued to review all the procedures and process involved in the administration and governance of the Scheme. This included checking their familiarity with the governing documents. A detailed analysis of the Trustees' various policies relating to the good administration of the Scheme was completed;
- The Trustees actively engaged with their professional investment adviser, Isio, on many investment related topics. This included a review of the SIP to ensure the Trustees were fully versed with this document and had considered the investment principles. The Trustees conduct training on an ongoing basis to ensure they have sufficient knowledge and understanding of the relevant principles relating to the investment of occupational schemes ensuring this remains suitable. During the 2023 Scheme year there was a formal review and amendment to the SIP (dated 9 June 2023) conducted by the Trustees. Subsequent to the end of the 2023 Scheme year the SIP was again reviewed and updated by the Trustees, with advice from Isio, and the current SIP dated 22 February 2024 is included in Appendix 1;
- Leading on climate change reporting on the Occupational Pensions Stewardship Council (OPSC).
- Read legislation and regulations at source, in particular relating to responsible investment, together with summaries and interpretations published in the professional journals and by specialist pensions advisers on an ad-hoc basis focussing on areas of interest in industry publications and items directly affecting the Scheme. The Trustees will conduct training on an ongoing basis to ensure they can demonstrate sufficient knowledge and understanding of pensions and trust law;
- Read the output produced by TPR, in particular the Codes of Practice and supporting guidance;
- The Trustee Toolkit is an e-learning programme produced by TPR. The Trustees are comfortable with the subject material contained within them and review, as necessary;
- Attending and contributing to specialist pensions conferences and seminars, hosted by pensions journals, advisory firms, TPR, DWP and other industry organisations. These events commonly include keynote speeches from representatives of TPR and are a particularly effective means to maintain knowledge and to understand new developments.

The Trustees have a combined experience of working in the pensions and financial services industry over many years and have collectively experienced at first hand the impact of the multitude of legislative changes and new regulations that have impacted occupational pensions over that time.

The Trustee Board covers a broad spectrum of relevant experience and a brief summary of each Trustee as at 31 December 2023 follows: -

Abundzu Limited: Represented by Barry Parr who was an independent trustee with over 20 years of experience. He was a trustee of several pension schemes and master trusts and was the founding chair of the Association of Member Nominated Trustees. Barry had attained the Award in Pension Trusteeship (PMI - APT - DC) 2011. Abundzu Limited resigned from the Trustee Board on 31 January 2024.

Capital Cranfield Pension Trustees Limited: Represented by Andrew Warwick-Thompson and Paul Watson during the year to 31 December 2023.

Andrew Warwick-Thompson, who is a proven board level operator who brought expertise in pensions regulation, governance, and operations of occupational pension schemes and directing their investment strategies. He is a well-known industry figure through his role as Executive Director for Regulatory Policy at TPR, where he was responsible for formulating regulatory policies. He is an affiliate Member of the Institute and Faculty of Actuaries and an Accredited Member of the Association of Professional Pension Trustees. He currently chairs the Trustee Board of the Scottish Widows Master Trust and has previously chaired the hybrid Mencap Pension Plan. Andrew stepped down as the representative of Capital Cranfield Pension Trustees Limited on the Trustee Board on 29 June 2023.

With effect from 30 June 2023, Paul Watson has represented Capital Cranfield Pension Trustees Limited on the Trustee Board. Paul Watson is a Professional Trustee with Capital Cranfield. A qualified Actuary, he was previously a Partner in Mercer's investment consulting business and prior to that with PwC and HSBC. He has almost thirty five years of industry experience including time as a lead investment consultant and now as a Trustee to a number of pension schemes. Paul is passionate about workplace savings and meeting members' promises and expectations.

Independent Trustee Services Limited: Represented by Dianne Day was a Client Director at Independent Trustee Services Ltd (ITS). She joined ITS in 2015, specializing in defined contribution (DC) schemes. Dianne holds the PMI Certificate in DC Governance and is an accredited professional pension trustee. Her trustee experience spans DC master trusts, single employer schemes and sole trustee roles. Dianne applied over 30 years' experience in investment management and member communications to the good governance of members' pension benefits. ITS ceased to be a Trustee of the Scheme from 1 June 2024.

Ross Trustees Services Limited: Represented by Roger Mattingly who is Chair of the Trustees of the Scheme. Roger holds a number of trusteeships and is chair of trustees of another master trust. He is a Past President of the Society of Pension Professionals, a Fellow of the Institute of Directors and has been a member of various industry groups, including the Pensions Regulator's Stakeholder Advisory Panel and more recently as Chair of the Pensions & Lifetime Savings Association's (PLSA) Multi-employer Defined Benefit Committee and of the PLSA's DC Master Trust Reference Group.

Since the end of the 2023 Scheme year two new independent individual Trustees have been appointed and a brief summary for each is provided below: -

Katie Blacklock: Katie has spent her career in financial services, initially as a portfolio manager specialising in Latin American equities and then as a partner at Nevsky Capital, a \$7bn UK-based hedge fund manager. She is

currently a non-executive director of Edmond de Rothschild, a European Private Bank and Asset Manager and sits on the advisory board of The Prudential Assurance Company's £130bn With Profits Fund. Katie is a Governor of the Health Foundation and sits on the Investment Committee that oversees the foundation's £1bn endowment.

Darren Agombar: Darren is CEO and founder of Connected Asset Management. Before founding Connected Darren co-founded and was Chief Investment Officer of Smart Pension Limited where he has shaped and developed the investment strategy. Darren has deep financial market experience stretching over 35 years and has held senior roles in banking, trading and investment management in London, Dubai and Tokyo. Darren has additional expertise in behavioural finance and economics and has applied this to coaching market professionals as well as developing quantitative trading models. Darren has a Bachelor of Science BS (Honours) Psychology from The Open University.

The Trustees recognise the risk that their knowledge and experience could overlap to such an extent that there are areas where their combined skills are insufficient, leaving vulnerabilities in the governance of the Scheme. In order to assess the situation the Trustees complete a skills matrix, based on a TPR published document, on at least an annual basis. The Trustees use this analysis to determine training requirements and activities to pursue in order to fill any gaps.

All professional Trustees have achieved professional pension accreditation and are subject to continuous professional development requirements.

Barry Parr was Accredited Professional Trustee through the PMI – PTPMI (Accredited).

Dianne Day, Roger Mattingly, Andrew Warwick-Thompson and Paul Watson are all Accredited Professional Trustees through the Association of Professional Pension Trustees (APPT).

Conclusion

The Trustees consider that, due to the actions and attributes outlined above, and in conjunction with the use of their professional advisers, they have the combined knowledge and understanding and access to advice to enable them to properly exercise their functions as Trustees of the Scheme for the benefit of the members.

Non-Affiliation of Trustees

The legislative requirement is for the majority of the trustees to be non-affiliated. Non-affiliated broadly means that the trustee is both currently independent of the Scheme Funder (Cushon MT Limited) and all other undertakings which provide advisory, administration, investment or other services in respect of the Scheme, and was not an employer or officer (or equivalent) of a Scheme service provider in the five years preceding appointment. Where a non-affiliated trustee resigns, the Scheme must again aim to meet the non-affiliation requirement within three months.

Trustees can be treated as non-affiliated for a single period of up to five years and up to 10 years in total. If there is a gap of more than five years between appointments, the previous appointment is ignored when working out the total. Slightly different rules apply to professional trustee bodies. Again, they can be treated as non-affiliated for a single period of up to five years, but they are not restricted to any cumulative term. However, their individual representative cannot retain this role for more than 10 years in total, regardless of any gap between appointments. The limit on the length of appointment starts from the later of 6 April 2015 and the date of the appointment.

It is confirmed that all the Trustees, including the Chair, during the period covered by this Statement and subsequently, met this non-affiliation requirement.

The non-affiliated Trustees in place during 2023 (Abundzu Limited, Capital Cranfield Pension Trustees Limited, Independent Trustee Services Limited and Ross Trustees Services Limited) or their representatives, have never provided such services to the Scheme or have been a director, manager, partner or employee of any such undertaking or any undertaking that is in the same corporate group or partnership with a service provider to the Scheme nor did they do so in the five years preceding their appointment. Nor had they ever taken any payment or benefit from the Scheme other than in respect of their role as trustee. They do not have any relationship with any of the service providers to the Scheme that would conflict with their obligations as Trustees of the Scheme. Consequently, Abundzu Limited, Capital Cranfield Pension Trustees Limited, Independent Trustee Services Limited and Ross Trustees Services Limited were non-affiliated when appointed as Trustees and their appointments were all less than five years ago.

Any matters considered by the Trustees are decided by a majority, as detailed within the Scheme Trust Deed and Rules, with all Trustees having the opportunity to feed into the decision making process, subject to the Trustees' Conflicts of Interest Policy.

Conclusion

2023 continued to provide challenges to us all with the cost-of-living crisis impacting daily lives. The good news was that the Scheme has robust governance and protocols in place to serve the best interests of the Scheme members and beneficiaries.

There continues to be a lot of Scheme development during 2024 and the Trustees continue to assess the Scheme and make changes, as appropriate.

The Trustees are aware that they are making efforts to improve the Scheme but that these efforts will be fully effective if members do not understand their pension and the benefits it provides. Work will therefore be increasing during 2024 to try to encourage members to engage with their pension using the Cushon App. This will enable them to see their retirement savings in real time and plan for when they will need to use them.

Further plans for the Trustees for 2024 and beyond are to: -

- Ensure all members have access to the Cushon App and the benefits this provides;
- Increase the Cushon App and wider Cushon technology platform functionality to allow more automation of routine tasks;
- Improve administration service levels for members;
- To enhance the retirement options available to members;
- Continue to evolve and improve the default investment strategies, to include consideration of alternative asset classes to enhance growth potential, diversification and risk management;
- Continue to review the Trustees' investment beliefs, which feeds into the SIP, RI Policy and to further develop the investment governance reporting framework;
- Explore further investment policies and strategies that achieve the Trustees' investment beliefs;
- Evolve the relaunched Cushon website and use this as an information source and communication tool;
- Consider further ways to enhance and improve value for members and member engagement;
- Prepare for the launch of the Pensions Dashboard.

It is an exciting time for the Scheme and the Trustees look forward to working with Cushon Group Limited and developing technology so that participating employers and members alike can benefit from the fintech revolution.

Finally, please note the Trustees have an email address (trustees@cushon.co.uk) to allow members to contact them directly and provide feedback and comments on any aspects affecting the Scheme and their membership.

A handwritten signature in black ink, appearing to read 'R. Mattingly', with a long horizontal flourish extending to the right.

Roger Mattingly
Chair of Trustees
25 July 2024

Cushon Master Trust

Statement of Investment Principles

Statement of Investment Principles

February 2024

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1. Introduction

This document constitutes the Statement of Investment Principles (the “SIP”) required under Section 35 of the Pensions Act 1995 for the Cushon Master Trust (the “Scheme”). It describes the investment strategy being pursued by the Trustees of the Scheme (the “Trustees”) and complies with our understanding of the requirements of the Occupational Pension Schemes (Investment) Regulations 2005, Occupational Pension Schemes (Charges and Governance) 2015, the Pension Protection Fund (Pensionable Service) Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, and the Pensions Regulator’s Code of Practice in relation to governance of DC pension schemes issued in July 2016 in force at the time of preparing this document.

The Trustees confirm that, before preparing this SIP, they have consulted with Cushon MT Limited (the “Company”) and taken appropriate advice from their advisers. The Investment Adviser is Isio Group Limited, and the Legal Adviser is ARC Pensions Law LLP.

The Trustees believe their advisers to be qualified by their ability and practical experience of financial and legal matters respectively and they have appropriate knowledge, and experience of the management of the investment arrangements that the Scheme requires. The Trustees also confirm that they will consult with the Company and take advice from the relevant advisers as part of any review of this SIP.

The Trustees are responsible for the investment of the Scheme’s assets and arranging the administration of the Scheme. Where they are required to make an investment decision, the Trustees always receive advice from the relevant advisers first and they believe that this ensures that they are appropriately familiar with the issues concerned.

In accordance with the Financial Services & Markets Act 2000, the Trustees set general investment policy, but have delegated the day-to-day investment of the Scheme’s assets to professional fund managers (the “Investment Managers”) using pooled funds held via an investment platform, in accordance with Section 34(2) of the Pensions Act 1995. The Managers are authorised under the Financial Services & Markets Act 2000, provide the expertise necessary to manage the investments of the Scheme competently and will comply with the requirements of Section 36 of the Pensions Act 1995.

Declaration

The Trustees acknowledge that it is their responsibility, with guidance from their advisers, to ensure the assets of the Scheme are invested in accordance with these Principles.



Signed:

Date: 22 February 2024

Chair of Trustees

For and on behalf of the Trustees of the Cushon Master Trust.

2. Governance

The Trustees are responsible for the governance and investment of the Scheme's assets. They consider that the governance structure set out in this SIP is appropriate for the Scheme as it allows the Trustees to make the important decisions on investment strategy, while delegating the day-to-day aspects to the Investment Managers or the advisers as appropriate. The responsibilities of each of the parties involved in the Scheme's governance are detailed below.

