

THE OPTIONS WORKPLACE PENSION TRUST

CHAIR'S ANNUAL STATEMENT

FOR THE PERIOD 1 APRIL 2024 TO 31 MARCH 2025

A message from the Chair

The Trustee Board has changed several times during the year to manage the governance of the Scheme going forward. The current Trustee Board at the time of drafting is made up of Pi Consulting (Trustee Services) Limited (represented by Lynn Pointon), David Brown and Chris Roberts.

David Brown and Chris Roberts were appointed as Trustees with effect from 13 March 2025 and Pi Consulting (Trustee Services) Limited was appointed with effect from 1 May 2025.

During the period 1 April 2024 to 31 March 2025 the following were members of the Trustee Board: Dinesh Visavadia as Chair (representing Independent Governance Group, retired with effect from 28 February 2025); Martin Ralph (resigned with effect from 29 October 2024), Rebecca Cooke (resigned with effect from 13 March 2025) and Barry Parr (resigned with effect from 30 June 2025 post year end).

As a Trustee Board we work closely with the team at Options Pensions to review and improve how the Options Workplace Pension Trust ("OWPT") is run. This includes the checks to make sure that your savings are recorded correctly and how the Options Pensions team report to the Trustee Board on how well the OWPT is being run.

In this year's annual Chair's Statement, we aim to give you an insight into the work of the Trustees over the year and how the Trustees operate. We particularly want to cover:

- How we ensure your benefits are secure
- How we invest your money and the principles we adopt to make the investments a force for good (including how we are meeting our climate change policy and what additional investment choices you have)
- What improvements have been made to give you greater access to information
- How we seek to get better value for money for you
- The future plans and strategy for the OWPT to ensure that you continue to benefit from improved value.

Transfer of members to Smart Pension Master Trust

On 10th October 2023 it was announced that an agreement was reached for Jambo SRC Limited to acquire the STM Group (which is the parent company of the Options Pensions business).

As a result of these proposed changes to the STM Group, and the fact that the market for 'master trust' pension Schemes had seen a significant improvement in the services being offered to members, Options Pensions and STM Group took the opportunity to review the OWPT's business plan to determine whether better value for members could be provided by consolidating services or the OWPT itself with another provider. The key aim for Options Pensions and STM Group is to drive better value for members. Options Pensions considered various master trusts and decided that the Smart Pension Master Trust (SPMT) was their preferred partner.

The Trustees undertook their own due diligence on the SPMT to ensure it would be suitable for the membership as whole. The Trustees considered a number of master trusts that might be suitable for the OWPT members and ultimately agreed that moving OWPT members to the SPMT would enhance the services provided to members and provide them with a wide variety of investment fund choices.

We have made significant progress on the transition to the SPMT which the Trustees believe will be the right place for the OWPT members as it will provide enhanced value for members. We have engaged with our membership on the transfer and the asset transition is scheduled to happen by the end of 2025.

Administration during the period

During the previous reporting period Options Pensions experienced challenges with processing requests within service level targets. A project incorporating process improvements has been underway in order to improve the level of service provided to members.

Monthly administration reports are provided to the Trustees which have demonstrated the improvement in service levels during the period.

The Trustees meet at least fortnightly with the Head of Options Pensions to ensure that the Administration team is adequately resourced and have been monitoring closely to ensure that members and employers are supported during the transition to the SPMT.

Reconciliation and remediation project

During the period a project has been underway to ensure contributions and bank accounts have been accurately invested and reconciled. Where any discrepancies are found, member accounts are updated and appropriate rectification is applied. From the end of March 2025, the Trustees and the Pensions Regulator have been receiving a fortnightly report showing detailed progress of this project ahead of the transition to the SPMT. The project will be completed ahead of the transition to SPMT.

As part of the move to SPMT the Trustee, alongside their advisors, have worked to control the costs faced by members for the upcoming transition. In addition, they have continued to monitor the managers' charges and transaction costs, as well as monitoring how they are acting with regards to their Environmental, Social & Governance (ESG) principles and particularly with respect to Climate Change.

We appreciate this Chair's Statement includes a lot of detail, which is required by law. However, we have prepared it in a way which aims to be user-friendly and allows you to find out more about how we look after your money.

Please do let us know if we can improve the way we report to you. If you have any comments, please contact us by email stating your Scheme name and member reference number to OWPT@optionspensions.co.uk

We are looking forward to working for you during the coming year to ensure a smooth transfer to the SPMT

Lynn Pointon

Chair of Trustees

Introduction – What this report is about

The Chair's statement explains how the Trustees of the OWPT ('the Scheme') have looked after your pension savings over the Scheme year from 1 April 2024 to 31 March 2025. Chairs' Statements are long documents, which must follow detailed legal and regulatory requirements.

This statement has been prepared by the Trustees in accordance with regulations 23 and 26 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the 'Regulations'). It describes how the Trustees have met the statutory governance standards within the Regulations, and also other areas not required by law, which we believe are important for you to know. The areas we cover are:

- Our authorisation and ongoing supervision as a master trust
- Our approach to help reduce pension scams
- Our Environmental, Social and Governance (ESG) principles and plans
- Default arrangements
- Processing core financial transactions
- Charges and transaction costs
- The assessment of value for members
- Trustee knowledge and understanding
- Non-affiliation of Trustees and member representation

Authorisation and ongoing Supervision:

The Scheme is subject to the Pensions Regulator's authorisation and supervision regime for master trusts.

All 'master trust' pension schemes, including the Scheme, must be authorised by the Pensions Regulator. Our Scheme was granted authorised status by the Pensions Regulator on 25 September 2019.

Following authorisation, the Scheme has been subject to ongoing supervision by the Pensions Regulator. This involves attending regular meetings and sending regular information about our Scheme governance to the Regulator. We must continue to meet the five authorisation criteria set by the Pensions Regulator, which are: -

- Demonstrating the people running the Scheme are fit and proper
- The Scheme is financially sustainable
- The funder of the Scheme can support it
- The Scheme has adequate systems and processes in place
- A Continuity Strategy has been prepared

There have been historic issues with Scheme administration, and the Trustees are overseeing the rectification work to ensure the members' interests are unaffected. This ongoing work involves providing updates to the Pensions Regulator on the quality and service received by members. As part of this process the Trustees are working to see an improvement in the servicing quality.

Pension Scams

The Trustees continue to maintain members' awareness of pension scams through adherence to the regulatory requirements for transfers out and retirement benefit applications.

Our "Pension Transfer" packs, sent to members considering transferring their pension savings to another arrangement, include information and guidance from the Pension Regulator on spotting potential scams. The Pensions Regulator previously called on the pensions industry to publicly make a pledge to combat pension scams as part of a major campaign. This asked us to implement a list of six key measures defined by the Pensions Regulator. The Scheme signed up to this pledge in 2022 and completed a self-certification.

Legislation is now in force to further strengthen the fight against pension scams, by improving the information provided to members, and also signposting members to seek independent guidance through Pension Wise in certain scenarios. Pension Wise is a free government-run service. Where required we communicate appropriate risk warnings to members to help guide them in their decision making. These changes are now embedded within our processes and documentation.

Investment Overview

General

The Scheme's investment solution includes a primary default 'Target Date' investment solution and further default solutions aligned to strategic partners. In total there are six sections of the Scheme with each having a separate default fund & strategy.

Section name	Default Fund	Membership
Options AllianceBernstein Default	AllianceBernstein Retirement Strategy Target Dated Funds (TDFs)	Open to all Employers. This is the default fund for employers who join Options directly.
AEGON BlackRock Default	AEGON BlackRock DC Lifepath TDFs	Employers from the former Amber Pension Trust – closed section and does not accept new employers
Wahed – Islamic Default	Wahed Invest Lifestyle Strategy	Employers from the former Islamic Pension Trust. Open to employers requiring a Sharia compliant investment.
Quilter Cheviot Default	Quilter Cheviot DFM Lifestyle Strategy	Employers introduced through our strategic partner Futura
TAM Default	TAM Focus Balanced	Employers introduced through our strategic partner Pine, and former members of the Supertrust UK Master Trust
Shard Capital Default	Shard Capital Balanced	Employers introduced through our strategic partner Independence Pensions

Our investment adviser, Dean Wetton Advisory (DWA), provides advice to us on our investment solutions and on our Statement of Investment Principles, including our ESG and Stewardship policies.