Trustees

The main investment related responsibilities of the Trustees include:

- a) Ensuring the Scheme meets all regulatory requirements.
- b) Reviewing, at least triennially (or following significant changes to the investment strategy), or, in respect of default arrangements, the membership profile, the content of this SIP and modifying it if deemed appropriate.
- c) Reviewing the investment strategy for the Scheme in terms of providing a default strategy and a wider range of self-select funds from which members may choose to invest (see Appendix).
- d) Assessing the quality of the performance and process of the Investment Managers by means of regular reviews of the investment results and other information, through meetings and written reports.
- e) Monitoring compliance of the investment strategy with the SIP on an ongoing basis.
- f) Appointing and dismissing Investment Managers.
- g) Assessing the performance of their advisers.
- h) Consulting with the Company when reviewing investment strategy issues.
- i) Communicating to members as appropriate.
- j) Making this SIP publicly available.

Investment Adviser

The Investment Adviser will be responsible for, amongst other things:

- a) Participating with the Trustees in reviews of this SIP.
- b) Assisting the Trustees with reviewing the default strategies and self-select fund range.
- c) Advising the Trustees of any changes in respect of the Investment Managers that could affect the interests of the Scheme.
- d) Advising the Trustees of any changes in the investment environment that could either present opportunities or risks to the Scheme.
- e) Undertaking reviews of the Scheme's investment strategy including reviews of the Scheme's structure, current Investment Managers, and selection of new Investment Managers as appropriate.

Legal Adviser

The Legal Adviser will be responsible for, amongst other things:

- a) Acting on Trustee instructions to ensure legal compliance including those in respect of investment matters.

The Trustees and their advisers also have responsibilities with respect to responsible investing and complying with the Trustees' reporting requirements for the Task Force on Climate-related Financial Disclosures ("TCFD"). These are outlined in the Trustees' Responsible Investment and Stewardship policy.

3. Investment Beliefs

The Trustees have formulated a set of investment beliefs, which will be considered when developing the investment strategy to ensure that all decisions are consistent with these beliefs and are made in the interests of members. They will also form part of the investment governance reporting framework, which is used to monitor effective implementation and management of the investment funds on behalf of members. The Trustees' investment beliefs are as follows:

- Our investment objective is to maximise risk and inflation adjusted returns for our members regardless of when and how they take their benefits.
- We will consider a broad range of opportunities when sourcing investments, including assets on regulated and unregulated markets, and assets that are publicly and privately held, as well as different investment management styles. There may be times when certain types of investments offer better value, and we will seek to maximise these opportunities for the benefit of our members.
- There are some risks which can be rewarded, such as illiquidity, active management, and diversification. Some of these risks may be linked to responsible investment factors (such as climate change). We will seek exposure to these investment opportunities, provided they meet our investment objective and the cost of accessing the investment presents value for money for our members.
- We believe that responsible, sustainable, and social impact investment opportunities can contribute to meeting our investment objective.
- Our investment beliefs apply to all asset classes and support the principles underlying the UNPRI initiative. We will select and work with partners and other industry parties who share our beliefs.
- Climate change poses a material financial risk to our members. To this end, the Trustees offer default options which have lower greenhouse gas emissions than a typical UK Pension Scheme. We have also agreed to the following climate targets for our default strategies:
 1. For the carbon footprint (scope 1 & 2) to be at least 80% lower than the 2022 baseline by 30 Sep 2030.
 2. Achievement of net zero well in advance of 2050.

The 2022 baseline is defined as the weighted average carbon footprint (scope 1 & 2) of broad market indices weighted by the growth phase asset allocation for each of the Cushon Sustainable and Cushon Core investment strategies. For both strategies, this is: 90% Solactive GBS Global Markets Large and Mid-Cap, 2.5% Bloomberg Global Aggregate, 4.3% Bloomberg Global Aggregate Corporates and 3.2% 50 /50 ICE BoA Global High Yield / Global Investment Grade.

- We will gather member views and preferences through a variety of methods and take these into consideration when developing the Policy and our investment beliefs over time, to the extent that to do so does not conflict with our legal obligations and fiduciary duties as pension scheme trustees. The Trustees may take member views into account when choosing self-select options. Member investment choice will be provided through the self-select investment options for those members who wish to express different beliefs in how their pension pot is invested.

From 16 January 2024, the Workers Pension Trust ('WPT') Master Trust was merged into the Cushon Master Trust. Over the course of 2024, the Trustees will be reviewing the investment arrangements of the former WPT Master Trust against their existing beliefs and policies and agreeing what actions (if any) should be taken. For the purpose of this SIP, these investment arrangements are referred to as the Workers Pensions Arrangement.

4. Investment Options

Implementation of investments

The Trustees have appointed Mobius Life as the platform provider for the pooled funds that make up the Scheme's investment options for members. These funds are then managed by underlying investment managers which are detailed in the Appendix.

Member administration services are provided to the Trustees by Link Pension Administration (HS) Limited and Aptia Group Limited (for the Workers Pension Arrangement). An administration platform is provided to the Trustees by Cushon Group Limited. Member contributions will be invested in line with their selected choice of funds. Where a member has not made an active selection, their contributions will be invested in the chosen default strategy.

Range of investment options

In designing the investment options, the Trustees have considered members' changing risk and return requirements over time and member outcomes. The Trustees will ensure that each member's investments are invested in accordance with the fund options selected by the member, or in the absence of an investment choice, the Trustees' chosen default strategy.

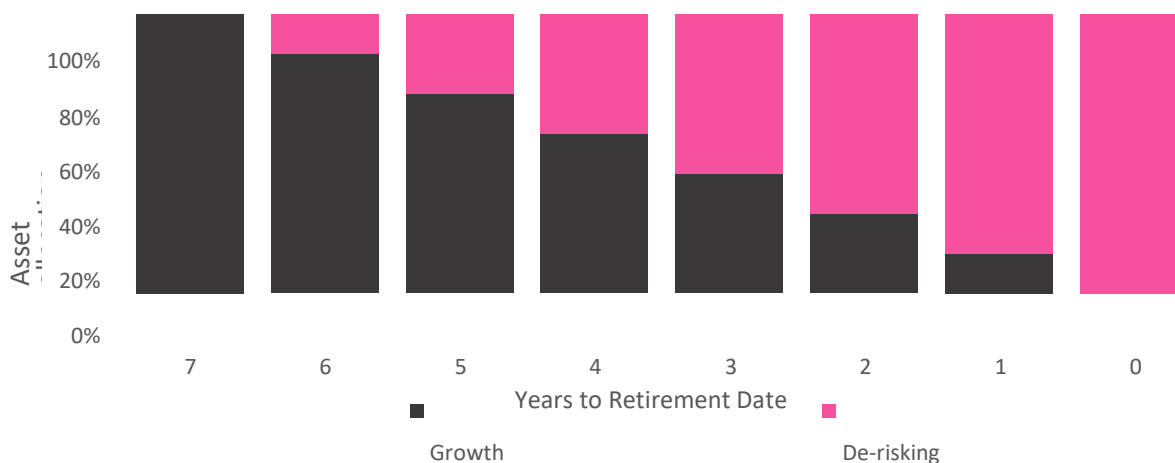
When implementing any changes to the investment strategy, the Trustees, in conjunction with their advisers, will look to mitigate the potential risks and costs to members as a result of any investment transitions to the best of their ability.

Default strategy

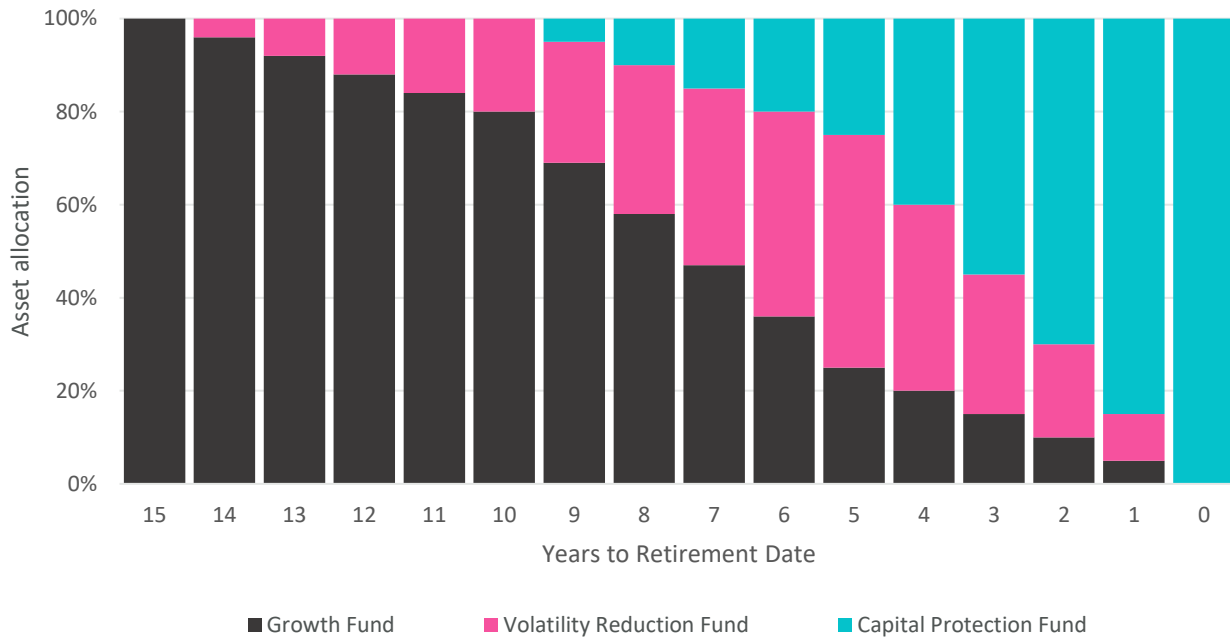
The Trustees offer a preferred default strategy, the Cushon Sustainable Investment Strategy, and two alternative default strategies: the Cushon Core Investment Strategy, for Employers wanting a default strategy with lower investment management costs that has no allocation to Private Markets, and the Workers Pensions Arrangement, a default strategy for ex-WPT Master Trust members. The Workers Pension Arrangement is not available as a default for new sections but is currently maintained as a default for ex-WPT members. The investment arrangements of the Workers Pensions Arrangement are being reviewed in 2024.

All default strategies have been selected in the best interest of the majority of members and beneficiaries, and the Trustees undertake periodic reviews on the suitability of the strategies. Further details on the default strategies are contained within the Appendix.

Members who do not make a specific investment choice will be automatically invested in the chosen default strategy. This phases a member's assets through different funds as retirement approaches. The Cushon Sustainable Investment Strategy and Cushon Core Investment Strategy have the same de-risking profile, set out in the chart below. The Trustees define de-risking as when members move to an asset allocation with a lower expected risk (measured by volatility) based on their long-term assumptions, although the Trustees recognise that this may not always be the case in some given market environments.



Ex-WPT Master Trust members, who have not made a specific investment choice, have been automatically invested in the default strategy for the Workers Pensions Arrangement. This default strategy also phases a member’s assets through different funds as retirement approaches (the underlying funds that are used are different to the two Cushon defaults set out on the previous page). The Workers Pension default strategy also offers a lower risk foundation phase at the start of a member’s journey. The de-risking profile in the run up to retirement has been set out in the chart below.



5. Trustees' Policies

The balance between different kinds of investments

The balance between different kinds of investments is shown in the Appendix. The choice of investment options for members is designed to ensure that members can choose investments that are adequately diversified and suitable for their profile.

The Trustees monitor the investment options regularly to ensure that they are comfortable with the choice of funds offered to members. The Trustees are satisfied that, taken in aggregate, the funds offered are appropriate for different categories and ages of members. The investment arrangements of the Workers Pensions Arrangement are being reviewed in 2024.

Realisation of investments

Funds used within the three default strategies are unit linked pooled funds. This means that the money invested by members is pooled together with other people and invested in a collective investment. All of the funds are daily dealing, other than the private markets allocation within the Cushon Sustainable Investment Strategy which is quarterly dealing. The Trustees have an agreed process to managing the liquidity to allow for the quarterly dealing of the private markets allocation.

If an investment manager no longer meets the relevant Trustees' selection criteria, the Trustees could choose to realise (sell) the investment fund.

Security of assets

The Scheme's assets are held on the Mobius Life platform via an insurance policy called a Trustee Investment Plan. Mobius Life are a regulated Life Insurance Company and the Prudential Regulatory Authority ("PRA") and Financial Conduct Authority ("FCA") govern the types of investment funds permitted on the platform.

As a regulated insurance company, Mobius Life is subject to substantial regulatory capital (solvency) requirements, which are subject to regular reporting to the PRA. Policyholders can make a claim for compensation from the Financial Services Compensation Scheme ("FSCS") in the event of Mobius Life defaulting, and Professional Indemnity Insurance is in place to cover operational risks and fraud.

Further details can be found in Mobius Life's Security of Assets policy.

Financial and non-financial material investment considerations

The Trustees consider financial factors including, but not limited to, environmental, social and governance ("ESG") issues in respect of the investment options provided. All references to ESG relate to financial factors only and include climate change.

The Trustees do not at present take into account non-financially material factors (such as members' ethical considerations or other views) when making investment decisions as part of the default arrangements.

The Trustees will gather member views and preferences and take these into consideration when developing their investment beliefs over time, to the extent that to do so does not conflict with their legal obligations and fiduciary duties as pension scheme trustees. The Trustees may take member views into account when choosing self-select options. Member investment choice (such as a Shariah compliant option) will be provided through the self-select investment options for those members who wish to express different beliefs in how their pension pot is invested.

Responsible investment

The Trustees define Responsible Investment ("RI") in line with the UN-backed Principles for Responsible Investing ("UNPRI"), which states that RI is an approach to investing that aims to incorporate Environmental, Social and Governance ("ESG") factors into Investment decisions, to better manage risk and generate sustainable, long-term investment returns. The Trustees believe that this approach to investment is in the best interests of our members in accordance with their legal duties.

The Trustees have a separate Responsible Investment and Stewardship Policy which is subject to regular review with support from their investment adviser and the Company.

Responsible Investment is a core element of the Scheme's default investment strategies, which is set with support from their investment adviser and the Company. In making any portfolio construction decisions, the Trustees will have regard to the Responsible Investment and Stewardship Policy and their investment beliefs.

Within the self-select range, the Trustees ensure that RI is integrated as a core element of as many funds as possible, subject to availability of funds within different asset classes. The self-select range will be regularly reviewed considering market and product developments in the ESG fund sector and taking into consideration member preferences expressed through member surveys.

Stewardship

Details of Mobius Life's Engagement and Stewardship Policy can be found here: [mobius-life-stewardship-report-2022-approved.pdf \(mobiuslife.co.uk\)](https://www.mobiuslife.co.uk/mobius-life-stewardship-report-2022-approved.pdf).

The Trustees have acknowledged responsibility for the voting and engagement policies that are implemented by the Scheme's investment managers on their behalf. It is the Trustees' intention that the investment managers appointed to run the Scheme's assets will share similar principles to them from a Responsible Investment perspective, and therefore any voting and engagement with underlying companies will be in line with the Trustees' investment beliefs. With regards to voting activity, the Trustees have shared their investment beliefs, via a Voting Preference Letter, with Mobius Life and Macquarie (manager of the global equity mandate for the Cushon Sustainable and Cushon Core strategies, where the Scheme is the sole investor) and will keep this under regular review. However, the Trustees note that investment managers will be carrying out voting and engagement across a number of clients, and may be managing this in line with the interests of all their clients. The Trustees will keep this under review.

The Trustees have set the following stewardship priorities for the Scheme and have communicated these with the investment managers for the Cushon Sustainable and Cushon Core strategies and made clear what they consider to be the most significant votes:

1. Climate alignment – decarbonising and minimising emissions
2. Climate adaptation
3. Biodiversity risk and management
4. Labour rights incl. modern slavery
5. Diversity and inclusion (on boards in particular)

The Trustees will review each manager's track record of voting and engagement (including whether they have acted on the Scheme's stewardship priorities) as part of our investment governance framework and will publish this information in our annual Implementation Statement. On an annual basis, the Trustees will also review each manager's stewardship capabilities and alignment with the Trustees' investment beliefs. If any areas of improvement are identified, the Trustees, typically via their investment advisers, will engage with managers on proposed improvement actions.

The Trustees will share the Voting Preference Letter and stewardship priorities with the investment managers for the Workers Pensions Arrangement, following the outcome of the review in 2024.

Policy on private market assets

As noted in the Trustees Investment Beliefs above, in order to achieve value for the Scheme's members and design investment solutions which maximise risk- and inflation-adjusted returns, they will consider all investment opportunities and asset classes available. This includes unlisted and private market assets such as private equity and debt, infrastructure and real estate.

The Trustees believe that unlisted private market assets, which often cannot easily or quickly be sold or exchanged for cash, offer diversification benefits as well as the potential for improved risk-adjusted returns for members over the long term when considered alongside the more liquid asset classes used within the default arrangement. Such illiquid assets have therefore been included within the Cushon Sustainable Investment default strategy, with the growth phase targeting an allocation of up to 15% and the at-retirement phase up to 10% to private market assets. The initial access has been developed gradually via staggered investments into the Schroders Climate + Fund, and other opportunities will be considered over time. In addition to the above listed benefits, the Trustees also believe that private market assets provide a vehicle to further implement their ESG and climate investment goals through more direct and innovative solutions.

The Trustees are familiar with the risks associated with illiquid investments, which are documented within the SIP. To mitigate any associated risks, the Trustees, in collaboration with their Investment Adviser, conduct a rigorous due diligence process before committing to new investments and monitor them on an ongoing basis as part of the overall scheme's risk management practice. This will include a review of its strategic alignment with the scheme, its ability to generate expected returns, associated fees, asset liquidity, and risk management.

The Trustees commit to ensuring that the scheme maintains sufficient liquidity to cover member benefits as they fall due, despite any investment in illiquid assets. Any decision to invest in illiquid assets will be made considering liquidity requirements, and the Trustees have agreed a liquidity management process, which operates as a separate document to the SIP, to manage any associated liquidity risks.

6. Monitoring

Managers

The Trustees, or their advisers on behalf of the Trustees, will monitor the performance of the Investment Managers against their own benchmarks, and regularly review that each Investment Manager continues to carry out its work competently and has the appropriate knowledge and experience to manage the Scheme's assets.

As part of this review, the Trustees will consider whether each Investment Manager:

- Is carrying out its function competently. The Trustees will evaluate the Investment Manager based on, amongst other things:
 - The Investment Manager's performance versus its benchmark.
 - The level of risk within the portfolios given any specified risk tolerances.
 - The competitiveness of Investment Manager fees is reviewed on an annual basis.
- Has regard to the suitability of each investment and each category of investment.
- Has been exercising their powers of investment with a view to giving effect to the principles contained in this SIP, so far as is reasonably practical.
- If the Trustees are not satisfied with an Investment Manager they will ask the Investment Manager to take steps to rectify the situation. If the Investment Manager still does not meet the Trustees' requirements, the Trustees will remove the Investment Manager and appoint another.
- The Scheme invests in pooled funds, the duration of which is flexible, and the Trustees will from time-to-time consider the appropriateness of the fund range and whether they should continue to be held.
- The Trustees do not directly monitor turnover costs. However, the Investment Managers are incentivised to minimise costs as they are measured on a net of cost basis. The Investment Managers are required to provide transaction cost information on an annual basis, on the slippage cost methodology, for disclosure to members.
- The Trustees will evaluate and monitor the Investment Managers selected for their exercising of responsible investing activities, which will include voting and engagement, in respect of the Scheme's investment and in accordance with their stated or agreed policies and as may be further agreed with the Trustees.

Advisers

The Trustees will monitor the advice given by their advisers on a regular basis and assess them annually against the investment objectives that have been set in accordance with Part 2 of the Investment Consultancy and Fiduciary Management Market Investigation Order 2019.

Statement of Investment Principles

The Trustees will review this SIP at least triennially, or as soon as is practical following any changes to the investment strategy, and modify it with consultation from the relevant advisers, the Company, if deemed appropriate. There will be no obligation to change this SIP, any Investment Manager, Platform Manager, or adviser as part of such a review.

Trustees' Recordkeeping

The Trustees maintain a record of all investment related decisions they have taken, together with the rationale in each case.

7. Fees

Member Charges

There are three sources of charges applicable to members:

- Investment management charges
- Mobius platform charge
- Scheme platform charge (includes administration)

Fees are charged as a proportion of the size of assets invested. The charges have been negotiated and will continue to be reviewed regularly. Member charges are set out in each employer's Investment Choices document.

Advisers

Fees paid to the advisers are based either on actual time spent and hourly rates for relevant individuals or on fixed fees agreed in advance for specifically defined projects.

Value for Members

The Trustees review, as far as possible based on the data available, all sources of fees levied on members' accounts (including management charges, additional expenses and platform charges as appropriate) to ensure value for members is present. The Trustees consider, among other items, the absolute level of charges, the competitiveness of applicable charges relative to the marketplace and the levels of service provided by each of the advisers and Managers.

The Trustees also review, as far as is reasonable and practical, transaction costs paid by members to assess the extent to which these represent good value for money.

The Trustees' conclusions in respect of value for members are documented in the Scheme's annual report and accounts.

8.Risks

The Trustees recognise a number of key risks to themselves and to the members of the Scheme:

- a) Value for Members Risk – the risk that the Scheme fails to offer value for members. This is addressed through regular ‘value for members’ reviews.
- b) Inflation Risk – the risk that the purchasing power of members’ investment accounts is not maintained. To try to manage this risk, the Trustees have offered a range of funds reflecting asset classes expected to provide long term returns more than price inflation.
- c) Pension Purchase Risk – the risk that the value of pension benefits that can be purchased by a given defined contribution amount is not maintained. This risk cannot easily be mitigated as it depends on market conditions for annuity rates at retirement, and the Cushon Sustainable and Cushon Core default strategies target a flexible-access outcome to reflect that not all members will look to purchase an annuity at retirement. However, these default strategies gradually de-risk as members approach retirement, including an increased allocation to bonds which should provide an extent of annuity price matching. Bond funds are also available within the self-select fund range for those members who would like to hedge annuity price movements more explicitly. The Workers Pensions Arrangement default strategy gradually de-risks to a capital protection strategy (100% cash). The Trustees will review this as part of the review in 2024.
- d) Capital Risk – the risk that the value of any element used to provide a cash sum at retirement is not maintained, and to try to mitigate this risk the default strategies de-risk as members approach retirement. The self-select fund range includes a cash fund option for members prioritising capital preservation.
- e) Passive Manager Risk – the risk that the passive investments do not track the index effectively. The Trustees have mitigated this risk by taking advice from their Investment Adviser in relation to passive investments. The Trustees monitor how effectively the Scheme’s passive investments track their benchmarks as part of ongoing investment governance.
- f) Active Manager Risk – the risk that the active investments underlying the Scheme’s investment options underperform due to the underlying investment manager underperformance. The Trustees have mitigated this risk by taking advice from its Investment Adviser in relation to active asset management. The Investment Adviser considers a wide range of funds; diversified across asset class, sub asset class and investment manager to reduce the active manager risk.
- g) Communication Risk – the risk that communication to members is misleading or unclear and leads to inappropriate decisions being made. This is addressed through the Trustees receiving advice from their advisers and regular monitoring and updates, where appropriate, of member communications.
- h) Inappropriate Member Decision – the risk that members make inappropriate decisions regarding their investments. This is addressed where possible through communication to members and the recommendation that members seek independent financial advice. The Trustees also offer default strategies with a “lifestyling element” designed to phase members into lower risk investments as they approach retirement.
- i) Organisational Risk – the risk of inadequate internal processes leading to problems for the Scheme. This is addressed through a regular monitoring of the Investment Managers and advisers.
- j) Liquidity Risk – the risk that members are not able to realise the value of their funds when required. The majority of funds the Trustees offer are daily dealt, however some of the underlying investments in the daily dealt funds may be less liquid (for example private market investments). In this case whilst the funds offered are usually daily dealing, there is a risk that the underlying funds may suspend investment or redemption requests in periods of extreme market volatility, however the Trustees seek to mitigate the impact on members through regular assessment of the Scheme’s inflows and outflows to ensure sufficient liquidity.
- k) ESG Risk – the risk of adverse performance due to ESG related factors including climate change. This is addressed by carrying out regular reviews of the investment managers’ approaches and effectiveness in managing ESG risks.

- l) Other Risks – The Trustees do identify other risks including but not limited to political, regulatory, and market risks which are considered in the Investment Strategy and its execution and on-going monitoring. Many of these risks are monitored through a Risk Register which is maintained, and actions tracked on a routine basis in the governance of the Scheme.

The importance of each risk varies with time. Inflation is important throughout the whole period to retirement whereas pension purchase risk and capital risk become more significant as retirement approaches, depending on how the member chooses to access their pension saving at retirement.

The Trustees have provided default strategies that aim to address the above risks through a member's life. The Trustees may vary the underlying asset allocation and investment managers within these strategies from time to time in response to changing market conditions and manager developments.

The Trustees also provide members with a range of self-select investment options into which they may direct their contributions to allow each member to determine the appropriate mix of investments based on their own attitude to risk, terms to retirement and investment objective.

The Trustees recognise that an efficient process for identifying, evaluating, managing, and monitoring risks needs to be in place for the Scheme. The Trustees will identify and assess the impact of any risk, what controls can be put in place to manage the risk and review both the individual risks and the effectiveness of the risk management process.

The Trustees will keep these risks and how they are managed under regular review.