Our main investment objectives are to:

- Provide a bespoke and flexible proposition for all types of members and employers of any size.
- Create conditions that target good member outcomes.
- Provide retirement strategies that reflect the different ways in which the membership may wish to access their retirement savings.
- Manage the expected volatility of the returns achieved to control the level of volatility in the value of members' pension savings. For example, by moving from growth-seeking assets to protection assets as retirement approaches.
- Invest responsibly so that members' retirement savings are invested in a way to protect against material ESG-related risk whilst improving returns through ESG-related opportunities.

Together with DWA we review how returns of the default arrangements (net of fees but excluding transaction costs) compare to the objectives set by us.

Statement of Investment Principles

The Statement of Investment Principles (SIP) is an important document governing how we invest your pension savings. It sets out our policies on:

- choosing investments
- investment objectives
- the kinds of investments to be held
- the balance between different kinds of investments
- measuring and managing investment risks
- the expected return on investments

- the realisation of investments
- financially material considerations and non-financial matters
- stewardship and the exercise of voting rights
- arrangements we make with the investment managers; and
- conflicts of interest.

These policies apply to the investments available under all sections of the Scheme.

The SIP was updated once during the Scheme year. It was updated in September 2024 and contained the following key changes:

- A policy on illiquid investments was added.
- The glidepaths for the two target date funds funds, managed by Alliance Bernstein and Aegon respectively, were updated.

Further updates have been made since the Scheme year end, namely recognising the transition to SPMT, changes made to the Lifepath funds which reduced the derisking period to 15 years from 35 years and enhanced the ESG integration, and acknowledging the implementation of the Smart Mirror Strategy within the Shard section. The Smart Mirror Strategy uses components used with the SPMT default so that at the point of transition assets within this strategy will not face additional transition costs. Shard assets will be sold down into this strategy as they become available.

A copy of the current SIP, dated October 2025, can be found on our website by clicking [here](#).

Implementation Statement

The Implementation Statement is a regulatory requirement designed to be used together with the Statement of Investment Principles (SIP) and:

- sets out how, and the extent to which, in the opinion of the Trustees, the policies in the SIP have been followed during the year
- describes any reviews of the SIP undertaken during the period and any other review of how the SIP has been met, as well as explaining any changes made to the SIP during the period and the reasons for those changes
- describes the voting behaviour performed on behalf of the Trustees (including the most significant votes cast by Trustees or on their behalf) during the period and states any use of the services of a proxy voter during that year
- Confirms that the Trustees are comfortable that the SIP has been followed effectively throughout the period

This Implementation Statement covers the Scheme year from 1st April 2024 – 31st March 2025, a copy of which can be found [here](#).

ESG Principles & Plans

The term 'ESG' is an abbreviation of Environmental, Social and Governance. ESG includes factors such as the impact of climate change, but also other issues – for example water & waste management, deforestation, workers' rights, minimum wage, human rights and diversity & inclusion. The Trustees distinguish between ESG factors, which they interpret as referring those which are financially material, and ethical factors, which they interpret as referring to moral beliefs and values which do not impact on the financial performance of investments. Although some of the investment fund options do take ethical factors into account, the Trustees' focus is on effective awareness of ESG factors in order to improve member outcomes.

Having ESG principles embedded within our approach to investing your money is important because it can help prevent further environmental damage or bad corporate practices – and also has the potential to positively affect the value of your pension savings over the long term. ESG principles, and particularly climate change, may be more important for members who are further from retirement, as the financial impact of these principles may be greater over a longer timeframe.

On an annual basis we produce a regulatory report (called the 'Taskforce on Climate-related Financial Disclosures (TCFD) report') which focuses specifically on the Trustees' beliefs in relation to climate change and our framework for managing our response to the impact of climate change on investments. Our latest TCFD report, for the year ending 31 March 2025, has been published on our website [here](#).

Default arrangements

Legislation sets out which of the Scheme's investment options count as 'default arrangements'. A formal triennial review of the performance of the default arrangements in line with paragraph 2 of regulation 2A of the investment regulations was performed by our investment advisor during the Scheme year. This was reviewed and agreed by the Trustees in March 2025.

The review was conducted by looking at the following key areas for each default arrangement:

- Performance overview
- Historic Returns over the past five years
- Historic Risk – is the strategy suitable for members?
- Risk compared to annuity price volatility – what does this look like for members approaching retirement?
- Membership analysis
- Investment adviser ratings applied to each default
- ESG Integration

The formal review concluded that, with the exception of Shard, the current default funds remained appropriate based upon the investment objectives of the Scheme.