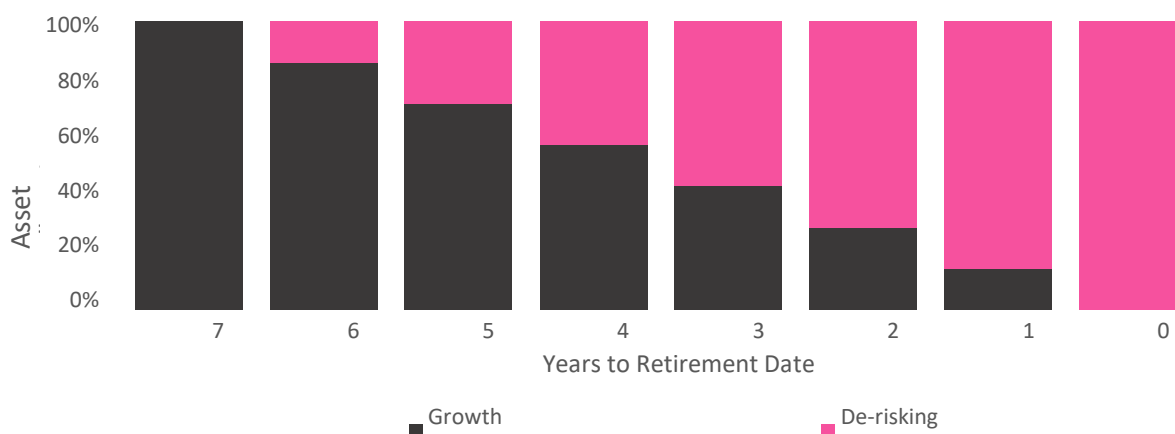
Appendix – Investment Options

The Cushon Sustainable Investment Strategy is the Trustees preferred default investment strategy that is offered in the Scheme. The Trustees and Company encourage Employers comfortable with the use of Private Markets within a default strategy to select this default strategy for members as they believe it will deliver the best risk-adjusted returns and therefore provide a better net of fees outcome for members.

The Trustees do offer two alternative default strategies, known as the Cushon Core Investment Strategy, for Employers wanting a lower cost strategy that does not incorporate Private Markets, and the Workers Pensions Arrangement, a default strategy for ex-WPT Master Trust members. Whilst it is not their preferred default strategy, the Trustees are comfortable that Cushon Core is an appropriate default to offer members. The investment arrangements of the Workers Pensions Arrangement are being reviewed in 2024 to assess the appropriateness.

Main Default Strategy: Cushon Sustainable Investment Strategy

For Employers that choose the Cushon Sustainable Investment Strategy, members who do not make a specific investment choice will be automatically invested in the Cushon Sustainable Investment Strategy. This phases a member's assets through different funds (set out in the chart below) as retirement approaches.



Main Default Strategy: Underlying Funds

Fund	Asset class	Target Allocation in Growth	Target Allocation in De-risking
Macquarie True Index	Equities	75%	40%
Schroders Capital Climate +	Private markets	15%	10%
Wellington Global Impact	Corporate Bonds	2.5%	6.25%
Lombard Odier Target Net Zero	Corporate Bonds	2.5%	6.25%
L&G Future World Corporate Bond Index	Corporate Bonds	1.8%	4.5%
Ninety One Global Target Return Credit	Multi Asset Credit	3.2%	8%
L&G Over 5 Year Index-Linked Gilts	Government Bonds	-	15%
L&G Cash	Cash	-	10%
	Expected return	Gilts + 4.5% p.a.	Gilts + 3.3% p.a.
	Expected volatility	17.7% p.a.	11.2% p.a.

Expected return and volatility numbers calculated at the time of reviewing the SIP and may vary over time depending on market conditions.

The allocations shown above represent the long-term targets to different funds. Actual allocations may differ, in particular where new funds, such as the Schroders Capital Climate + Fund, take time to reach their target allocation or they cannot be immediately bought and sold.

The growth fund aims to deliver a long-term return (net of fees) of CPI + 3.5% p.a. over rolling 5-year periods.

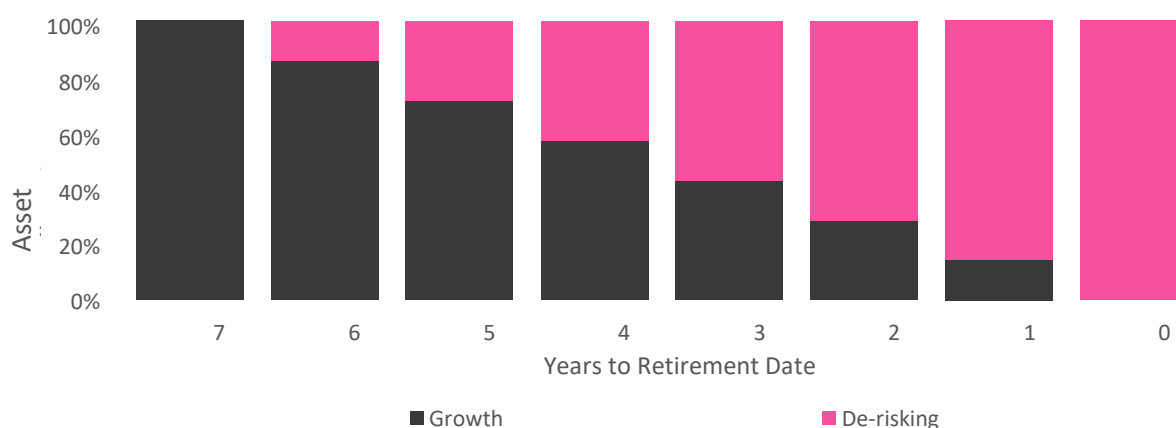
The de-risking element aims to deliver a long-term return (net of fees) of CPI + 1.5% p.a. over rolling 5-year periods.

For members on the Cushon platform, when a member accesses their pot, the member’s allocation to the Schroders Capital Climate + Fund is switched to the BlackRock Market Advantage Fund. All other asset allocations remain the same and the change in asset allocation as a member ages will remain as per previous. This is subject to member confirmation after accessing their pot that they are comfortable with this continuing or if not the alternative fund(s) they wish to invest in instead.

For members on the HS Pensions platform, when a member accesses their pot, they are offered the Alliance Bernstein Retirement Bridge funds. When a member chooses Retirement Bridge the pension fund is invested in target-date funds managed by Alliance Bernstein. These invest the member’s pot in a fund that corresponds to their date of birth or a stated target retirement date range of 2 years. The funds are made up of a collection of growth assets, such as equities, and income- producing assets, such as fixed income gilts, that are adjusted on a lifestyle basis as the member approaches age 75. The objective of the strategy is to produce a sustainable income at a level similar to that of a typical joint-life, level annuity, but one that is expected to grow over time.

Alternative Default Strategy: Cushon Core Investment Strategy

For Employers that choose the Cushon Core Investment Strategy, members who do not make a specific investment choice will be automatically invested in the Cushon Core Investment Strategy. This phases a member’s assets through different funds (set out in the chart below) as retirement approaches.



Cushon Core Default Strategy: Underlying Funds

Fund	Asset class	Target Allocation in Growth	Target Allocation in De-risking
Macquarie True Index	Equities	90%	50%
Wellington Global Impact	Corporate Bonds	2.5%	6.25%
Lombard Odier Target Net Zero	Corporate Bonds	2.5%	6.25%
L&G Future World Corporate Bond Index	Corporate Bonds	1.8%	4.5%
Ninety One Global Target Return Credit	Multi Asset Credit	3.2%	8%
L&G Over 5 Year Index-Linked Gilts	Government Bonds	-	15%
L&G Cash	Cash	-	10%
	Expected return	Gilts + 4.1% p.a.	Gilts + 3.1% p.a.
	Expected volatility	18.3% p.a.	11.6% p.a.

Expected return and volatility numbers calculated at the time of reviewing the SIP and may vary over time depending on market conditions.

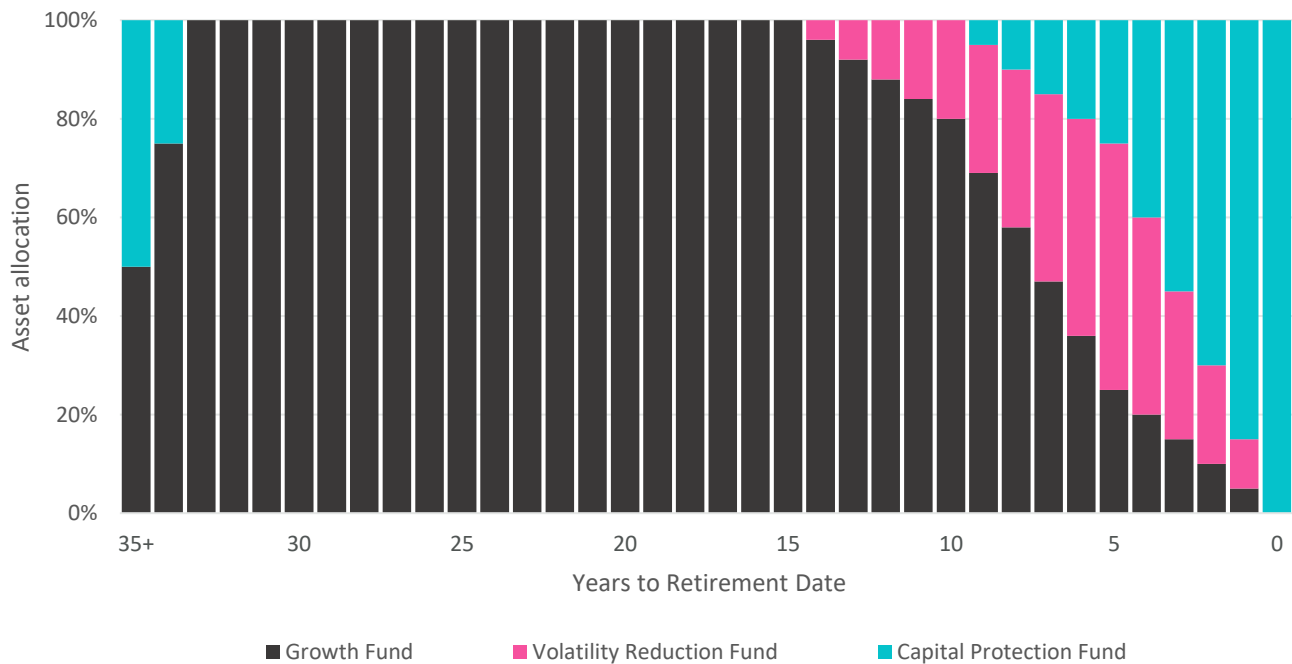
The allocations shown above represent the long-term targets to different funds. Actual allocations may differ, where new funds take time to reach their target allocation.

The growth fund aims to deliver a long-term return (net of fees) of CPI + 3.5% p.a. over rolling 5-year periods.

The de-risking element aims to deliver a long-term return (net of fees) of CPI + 1.5% p.a. over rolling 5-year periods.

Alternative Default Strategy: Workers Pensions Arrangement

Ex-WPT Master Trust members who have not made a specific investment choice will be invested in the Workers Pensions Arrangement default strategy. This phases a member's assets through different funds (as set out below) until retirement approaches.



Workers Pensions Arrangement Default Strategy: Underlying Funds

Fund	Asset class	Growth Fund	Volatility Reduction Fund	Capital Protection Fund
L&G Global Equity Fixed Weights (50:50) Index Fund	Equities	100%	0%	0%
L&G All Stocks AAA-AA-A Corporate Bond Fund	Corporate Bonds	0%	50%	0%
L&G Under 15 Year Index Linked Gilt Fund	Government Bonds	0%	50%	0%
L&G Sterling Liquidity Fund	Cash	0%	0%	100%
	Expected return	Gilts + 4.0% p.a.	Gilts + 0.6% p.a.	Gilts + 0.0% p.a.
	Expected volatility	20.0% p.a.	8.8% p.a.	1.7% p.a.

Expected return and volatility numbers calculated at the time of reviewing the SIP and may vary over time depending on market conditions.

The allocations shown above represent the long-term targets to different funds. Actual allocations may differ, where new funds take time to reach their target allocation.

Cushon Sustainable and Cushon Core Default Strategies: Underlying Funds

Fund	Target Objective	Investment Style
Macquarie True Index	Deliver exact net returns of the Cushon Solactive ESG equity index for no management fee and a zero tracking error. The fund delivers an immediate CO2e emission reduction of 60% and an ongoing reduction of 7% per annum. Companies are screened for their alignment with the UN SDG and excludes the lowest performers. Companies with an SDG impact rating of less than -5.1 are excluded. The fund's Green Revenue is increased by 100% and its Carbon Risk Rating by 20% compared to the benchmark.	Passive
Schroders Capital Climate + <i>(Cushon Sustainable Investment Strategy only)</i>	Net return of 8% p.a. with impact targets of 12.5k tCO2e avoided, 11k tCO2e captured, 300k people with increased climate risk resilience and less than 17.5k tCO2e generated per £10m invested.	Active
BlackRock Market Advantage <i>(Post-Retirement only)</i>	The fund aims to provide a return over the long-term (5 consecutive years) that exceeds 3 Month SONIA + 3.5% per annum (gross of fees).	Active
Wellington Global Impact Corporate Bonds	The fund targets 50bps gross outperformance p.a. versus the Bloomberg Barclays Global Aggregate Index (hedged to USD). The fund seeks to improve access to, and the quality of, basic life essentials reduce inequality and mitigate the effects of climate	Active
Lombard Odier Target Net Zero	The fund targets 100bps gross outperformance p.a. versus the Bloomberg Barclays Global Aggregate Corporate Bond Index over a credit cycle. The fund targets a 50% reduction in CO2 emissions by 2030, and NetZero by 2050.	Active
L&G Future World GBP Corporate Bond Index	Track the performance of the Solactive L&G ESG GBP Investment Grade Corporate TR Index. The fund employs a passive index tracking strategy while reflecting significant environmental, social and corporate governance (ESG) issues. Companies that fail to meet LGIM's minimum standards in low carbon transition and corporate governance standards may be excluded from the fund.	Passive
Ninety One Global Total Return Credit	The fund targets SONIA + 4% per annum (gross of fees) over a full credit cycle (which may be measured over 5-year rolling periods). The fund uses an unconstrained, bottom-up investment approach, targeting the most efficient allocation of capital across the global credit universe. The fund employs a bottom-up sustainability framework to identify the best- in-class companies and align the portfolio with net zero while achieving an immediate emission reduction of more than 50% compared to its benchmark.	Active
L&G Over 5 Year Index-Linked Gilts	Track the performance of the FTSE Actuaries UK Index-Linked Gilts Over 5 Years Index to within +/-0.25% p.a. for two years out of three.	Passive
L&G Cash	Perform in line with SONIA (Sterling Overnight Index Average).	Active

Workers Pensions Arrangement Default Strategy: Underlying Funds

Fund	Target Objective	Investment Style
L&G Global Equity Fixed Weights (50:50) Index Fund	Track the performance of the composite index, which consists of 50% UK equities and 50% overseas equities.	Passive
L&G All Stocks AAA-AA-A Corporate Bond Fund	Track the performance of the Markit iBoxx £ Non-Gilts (ex-BBB) Index.	Passive
L&G Under 15 Year Index Linked Gilt Fund	Track the performance of the FTSE A Index-Linked (under 15 Year) Index.	Passive
L&G Sterling Liquidity Fund	Provide capital stability and a return in line with money market rates whilst providing daily access to liquidity and providing an income. The fund seeks to maintain a AAA rating.	Active

Self-Select Fund Options

The self-select options allow members to choose from a selection of funds based on their own attitude to risk, term to retirement and investment objective. The funds that may be made available to members are set out below.

Fund	Underlying Fund	Target Objective	Investment Style
Cushon Sustainable Global Equity	L&G Future World Global Equity Index	Track the performance of the Solactive L&G ESG Global Markets Index.	Passive
Cushon Sustainable UK Equity	L&G Future World UK Equity Index	Track the performance of the Solactive L&G ESG UK Index.	Passive
Cushon Sustainable Europe (ex UK) Equity	L&G Future World Europe (ex UK) Equity Index	Track the performance of the Solactive L&G ESG Europe ex UK Index.	Passive
Cushon Sustainable Japanese Equity	L&G Future World Japan Equity Index	Track the performance of the Solactive L&G ESG Japan Index.	Passive
Cushon Sustainable North American Equity	L&G Future World North American Equity Index	Track the performance of the Solactive L&G ESG North America Index.	Passive
Cushon Sustainable Pacific ex Japan Equity	L&G Future World Asia Pacific (ex Japan) Equity Index	Track the performance of the Solactive L&G ESG Asia Pacific ex Japan Index.	Passive
Cushon Sustainable Emerging Market Equity	L&G Future World Emerging Markets Equity Index	Track the performance of the Solactive L&G ESG Emerging Markets Index.	Passive
Cushon Fixed Interest Gilts	L&G All Stocks Gilt Index	Track the performance of the FTSE Actuaries UK Conventional Gilts All Stocks Index.	Passive
Cushon Index-Linked Gilts	L&G All Stocks Index- Linked Gilts	Track the performance of the FTSE Actuaries UK Index-Linked Gilts All Stocks Index.	Passive
Cushon Sustainable UK Corporate Bonds	L&G Future World GBP Corporate Bond	Track the performance of the Solactive L&G ESG GBP Investment Grade Corporate TR	Passive
Cushon Cash	L&G Cash	Perform in line with SONIA (Sterling Overnight Index Average).	Active
Cushon Shariah	HSBC Islamic Global Equity Index	Track the performance of the Dow Jones Islamic Titans 100 Index.	Passive
Cushon Global Impact	Baillie Gifford Positive Change	Outperform the MSCI ACWI Index GBP (net of fees) by 2% p.a.	Active
Cushon Global Equity	Macquarie True index	Deliver exact net returns of the Cushon Solactive ESG equity index for no management fee and a zero tracking error.	Passive
Cushon Global Bonds	Wellington Impact Bond (25%), Lombard Odier Bond (25%), L&G (18%) & Ninety One (32%)	Wellington: The fund targets 50bps gross outperformance p.a. versus the Bloomberg Barclays Global Aggregate Index (hedged to USD). The fund seeks to improve access to, and the quality of, basic life essentials reduce inequality and mitigate the effects of climate change. Lombard Odier: The fund targets 100bps gross outperformance p.a. versus the Bloomberg Barclays Global Aggregate Corporate Bond Index over a credit cycle. The	Active

		<p>50% reduction in CO2 emissions by 2030, and NetZero by 2050.</p> <p>L&G: Track the performance of the Solactive L&G ESG GBP Investment Grade Corporate TR Index.</p> <p>Ninety One: The fund targets SONIA + 4% gross of fees over a full credit cycle (which may be measured over 5-year rolling periods).</p>	
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Workers Pensions Arrangement

The investment arrangements of the Workers Pensions Arrangement, including the self-select fund range, are being reviewed in 2024.

Fund	Underlying Fund	Target Objective	Investment Style
WPT Growth Fund	L&G Global Equity Fixed Weights (50:50) Index Fund	Track the performance of the composite index, which consists of 50% UK equities and 50% overseas equities.	Passive
WPT Volatility Reduction Fund	L&G All Stocks AAA-AA-A Corporate Bond Fund (50%) & L&G Under 15 Year Index Linked Gilt Fund	Track the performance of the composite index, which consists of 50% Markit iBoxx £ Non-Gilts (ex-BBB) Index and 50% FTSE A Index-Linked (Under 15 Year) Index.	Passive
WPT Capital Protection Fund	L&G Sterling Liquidity Fund	Provide capital stability and a return in line with money market rates whilst providing daily access to liquidity and providing an income. The fund seeks to maintain a AAA rating.	Active
WPT Diversified Fund	L&G Diversified Fund	To provide long-term investment growth through exposure to a diversified range of asset classes.	Passive
WPT Annuity Protection Fund	L&G Future World Annuity Aware Fund	The Fund aims to provide diversified exposure to assets that reflect the investments underlying a typical traditional level annuity product.	Passive
WPT Index Linked Gilt Fund	L&G Over 5 Year Index-Linked Gilt Fund	Track the performance of the FTSE A Index-Linked (Over 5 Year) Index.	Passive

APPENDIX 2 – Cushon Sustainable Investment Strategy Charges, Net Investment Returns and Allocation (Default Investment Strategy)

Strategy Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23**
Cushon Sustainable Investment Strategy – Growth phase	0.20	0.0110	0.2110	0.00064	12.63%
	0.24	0.0110	0.2510	0.00064	12.59%
	0.25	0.0110	0.2610	0.00064	12.58%
	0.29	0.0110	0.3010	0.00064	12.53%
	0.30	0.0110	0.3110	0.00064	12.52%
	0.31	0.0110	0.3210	0.00064	12.51%
	0.32	0.0110	0.3310	0.00064	12.50%
	0.34	0.0110	0.3510	0.00064	12.48%
	0.34 + £2 per month	0.0110	0.3510	0.00064	12.22%
	0.37	0.0110	0.3810	0.00064	12.44%
	0.38	0.0110	0.3910	0.00064	12.43%
	0.39	0.0110	0.4010	0.00064	12.42%
	0.40	0.0110	0.4110	0.00064	12.41%
	0.42	0.0110	0.4310	0.00064	12.39%
	0.44	0.0110	0.4510	0.00064	12.36%
	0.45	0.0110	0.4610	0.00064	12.35%
	0.46	0.0110	0.4710	0.00064	12.34%
0.49	0.0110	0.5010	0.00064	12.31%	

	0.49 + £1 per month (active) or £0.50 per month (preserved)	0.0110	0.5010	0.00064	12.18%
	0.50	0.0110	0.5110	0.00064	12.30%
	0.51	0.0110	0.5210	0.00064	12.29%
	0.52	0.0110	0.5310	0.00064	12.27%
	0.55	0.0110	0.5610	0.00064	12.24%
	0.60	0.0110	0.6110	0.00064	12.18%
	0.60 + £0.83 per month (active) or £0.50 per month (preserved)	0.0110	0.6110	0.00064	12.08%
	0.65	0.0110	0.6610	0.00064	12.13%
	0.69	0.0110	0.7010	0.00064	12.08%
	0.72	0.0110	0.7310	0.00064	12.05%
	0.75*	0.0110	0.7610	0.00064	12.02%
	1.00*	0.0110	1.0110	0.00064	11.74%
Cushon Sustainable Investment Strategy – Pre-retirement phase	0.20	0.0276	0.2276	0.00074	9.41%
	0.24	0.0276	0.2676	0.00074	9.37%
	0.25	0.0276	0.2776	0.00074	9.36%
	0.29	0.0276	0.3176	0.00074	9.32%
	0.30	0.0276	0.3276	0.00074	9.30%
	0.31	0.0276	0.3376	0.00074	9.29%
	0.32	0.0276	0.3476	0.00074	9.28%
	0.34	0.0276	0.3676	0.00074	9.26%
	0.34 + £2 per month	0.0276	0.3676	0.00074	9.01%
	0.37	0.0276	0.3976	0.00074	9.23%
	0.38	0.0276	0.4076	0.00074	9.22%

	0.39	0.0276	0.4176	0.00074	9.21%
	0.40	0.0276	0.4276	0.00074	9.20%
	0.42	0.0276	0.4476	0.00074	9.17%
	0.44	0.0276	0.4676	0.00074	9.15%
	0.45	0.0276	0.4776	0.00074	9.14%
	0.46	0.0276	0.4876	0.00074	9.13%
	0.49	0.0276	0.5176	0.00074	9.10%
	0.49 + £1 per month (active) or £0.50 per month (preserved)	0.0276	0.5176	0.00074	8.97%
	0.50	0.0276	0.5276	0.00074	9.09%
	0.51	0.0276	0.5376	0.00074	9.08%
	0.52	0.0276	0.5476	0.00074	9.07%
	0.55	0.0276	0.5776	0.00074	9.03%
	0.60	0.0276	0.6276	0.00074	8.98%
	0.60 + £0.83 per month (active) or £0.50 per month (preserved)	0.0276	0.6276	0.00074	8.87%
	0.65	0.0276	0.6776	0.00074	8.92%
	0.69	0.0276	0.7176	0.00074	8.88%
	0.72	0.0276	0.7476	0.00074	8.85%
	0.75*	0.0276	0.7776	0.00074	8.82%
	1.00*	0.0276	1.0276	0.00074	8.55%

*These charging structures are not used for Auto Enrolment purposes.

**Due to the platform move and the investment strategy change the annual net performance of the Cushon Sustainable Investment Strategy is only available over the year to 31 December 2023. The Growth phase is the age related returns for the lifestyle funds (split by fee class) for a 25 year old, 45 year old and 55 year old. The Pre-retirement phase net performance represents that for members 1 day prior to the Scheme default normal retirement age of 65.

Cushon Sustainable Investment Strategy – Asset allocation

Asset Class	Average Allocation 1 January 2023 to 31 December 2023*				
	Age 25	Age 45	Age 55	Age 60	1 Day Prior to SPA
Listed Equities	81.0%	81.0%	81.0%	70.4%	44.0%
Corporate Bonds	9.2%	9.2%	9.2%	13.0%	22.5%
Multi Asset Credit	1.1%	1.1%	1.1%	1.6%	2.7%
Private Equity	0.6%	0.6%	0.6%	0.6%	0.4%
Infrastructure	0.3%	0.3%	0.3%	0.3%	0.2%
Cash	7.7%	7.7%	7.7%	9.8%	15.1%
Inflation-Linked Gilts	0.0%	0.0%	0.0%	4.3%	15.0%

*Based on a target retirement age of 65.