In the table below we summarise the results of the reviews for each default.

	AB TDFs (Primary Default)	Blackrock Lifepath	Quilter Strategies	TAM Balanced	Shard Balanced*	Wahed Lifestyle
Fit with Membership profile	✓	✓	✓	✓	✓	✓
Value for money	✓	✓	✓	✓	✓	✓
Fit with Member beliefs	✓	✓	✓	✓	✓	✓
Future proof	✓	✓	✓	✓	✓	✓
Appropriate risk/reward profile	✓	✓	✓	✓	✓	✓
ESG & Climate Integration	✓	✓	✓	✓	✓	✓

**Subsequent to the review the Trustees commenced a more detailed review of the Shard default which is still in progress*

Key: Green – Fully met requirements, Amber – met requirements with room for improvement, Red – Failure to meet requirements.

A summarised commentary on the results of the review, including actions taken by the Trustees some of which have taken place after the Scheme year end, is provided below:

- The Trustees believe the Primary Default is fully appropriate.
- Following the move to targeting a flexible outcome and the removal of the single year annuity targeting funds the Trustees are now comfortable the Blackrock Lifepath funds are appropriate. Blackrock have started moving away from their ESG and Climate beliefs for funds without an explicit ESG mandate.
- Following the move to a more globally focused asset allocation benchmark and the consolidation into a single strategy the Trustees are now comfortable that the Quilter strategies are fully appropriate.
- The TAM focus balanced fund does not target enough risk for members far from retirement, and targets slightly too much close to retirement. The Trustees have approved a lifestyling strategy, but this will not be implemented ahead of the move to Smart. The strategy has been unitised and moved to Mobius. Climate reporting has improved significantly, and some underlying managers do consider ESG and Climate factors.
- The Trustees are uncomfortable both that Shard does not offer lifestyling and that the lack of growth in asset size has caused concentration within the portfolio. The Trustees also have wider concerns about Shard's operational capabilities. ESG & Climate reporting is relatively weak. The Trustees have instructed Shard to begin selling down the illiquid elements of the portfolio into readily realisable investments

- The Wahed Lifestyle replaces the IPT Shariah lifestyle, offering a more diversified multi-asset Shariah proposition. Adjustments were made to the strategy benchmark to include more diversification and allow the manager more versatility. The Trustees are comfortable the Wahed strategy is appropriate. While there is some overlap with ESG and Sharia principles there is no explicit integration.

In addition to the formal review, the default arrangements are monitored on an ongoing basis by DWA, with quarterly reports provided to the Trustees. These reports monitor and risk rate the performance of the funds against expected benchmarks and provide expected and historic analysis of our funds in relation to our competitors within the Master Trust sphere. As the Scheme is not a going concern, the Investment sub-committee has been replaced by a Working Group who meeting regularly in order to consider the asset transition. The Trustees are therefore well placed to respond to any immediate concerns regarding the default arrangement and to act accordingly if required.

Default funds – review dates

Default Fund	TDF / Lifestyle	Reviewed	Next Annual Review Date
AllianceBernstein Retirement Strategies	Target Dated Funds	March 2025	March 2026 – Beyond Transition Date
AEGON Blackrock DC Lifepath	Target Dated Funds	March 2025	March 2026 – Beyond Transition Date
Quilter Cheviot DFM Fund	Lifestyle	March 2025	March 2026 – Beyond Transition Date
Shard Capital Balanced Fund	N/A	March 2025	March 2026 – Beyond Transition Date
TAM Focus Balanced Fund	Lifestyle	March 2025	March 2026 – Beyond Transition Date
Wahed Invest	Lifestyle	March 2025	March 2026 – Beyond Transition Date

Self-select range

The Trustees, together with their investment adviser, previously finalised recommendations for a new self-select range of funds and the proposed structure has been agreed by the Trustees and Options Pensions. As the Scheme is now in wind-up with members being transferred across to Smart Pension Master Trust, plans to implement this range have been cancelled. The Amber section and the Quilter section each have their own self-select ranges which are monitored as part of the quarterly monitoring report.

Performance Monitoring

Every quarter, we receive performance data on all the funds which make up each default arrangement and lifestyle strategy and on the self-select funds across the Scheme. This information is provided in a report by our investment adviser which compares performance of the Scheme funds and portfolios against an expected performance range for the varying asset classes. We are also provided with quarterly reports on how the investments within our trust compare to other master trust pension Schemes.