APPENDIX 3 – Cushon Core Investment Strategy Charges, Net Investment Returns and Allocation (Default Investment Strategy)

Strategy Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)*	C - Total Expense Ratio (% per annum)*	Transaction Costs (% per annum)	Net Return from Inception to 31/12/23**
Cushon Core Investment Strategy – Growth phase	0.24	0.0086	0.2486	0.00069	7.13%
Cushon Core Investment Strategy – Pre-retirement phase	0.24	0.0215	0.2615	0.00077	5.91%

*The additional expenses and therefore the Total Expense Ratio are based on the period from the inception of the Cushon Core Investment Strategy on 30 June 2023 to 31 December 2023.

**As the Cushon Core Investment Strategy was launched from 30 June 2023 the net performance since inception to 31 December 2023 is shown. The Growth phase is the age related returns for the lifestyle funds (split by fee class) for a 25 year old, 45 year old and 55 year old. The Pre-retirement phase net performance represents that for members 1 day prior to the Scheme default normal retirement age of 65.

Cushon Core Investment Strategy – Asset allocation

Asset Class	Average Allocation 30 June 2023 to 31 December 2023*				
	Age 25	Age 45	Age 55	Age 60	1 Day Prior to SPA
Listed Equities	90.0%	90.0%	90.0%	78.6%	50.0%
Corporate Bonds	8.9%	8.9%	8.9%	12.7%	22.3%
Multi Asset Credit	1.1%	1.1%	1.1%	1.6%	2.7%
Private Equity	0.0%	0.0%	0.0%	0.0%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	2.9%	10.0%
Inflation-Linked Gilts	0.0%	0.0%	0.0%	4.3%	15.0%

*Based on a target retirement age of 65.

APPENDIX 4 – Self-Select Fund Charges & Net Investment Returns

Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable Global Equity	0.19	0.0000	0.1850	0.0900	16.16%
	0.23	0.0000	0.2250	0.0900	16.12%
	0.24	0.0000	0.2350	0.0900	16.10%
	0.28	0.0000	0.2750	0.0900	16.06%
	0.29	0.0000	0.2850	0.0900	16.05%
	0.30	0.0000	0.2950	0.0900	16.03%
	0.31	0.0000	0.3050	0.0900	16.02%
	0.33	0.0000	0.3250	0.0900	16.00%
	0.33 + £2 per month	0.0000	0.3250	0.0900	15.74%
	0.36	0.0000	0.3550	0.0900	15.97%
	0.37	0.0000	0.3650	0.0900	15.95%
	0.38	0.0000	0.3750	0.0900	15.94%
	0.39	0.0000	0.3850	0.0900	15.93%
	0.41	0.0000	0.4050	0.0900	15.91%
	0.43	0.0000	0.4250	0.0900	15.88%
	0.44	0.0000	0.4350	0.0900	15.87%
	0.45	0.0000	0.4450	0.0900	15.86%
	0.48	0.0000	0.4750	0.0900	15.83%
	0.47 + £1 per month	0.0000	0.4750	0.0900	15.70%
	0.49	0.0000	0.4850	0.0900	15.82%
0.50	0.0000	0.4950	0.0900	15.80%	

	0.51	0.0000	0.5050	0.0900	15.79%
	0.54	0.0000	0.5350	0.0900	15.76%
	0.59	0.0000	0.5850	0.0900	15.70%
	0.59 + £0.83 per month	0.0000	0.5850	0.0900	15.59%
	0.64	0.0000	0.6350	0.0900	15.64%
	0.68	0.0000	0.6750	0.0900	15.60%
	0.71	0.0000	0.7050	0.0900	15.56%
	0.74	0.0000	0.7350	0.0900	15.53%
	0.99	0.0000	0.9850	0.0900	15.24%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
	0.14	0.0000	0.1440	0.3300	5.98%
	0.18	0.0000	0.1840	0.3300	5.94%
	0.19	0.0000	0.1940	0.3300	5.93%
	0.23	0.0000	0.2340	0.3300	5.89%
	0.24	0.0000	0.2440	0.3300	5.88%
	0.25	0.0000	0.2540	0.3300	5.87%
	0.26	0.0000	0.2640	0.3300	5.86%
	0.28	0.0000	0.2840	0.3300	5.83%
	0.28 + £2 per month	0.0000	0.2840	0.3300	5.59%
	0.31	0.0000	0.3140	0.3300	5.80%
	0.32	0.0000	0.3240	0.3300	5.79%
	0.33	0.0000	0.3340	0.3300	5.78%
	0.34	0.0000	0.3440	0.3300	5.77%
	0.36	0.0000	0.3640	0.3300	5.75%
	0.38	0.0000	0.3840	0.3300	5.73%

	0.39	0.0000	0.3940	0.3300	5.72%
	0.40	0.0000	0.4040	0.3300	5.71%
	0.43	0.0000	0.4340	0.3300	5.68%
	0.43 + £1 per month	0.0000	0.4340	0.3300	5.55%
	0.44	0.0000	0.4440	0.3300	5.67%
	0.45	0.0000	0.4540	0.3300	5.65%
	0.46	0.0000	0.4640	0.3300	5.64%
	0.49	0.0000	0.4940	0.3300	5.61%
	0.54	0.0000	0.5440	0.3300	5.56%
	0.54 + £0.83 per month	0.0000	0.5440	0.3300	5.46%
	0.59	0.0000	0.5940	0.3300	5.51%
	0.63	0.0000	0.6340	0.3300	5.47%
	0.66	0.0000	0.6640	0.3300	5.43%
	0.69	0.0000	0.6940	0.3300	5.40%
	0.94	0.0000	0.9440	0.3300	5.14%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable Europe (Ex UK) Equity	0.19	0.0000	0.1930	0.1100	15.20%
	0.23	0.0000	0.2330	0.1100	15.15%
	0.24	0.0000	0.2430	0.1100	15.14%
	0.28	0.0000	0.2830	0.1100	15.10%
	0.29	0.0000	0.2930	0.1100	15.08%
	0.30	0.0000	0.3030	0.1100	15.07%
	0.31	0.0000	0.3130	0.1100	15.06%
	0.33	0.0000	0.3330	0.1100	15.04%
	0.33 + £2 per month	0.0000	0.3330	0.1100	15.04%

	0.36	0.0000	0.3630	0.1100	15.00%
	0.37	0.0000	0.3730	0.1100	14.99%
	0.38	0.0000	0.3830	0.1100	14.98%
	0.39	0.0000	0.3930	0.1100	14.97%
	0.41	0.0000	0.4130	0.1100	14.95%
	0.43	0.0000	0.4330	0.1100	14.92%
	0.44	0.0000	0.4430	0.1100	14.91%
	0.45	0.0000	0.4530	0.1100	14.90%
	0.48	0.0000	0.4830	0.1100	14.87%
	0.48 + £1 per month	0.0000	0.4830	0.1100	14.74%
	0.49	0.0000	0.4930	0.1100	14.85%
	0.50	0.0000	0.5030	0.1100	14.84%
	0.51	0.0000	0.5130	0.1100	14.83%
	0.54	0.0000	0.5430	0.1100	14.80%
	0.59	0.0000	0.5930	0.1100	14.74%
	0.59 + £0.83 per month	0.0000	0.5930	0.1100	14.63%
	0.64	0.0000	0.6430	0.1100	14.68%
	0.68	0.0000	0.6830	0.1100	14.64%
	0.71	0.0000	0.7130	0.1100	14.60%
	0.74	0.0000	0.7430	0.1100	14.57%
	0.99	0.0000	0.9930	0.1100	14.29%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable Japanese Equity	0.19	0.0000	0.1930	0.0700	11.56%
	0.23	0.0000	0.2330	0.0700	11.51%
	0.24	0.0000	0.2430	0.0700	11.50%

	0.28	0.0000	0.2830	0.0700	11.46%
	0.29	0.0000	0.2930	0.0700	11.45%
	0.30	0.0000	0.3030	0.0700	11.44%
	0.31	0.0000	0.3130	0.0700	11.42%
	0.33	0.0000	0.3330	0.0700	11.40%
	0.33 + £2 per month	0.0000	0.3330	0.0700	11.15%
	0.36	0.0000	0.3630	0.0700	11.37%
	0.37	0.0000	0.3730	0.0700	11.36%
	0.38	0.0000	0.3830	0.0700	11.35%
	0.39	0.0000	0.3930	0.0700	11.34%
	0.41	0.0000	0.4130	0.0700	11.31%
	0.43	0.0000	0.4330	0.0700	11.29%
	0.44	0.0000	0.4430	0.0700	11.28%
	0.45	0.0000	0.4530	0.0700	11.27%
	0.48	0.0000	0.4830	0.0700	11.24%
	0.48 + £1 per month	0.0000	0.4830	0.0700	11.11%
	0.49	0.0000	0.4930	0.0700	11.22%
	0.50	0.0000	0.5030	0.0700	11.21%
	0.51	0.0000	0.5130	0.0700	11.20%
	0.54	0.0000	0.5430	0.0700	11.17%
	0.59	0.0000	0.5930	0.0700	11.11%
	0.59 + £0.83 per month	0.0000	0.5930	0.0700	11.01%
	0.64	0.0000	0.6430	0.0700	11.06%
	0.68	0.0000	0.6830	0.0700	11.01%
	0.71	0.0000	0.7130	0.0700	10.98%
	0.74	0.0000	0.7430	0.0700	10.95%
	0.99	0.0000	0.9930	0.0700	10.67%

Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable North American Equity	0.19	0.0000	0.1930	0.0200	21.13%
	0.23	0.0000	0.2330	0.0200	21.08%
	0.24	0.0000	0.2430	0.0200	21.07%
	0.28	0.0000	0.2830	0.0200	21.02%
	0.29	0.0000	0.2930	0.0200	21.01%
	0.30	0.0000	0.3030	0.0200	20.99%
	0.31	0.0000	0.3130	0.0200	20.98%
	0.33	0.0000	0.3330	0.0200	20.96%
	0.33 + £2 per month	0.0000	0.3330	0.0200	20.69%
	0.36	0.0000	0.3630	0.0200	20.92%
	0.37	0.0000	0.3730	0.0200	20.91%
	0.38	0.0000	0.3830	0.0200	20.90%
	0.39	0.0000	0.3930	0.0200	20.89%
	0.41	0.0000	0.4130	0.0200	20.86%
	0.43	0.0000	0.4330	0.0200	20.84%
	0.44	0.0000	0.4430	0.0200	20.82%
	0.45	0.0000	0.4530	0.0200	20.81%
	0.48	0.0000	0.4830	0.0200	20.78%
	0.48 + £1 per month	0.0000	0.4830	0.0200	20.64%
	0.49	0.0000	0.4930	0.0200	20.76%
0.50	0.0000	0.5030	0.0200	20.75%	
0.51	0.0000	0.5130	0.0200	20.74%	
0.54	0.0000	0.5430	0.0200	20.70%	
0.59	0.0000	0.5930	0.0200	20.64%	

	0.59 + £0.83 per month	0.0000	0.5930	0.0200	20.53%
	0.64	0.0000	0.6430	0.0200	20.58%
	0.68	0.0000	0.6830	0.0200	20.54%
	0.71	0.0000	0.7130	0.0200	20.50%
	0.74	0.0000	0.7430	0.0200	20.46%
	0.99	0.0000	0.9930	0.0200	20.17%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable Pacific Ex Japan Equity	0.19	0.0000	0.1930	0.0900	-0.04%
	0.23	0.0000	0.2330	0.0900	-0.08%
	0.24	0.0000	0.2430	0.0900	-0.09%
	0.28	0.0000	0.2830	0.0900	-0.13%
	0.29	0.0000	0.2930	0.0900	-0.14%
	0.30	0.0000	0.3030	0.0900	-0.15%
	0.31	0.0000	0.3130	0.0900	-0.16%
	0.33	0.0000	0.3330	0.0900	-0.18%
	0.33 + £2 per month	0.0000	0.3330	0.0900	-0.43%
	0.36	0.0000	0.3630	0.0900	-0.21%
	0.37	0.0000	0.3730	0.0900	-0.22%
	0.38	0.0000	0.3830	0.0900	-0.23%
	0.39	0.0000	0.3930	0.0900	-0.24%
	0.41	0.0000	0.4130	0.0900	-0.26%
	0.43	0.0000	0.4330	0.0900	-0.28%
	0.44	0.0000	0.4430	0.0900	-0.29%
	0.45	0.0000	0.4530	0.0900	-0.30%
0.48	0.0000	0.4830	0.0900	-0.33%	

	0.48 + £1 per month	0.0000	0.4830	0.0900	-0.45%
	0.49	0.0000	0.4930	0.0900	-0.34%
	0.50	0.0000	0.5030	0.0900	-0.35%
	0.51	0.0000	0.5130	0.0900	-0.36%
	0.54	0.0000	0.5430	0.0900	-0.39%
	0.59	0.0000	0.5930	0.0900	-0.44%
	0.59 + £0.83 per month	0.0000	0.5930	0.0900	-0.54%
	0.64	0.0000	0.6430	0.0900	-0.49%
	0.68	0.0000	0.6830	0.0900	-0.53%
	0.71	0.0000	0.7130	0.0900	-0.56%
	0.74	0.0000	0.7430	0.0900	-0.59%
	0.99	0.0000	0.9930	0.0900	-0.83%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable Emerging Market Equity	0.34	0.0000	0.3400	0.2900	1.89%
	0.38	0.0000	0.3800	0.2900	1.85%
	0.39	0.0000	0.3900	0.2900	1.84%
	0.43	0.0000	0.4300	0.2900	1.80%
	0.44	0.0000	0.4400	0.2900	1.79%
	0.45	0.0000	0.4500	0.2900	1.78%
	0.46	0.0000	0.4600	0.2900	1.77%
	0.48	0.0000	0.4800	0.2900	1.75%
	0.48 + £2 per month	0.0000	0.4800	0.2900	1.51%
	0.51	0.0000	0.5100	0.2900	1.72%
	0.52	0.0000	0.5200	0.2900	1.71%
	0.53	0.0000	0.5300	0.2900	1.70%

	0.54	0.0000	0.5400	0.2900	1.69%
	0.56	0.0000	0.5600	0.2900	1.67%
	0.58	0.0000	0.5800	0.2900	1.65%
	0.59	0.0000	0.5900	0.2900	1.64%
	0.60	0.0000	0.6000	0.2900	1.63%
	0.63	0.0000	0.6300	0.2900	1.60%
	0.63 + £1 per month	0.0000	0.6300	0.2900	1.48%
	0.64	0.0000	0.6400	0.2900	1.59%
	0.65	0.0000	0.6500	0.2900	1.58%
	0.66	0.0000	0.6600	0.2900	1.57%
	0.69	0.0000	0.6900	0.2900	1.54%
	0.74	0.0000	0.7400	0.2900	1.49%
	0.74 + £0.83 per month	0.0000	0.7400	0.2900	1.39%
	0.79	0.0000	0.7900	0.2900	1.44%
	0.83	0.0000	0.8300	0.2900	1.40%
	0.86	0.0000	0.8600	0.2900	1.37%
	0.89	0.0000	0.8900	0.2900	1.34%
	1.14	0.0000	1.1400	0.2900	1.09%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Fixed Interest Gilts	0.13	0.0000	0.1280	-0.0100	3.77%
	0.17	0.0000	0.1680	-0.0100	3.73%
	0.18	0.0000	0.1780	-0.0100	3.72%
	0.22	0.0000	0.2180	-0.0100	3.68%
	0.23	0.0000	0.2280	-0.0100	3.67%
	0.24	0.0000	0.2380	-0.0100	3.66%

	0.25	0.0000	0.2480	-0.0100	3.65%
	0.27	0.0000	0.2680	-0.0100	3.63%
	0.27 + £2 per month	0.0000	0.2680	-0.0100	3.37%
	0.30	0.0000	0.2980	-0.0100	3.60%
	0.31	0.0000	0.3080	-0.0100	3.58%
	0.32	0.0000	0.3180	-0.0100	3.57%
	0.33	0.0000	0.3280	-0.0100	3.56%
	0.35	0.0000	0.3480	-0.0100	3.54%
	0.37	0.0000	0.3680	-0.0100	3.52%
	0.38	0.0000	0.3780	-0.0100	3.51%
	0.39	0.0000	0.3880	-0.0100	3.50%
	0.42	0.0000	0.4180	-0.0100	3.47%
	0.42 + £1 per month	0.0000	0.4180	-0.0100	3.35%
	0.43	0.0000	0.4280	-0.0100	3.46%
	0.44	0.0000	0.4380	-0.0100	3.45%
	0.45	0.0000	0.4480	-0.0100	3.44%
	0.48	0.0000	0.4780	-0.0100	3.41%
	0.53	0.0000	0.5280	-0.0100	3.36%
	0.53 + £0.83 per month	0.0000	0.5280	-0.0100	3.25%
	0.58	0.0000	0.5780	-0.0100	3.31%
	0.62	0.0000	0.6180	-0.0100	3.27%
	0.65	0.0000	0.6480	-0.0100	3.23%
	0.68	0.0000	0.6780	-0.0100	3.20%
	0.93	0.0000	0.9280	-0.0100	2.95%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23

Cushon Index-Linked Gilts	0.13	0.0000	0.1280	0.0400	2.17%
	0.17	0.0000	0.1680	0.0400	2.12%
	0.18	0.0000	0.1780	0.0400	2.11%
	0.22	0.0000	0.2180	0.0400	2.07%
	0.23	0.0000	0.2280	0.0400	2.06%
	0.24	0.0000	0.2380	0.0400	2.05%
	0.25	0.0000	0.2480	0.0400	2.04%
	0.27	0.0000	0.2680	0.0400	2.02%
	0.27 + £2 per month	0.0000	0.2680	0.0400	1.77%
	0.30	0.0000	0.2980	0.0400	1.99%
	0.31	0.0000	0.3080	0.0400	1.98%
	0.32	0.0000	0.3180	0.0400	1.97%
	0.33	0.0000	0.3280	0.0400	1.96%
	0.35	0.0000	0.3480	0.0400	1.94%
	0.37	0.0000	0.3680	0.0400	1.92%
	0.38	0.0000	0.3780	0.0400	1.91%
	0.39	0.0000	0.3880	0.0400	1.90%
	0.42	0.0000	0.4180	0.0400	1.87%
	0.42 + £1 per month	0.0000	0.4180	0.0400	1.75%
	0.43	0.0000	0.4280	0.0400	1.86%
	0.44	0.0000	0.4380	0.0400	1.85%
	0.45	0.0000	0.4480	0.0400	1.84%
	0.48	0.0000	0.4780	0.0400	1.81%
	0.53	0.0000	0.5280	0.0400	1.76%
	0.53 + £0.83 per month	0.0000	0.5280	0.0400	1.66%
	0.58	0.0000	0.5780	0.0400	1.71%
0.62	0.0000	0.6180	0.0400	1.67%	

	0.65	0.0000	0.6480	0.0400	1.64%
	0.68	0.0000	0.6780	0.0400	1.61%
	0.93	0.0000	0.9280	0.0400	1.36%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Cash	0.14	0.0000	0.1400	0.1100	4.50%
	0.18	0.0000	0.1800	0.1100	4.45%
	0.19	0.0000	0.1900	0.1100	4.44%
	0.23	0.0000	0.2300	0.1100	4.40%
	0.24	0.0000	0.2400	0.1100	4.39%
	0.25	0.0000	0.2500	0.1100	4.38%
	0.26	0.0000	0.2600	0.1100	4.37%
	0.28	0.0000	0.2800	0.1100	4.35%
	0.28 + £2 per month	0.0000	0.2800	0.1100	4.10%
	0.31	0.0000	0.3100	0.1100	4.32%
	0.32	0.0000	0.3200	0.1100	4.31%
	0.33	0.0000	0.3300	0.1100	4.30%
	0.34	0.0000	0.3400	0.1100	4.29%
	0.36	0.0000	0.3600	0.1100	4.27%
	0.38	0.0000	0.3800	0.1100	4.25%
	0.39	0.0000	0.3900	0.1100	4.24%
	0.40	0.0000	0.4000	0.1100	4.23%
	0.43	0.0000	0.4300	0.1100	4.19%
	0.43 + £1 per month	0.0000	0.4300	0.1100	4.07%
	0.44	0.0000	0.4400	0.1100	4.18%
0.45	0.0000	0.4500	0.1100	4.17%	

	0.46	0.0000	0.4600	0.1100	4.16%
	0.49	0.0000	0.4900	0.1100	4.13%
	0.54	0.0000	0.5400	0.1100	4.08%
	0.54 + £0.83 per month	0.0000	0.5400	0.1100	3.98%
	0.59	0.0000	0.5900	0.1100	4.03%
	0.63	0.0000	0.6300	0.1100	3.99%
	0.66	0.0000	0.6600	0.1100	3.96%
	0.69	0.0000	0.6900	0.1100	3.92%
	0.94	0.0000	0.9400	0.1100	3.67%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Shariah	0.39	0.0750	0.4650	0.0000	27.10%
	0.43	0.0750	0.5050	0.0000	27.05%
	0.44	0.0750	0.5150	0.0000	27.04%
	0.48	0.0750	0.5550	0.0000	26.99%
	0.49	0.0750	0.5650	0.0000	26.97%
	0.50	0.0750	0.5750	0.0000	26.96%
	0.51	0.0750	0.5850	0.0000	26.95%
	0.53	0.0750	0.6050	0.0000	26.92%
	0.53 + £2 per month	0.0750	0.6050	0.0000	26.66%
	0.56	0.0750	0.6350	0.0000	26.88%
	0.57	0.0750	0.6450	0.0000	26.87%
	0.58	0.0750	0.6550	0.0000	26.86%
	0.59	0.0750	0.6650	0.0000	26.85%
	0.61	0.0750	0.6850	0.0000	26.82%
0.63	0.0750	0.7050	0.0000	26.80%	

	0.64	0.0750	0.7150	0.0000	26.78%
	0.65	0.0750	0.7250	0.0000	26.77%
	0.68	0.0750	0.7550	0.0000	26.73%
	0.68 + £1 per month	0.0750	0.7550	0.0000	26.60%
	0.69	0.0750	0.7650	0.0000	26.72%
	0.70	0.0750	0.7750	0.0000	26.71%
	0.71	0.0750	0.7850	0.0000	26.70%
	0.74	0.0750	0.8150	0.0000	26.66%
	0.79	0.0750	0.8650	0.0000	26.60%
	0.79 + £0.83 per month	0.0750	0.8650	0.0000	26.49%
	0.84	0.0750	0.9150	0.0000	26.53%
	0.88	0.0750	0.9550	0.0000	26.48%
	0.91	0.0750	0.9850	0.0000	26.44%
	0.94	0.0750	1.0150	0.0000	26.41%
	1.19	0.0750	1.2650	0.0000	26.09%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Global Impact	0.49	0.0300	0.5200	0.0600	9.20%
	0.53	0.0300	0.5600	0.0600	9.16%
	0.54	0.0300	0.5700	0.0600	9.15%
	0.58	0.0300	0.6100	0.0600	9.10%
	0.59	0.0300	0.6200	0.0600	9.09%
	0.60	0.0300	0.6300	0.0600	9.08%
	0.61	0.0300	0.6400	0.0600	9.07%
	0.63	0.0300	0.6600	0.0600	9.05%
	0.63 + £2 per month	0.0300	0.6600	0.0600	8.80%

	0.66	0.0300	0.6900	0.0600	9.02%
	0.67	0.0300	0.7000	0.0600	9.01%
	0.68	0.0300	0.7100	0.0600	9.00%
	0.69	0.0300	0.7200	0.0600	8.99%
	0.71	0.0300	0.7400	0.0600	8.96%
	0.73	0.0300	0.7600	0.0600	8.94%
	0.74	0.0300	0.7700	0.0600	8.93%
	0.75	0.0300	0.7800	0.0600	8.92%
	0.78	0.0300	0.8100	0.0600	8.89%
	0.78 + £1 per month	0.0300	0.8100	0.0600	8.76%
	0.79	0.0300	0.8200	0.0600	8.88%
	0.80	0.0300	0.8300	0.0600	8.87%
	0.81	0.0300	0.8400	0.0600	8.86%
	0.84	0.0300	0.8700	0.0600	8.82%
	0.89	0.0300	0.9200	0.0600	8.77%
	0.89 + £0.83 per month	0.0300	0.9200	0.0600	8.66%
	0.94	0.0300	0.9700	0.0600	8.72%
	0.98	0.0300	1.0100	0.0600	8.67%
	1.01	0.0300	1.0400	0.0600	8.64%
	1.04	0.0300	1.0700	0.0600	8.61%
	1.29	0.0300	1.3200	0.0600	8.34%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Sustainable UK Corporate Bonds	0.18	0.0000	0.1750	0.0100	9.59%
	0.22	0.0000	0.2150	0.0100	9.54%
	0.23	0.0000	0.2250	0.0100	9.53%

	0.27	0.0000	0.2650	0.0100	9.49%
	0.28	0.0000	0.2750	0.0100	9.48%
	0.29	0.0000	0.2850	0.0100	9.47%
	0.30	0.0000	0.2950	0.0100	9.46%
	0.32	0.0000	0.3150	0.0100	9.43%
	0.32 + £2 per month	0.0000	0.3150	0.0100	9.18%
	0.35	0.0000	0.3450	0.0100	9.40%
	0.36	0.0000	0.3550	0.0100	9.39%
	0.37	0.0000	0.3650	0.0100	9.38%
	0.38	0.0000	0.3750	0.0100	9.37%
	0.40	0.0000	0.3950	0.0100	9.35%
	0.42	0.0000	0.4150	0.0100	9.32%
	0.43	0.0000	0.4250	0.0100	9.31%
	0.44	0.0000	0.4350	0.0100	9.30%
	0.47	0.0000	0.4650	0.0100	9.27%
	0.47 + £1 per month	0.0000	0.4650	0.0100	9.14%
	0.48	0.0000	0.4750	0.0100	9.26%
	0.49	0.0000	0.4850	0.0100	9.25%
	0.50	0.0000	0.4950	0.0100	9.24%
	0.53	0.0000	0.5250	0.0100	9.20%
	0.58	0.0000	0.5750	0.0100	9.15%
	0.58 + £0.83 per month	0.0000	0.5750	0.0100	9.04%
	0.63	0.0000	0.6250	0.0100	9.10%
	0.67	0.0000	0.6650	0.0100	9.05%
	0.70	0.0000	0.6950	0.0100	9.02%
	0.73	0.0000	0.7250	0.0100	8.99%
	0.98	0.0000	0.9750	0.0100	8.72%

Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Global Equity (Self Select)	0.20	0.0000	0.2000	0.0700	14.46%
	0.24	0.0000	0.2400	0.0700	14.42%
	0.25	0.0000	0.2500	0.0700	14.41%
	0.29	0.0000	0.2900	0.0700	14.36%
	0.30	0.0000	0.3000	0.0700	14.35%
	0.31	0.0000	0.3100	0.0700	14.34%
	0.32	0.0000	0.3200	0.0700	14.33%
	0.34	0.0000	0.3400	0.0700	14.30%
	0.34 + £2 per month	0.0000	0.3400	0.0700	14.04%
	0.37	0.0000	0.3700	0.0700	14.27%
	0.38	0.0000	0.3800	0.0700	14.26%
	0.39	0.0000	0.3900	0.0700	14.25%
	0.40	0.0000	0.4000	0.0700	14.23%
	0.42	0.0000	0.4200	0.0700	14.21%
	0.44	0.0000	0.4400	0.0700	14.19%
	0.45	0.0000	0.4500	0.0700	14.18%
	0.46	0.0000	0.4600	0.0700	14.17%
	0.49	0.0000	0.4900	0.0700	14.13%
	0.49 + £1 per month	0.0000	0.4900	0.0700	14.00%
	0.50	0.0000	0.5000	0.0700	14.12%
0.51	0.0000	0.5100	0.0700	14.11%	
0.52	0.0000	0.5200	0.0700	14.10%	
0.55	0.0000	0.5500	0.0700	14.06%	
0.60	0.0000	0.6000	0.0700	14.01%	

	0.60 + £0.83 per month	0.0000	0.6000	0.0700	13.90%
	0.65	0.0000	0.6500	0.0700	13.95%
	0.69	0.0000	0.6900	0.0700	13.90%
	0.72	0.0000	0.7200	0.0700	13.87%
	0.75	0.0000	0.7500	0.0700	13.84%
	1.00	0.0000	1.0000	0.0700	13.55%
Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23
Cushon Global Bonds (Self Select)	0.29	0.1104	0.4004	0.1104	6.81%
	0.33	0.1104	0.4404	0.1104	6.77%
	0.34	0.1104	0.4504	0.1104	6.76%
	0.38	0.1104	0.4904	0.1104	6.72%
	0.39	0.1104	0.5004	0.1104	6.71%
	0.40	0.1104	0.5104	0.1104	6.70%
	0.41	0.1104	0.5204	0.1104	6.69%
	0.43	0.1104	0.5404	0.1104	6.67%
	0.43 + £2 per month	0.1104	0.5404	0.1104	6.41%
	0.46	0.1104	0.5704	0.1104	6.63%
	0.47	0.1104	0.5804	0.1104	6.62%
	0.48	0.1104	0.5904	0.1104	6.61%
	0.49	0.1104	0.6004	0.1104	6.60%
	0.51	0.1104	0.6204	0.1104	6.58%
	0.53	0.1104	0.6404	0.1104	6.56%
	0.54	0.1104	0.6504	0.1104	6.55%
	0.55	0.1104	0.6604	0.1104	6.54%
0.58	0.1104	0.6904	0.1104	6.51%	

	0.58 + £1 per month	0.1104	0.6904	0.1104	6.38%
	0.59	0.1104	0.7004	0.1104	6.50%
	0.60	0.1104	0.7104	0.1104	6.49%
	0.61	0.1104	0.7204	0.1104	6.47%
	0.64	0.1104	0.7504	0.1104	6.44%
	0.69	0.1104	0.8004	0.1104	6.39%
	0.69 + £0.83 per month	0.1104	0.8004	0.1104	6.29%
	0.74	0.1104	0.8504	0.1104	6.34%
	0.78	0.1104	0.8904	0.1104	6.29%
	0.81	0.1104	0.9204	0.1104	6.26%
	0.84	0.1104	0.9504	0.1104	6.23%
	1.09	0.1104	1.2004	0.1104	5.97%

APPENDIX 5 – Retirement Bridge Charges & Net Investment Returns

Fund Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	1 Year Net Return to 31/12/23	3 Years Net Return to 31/12/23 (% per annum)	5 Years Net Return to 31/12/23 (% per annum)
AB Retirement Strategies Fund 2026-2028	0.78	0.0177	0.7975	0.0428	10.02%	1.0%	3.9%
AB Retirement Strategies Fund 2032-2034	0.78	0.0279	0.8076	0.0269	11.16%	1.5%	5.0%
AB Retirement Strategies Fund 2035-2037	0.78	0.0311	0.8106	0.0264	11.71%	2.4%	5.7%
AB Retirement Strategies Fund 2038-2040	0.78	0.0324	0.8119	0.0282	12.36%	3.8%	6.9%
AB Retirement Strategies Fund 2041-2043	0.78	0.0273	0.8068	0.0308	14.19%	5.6%	8.4%
AB Retirement Bridge 1948 Drawdown Strategy	0.83	0.0221	0.8541	0.0462	8.64%	-9.6%	-4.8%
AB Retirement Bridge 1950 Drawdown Strategy	0.83	0.0251	0.8541	0.0319	8.57%	-9.3%	-4.3%
AB Retirement Bridge 1951 Drawdown Strategy	0.83	0.0266	0.8543	0.0259	8.53%	-9.0%	-4.0%
AB Retirement Bridge 1953 Drawdown Strategy	0.83	0.0288	0.3250	0.0163	9.05%	-8.2%	-3.4%
AB Retirement Bridge 1954 Drawdown Strategy	0.82	0.0297	0.8539	0.0129	9.30%	-7.9%	-3.0%
AB Retirement Bridge 1956 Drawdown Strategy	0.82	0.0304	0.8539	0.0084	9.76%	-7.2%	-2.5%
AB Retirement Bridge 1958 Drawdown Strategy	0.82	0.0306	0.8536	0.0059	10.05%	-6.8%	-2.2%
AB Retirement Bridge 1960 Drawdown Strategy	0.82	0.0306	0.8533	0.0064	10.05%	-6.7%	-2.0%
AB Retirement Bridge 1961 Drawdown Strategy	0.82	0.0306	0.8534	0.0064	10.07%	-6.6%	-1.9%
AB Retirement Bridge 1964 Drawdown Strategy	0.82	0.0306	0.8533	0.0065	10.05%	-6.3%	-1.7%
AB Retirement Bridge 1966 Drawdown Strategy	0.82	0.0306	0.8533	0.0049	N/A*	N/A*	N/A*
AB Retirement Bridge 1967 Drawdown Strategy	0.82	0.0306	0.8533	0.0064	N/A**	N/A**	N/A**

*Performance for this fund to 31 December 2023 is not available. The holding in the fund was disinvested on 15 February 2023 and it was removed from the platform.

**Performance for this fund to 31 December 2023 is not available. The holding in the fund was disinvested on 4 December 2023 and it was removed from the platform.

APPENDIX 6 – Pension Access Charges & Net Investment Returns

Strategy Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	Net Return from Inception to 31/12/23*
Cushon Pension Access - Growth Phase	0.20	0.0106	0.2106	0.0815	6.61%
	0.24	0.0106	0.2506	0.0815	6.57%
	0.25	0.0106	0.2606	0.0815	6.56%
	0.29	0.0106	0.3006	0.0815	6.51%
	0.30	0.0106	0.3106	0.0815	6.50%
	0.31	0.0106	0.3206	0.0815	6.49%
	0.32	0.0106	0.3306	0.0815	6.48%
	0.34	0.0106	0.3506	0.0815	6.46%
	0.34 + £2 per month	0.0106	0.3510	0.0815	6.18%
	0.37	0.0106	0.3806	0.0815	6.43%
	0.38	0.0106	0.3906	0.0815	6.42%
	0.39	0.0106	0.4006	0.0815	6.41%
	0.40	0.0106	0.4106	0.0815	6.40%
	0.42	0.0106	0.4306	0.0815	6.37%
	0.44	0.0106	0.4506	0.0815	6.35%
	0.45	0.0106	0.4606	0.0815	6.34%
	0.46	0.0106	0.4706	0.0815	6.33%
	0.49	0.0106	0.5006	0.0815	6.30%
0.49 + £1 per month (active) or £0.50 per month (preserved)	0.0106	0.5006	0.0815	6.15%	

	0.50	0.0106	0.5106	0.0815	6.29%
	0.51	0.0106	0.5206	0.0815	6.28%
	0.52	0.0106	0.5306	0.0815	6.27%
	0.55	0.0106	0.5606	0.0815	6.24%
	0.60	0.0106	0.6106	0.0815	6.18%
	0.60 + £0.83 per month (active) or £0.50 per month (preserved)	0.0106	0.6106	0.0815	6.05%
	0.65	0.0106	0.6606	0.0815	6.13%
	0.69	0.0106	0.7006	0.0815	6.09%
	0.72	0.0106	0.7306	0.0815	6.06%
	0.75	0.0106	0.7606	0.0815	6.03%
	1.00	0.0106	1.0106	0.0815	5.76%
Strategy Name	A - Annual Management Charge (AMC) (% per annum)	B - Additional Expenses (% per annum)	C - Total Expense Ratio (% per annum)	Transaction Costs (% per annum)	Net Return from Inception to 31/12/23*
Cushon Pension Access - Retirement Phase	0.20	0.0229	0.2229	0.0860	5.53%
	0.24	0.0229	0.2629	0.0860	5.48%
	0.25	0.0229	0.2729	0.0860	5.47%
	0.29	0.0229	0.3129	0.0860	5.43%
	0.30	0.0229	0.3229	0.0860	5.42%
	0.31	0.0229	0.3329	0.0860	5.41%
	0.32	0.0229	0.3429	0.0860	5.40%
	0.34	0.0229	0.3629	0.0860	5.38%
	0.34 + £2 per month	0.0229	0.3629	0.0860	5.12%
	0.37	0.0229	0.3929	0.0860	5.35%

	0.38	0.0229	0.4029	0.0860	5.34%
	0.39	0.0229	0.4129	0.0860	5.33%
	0.40	0.0229	0.4229	0.0860	5.32%
	0.42	0.0229	0.4429	0.0860	5.30%
	0.44	0.0229	0.4629	0.0860	5.27%
	0.45	0.0229	0.4729	0.0860	5.26%
	0.46	0.0229	0.4829	0.0860	5.25%
	0.49	0.0229	0.5129	0.0860	5.22%
	0.49 + £1 per month (active) or £0.50 per month (preserved)	0.0229	0.5129	0.0860	5.08%
	0.50	0.0229	0.5229	0.0860	5.21%
	0.51	0.0229	0.5329	0.0860	5.20%
	0.52	0.0229	0.5429	0.0860	5.19%
	0.55	0.0229	0.5729	0.0860	5.16%
	0.60	0.0229	0.6229	0.0860	5.11%
	0.60 + £0.83 per month (active) or £0.50 per month (preserved)	0.0229	0.6229	0.0860	4.99%
	0.65	0.0229	0.6729	0.0860	5.05%
	0.69	0.0229	0.7129	0.0860	5.01%
	0.72	0.0229	0.7429	0.0860	4.98%
	0.75	0.0229	0.7729	0.0860	4.95%
	1.00	0.0229	1.0229	0.0860	4.69%

**The additional expenses and therefore the Total Expense Ratio are based on the period from the inception of the Cushon Pension Access investment strategy on 26 June 2023 to 31 December 2023.*

APPENDIX 7 – Notes to Net Investment Returns

- Performance is shown net of all costs and charges (including transaction costs). Performance is shown over one year or since the inception of the Scheme fund or investment strategy if that is less than 1 year. Longer term performance is unavailable in most cases due to the inception date of the Scheme funds and investment strategies.
- The net returns are based on a starting pot value of £10,000 at the beginning of the period with no ongoing regular contributions.
- All investment return information that has been available has been provided.
- Member specific investment return information, based on individual member charges and investment choices, is detailed within the Cushon App for those members who have access.
- For the default investment strategies the growth phase performance represents the performance for members aged 25, 45 and 55 based on the Scheme's default normal retirement age of 65. The performance of the pre-retirement phase represents the performance for members at the default normal retirement age of 65.
- Some of the funds are the same but with a different Annual Management Charge (AMC). This reflects the commercial requirement to cover costs but still allow the Scheme to remain open to the very smallest employers and deliver the same features and Scheme benefits.