Where concerns are raised, we request more information and fully review the funds in question, and this may also involve meetings with the relevant investment managers to fully understand any issues that may be experienced with the funds.

The performance of the standard default strategy, section default strategies and self-select funds are set out in the tables below. These tables use the latest available performance data as at the end of the Scheme year 2024/25. Investment returns for each section are shown net of investment charges including transaction costs, but gross of the fixed admin charge. The percentage effect of admin charges will vary depending on member pot size.

Investment Performance tables to 31 March 2025

AB Target Date Funds

There is a fixed admin charge of £1.50 per month

Fund	1yr to 31/03/2025	3 yr. to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
Options Target Date 2008-2010	3.2%	2.5%	3.1%
Options Target Date 2011-2013	3.2%	2.2%	3.0%
Options Target Date 2014-2016	3.1%	1.3%	2.6%
Options Target Date 2017-2019	3.0%	1.6%	3.1%
Options Target Date 2020-2022	3.0%	1.4%	3.3%
Options Target Date 2023-2025	3.0%	1.4%	4.2%
Options Target Date 2026-2028	3.2%	1.3%	5.4%
Options Target Date 2029-2031	3.2%	1.0%	5.9%
Options Target Date 2032-2034	3.3%	1.3%	6.8%
Options Target Date 2035-2037	3.7%	2.0%	8.0%
Options Target Date 2038-2040	5.3%	3.7%	10.0%
Options Target Date 2041-2043	6.3%	5.5%	12.4%
Options Target Date 2044-2046	6.3%	6.3%	13.0%
Options Target Date 2047-2049	6.0%	6.2%	13.0%
Options Target Date 2050-2052	6.0%	6.2%	13.0%
Options Target Date 2053-2055	6.0%	6.2%	13.0%
Options Target Date 2056-2058	6.0%	6.2%	13.0%
Options Target Date 2059-2061	6.0%	6.2%	13.0%
Options Target Date 2062-2064	5.9%	6.2%	13.0%
Options Target Date 2065-2067	6.0%	6.2%	13.0%
Options Target Date 2068-2070	6.0%	6.2%	13.0%
Options Target Date 2071-2073	6.0%	6.2%	13.0%

AEGON BlackRock Default - AEGON BlackRock DC Lifepath TDF

Fund	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
DC LifePath Flexi Class N	2.9%	7.3%*	N/A
DC LifePath Retirement 2025-27 Class N	0.8%	-2.2%	2.1%
DC LifePath Retirement 2028-30 Class N	1.8%	-0.5%	4.9%
DC LifePath Retirement 2031-33 Class N	2.6%	1.1%	7.2%
DC LifePath Retirement 2034-36 Class N	3.2%	2.0%	8.4%
DC LifePath Retirement 2037-39 Class N	3.3%	2.6%	9.5%
DC LifePath Retirement 2040-42 Class N	3.2%	3.3%	10.6%
DC LifePath Retirement 2043-45 Class N	3.2%	3.8%	11.6%
DC LifePath Retirement 2046-48 Class N	3.3%	4.6%	12.6%
DC LifePath Retirement 2049-51 Class N	3.3%	5.0%	13.2%
DC LifePath Retirement 2052-54 Class N	3.3%	5.3%	13.6%

DC LifePath Retirement 2055-57 Class N	3.3%	5.5%	13.7%
DC LifePath Retirement 2058-60 Class N	3.2%	5.5%	13.8%
DC LifePath Retirement 2061-63 Class N	3.2%	5.5%	13.7%
DC LifePath Retirement 2064-66 Class N	3.2%	5.5%	13.7%
DC LifePath Retirement 2067-69 Class N	3.2%	5.5%	13.7%
DC LifePath Retirement 2070-72 Class N	3.2%	5.5%	13.8%
DC LifePath Retirement Year Fund Class N	-3.8%	-8.7%	-6.5%

*Since inception (annualised) 30/11/2023

Quilter Cheviot Section – Quilter Cheviot DFM Portfolio – Lifestyle & Self-Select

The Growth, Balanced, and Defensive funds are used to create the default lifestyle. Each fund can individually be chosen as a self-select.

Fund	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
Quilter Adventurous (Self-Select)	-2.5%	3.3%	8.9%
Quilter Growth	1.8%	3.8%	9.0%
Quilter Balanced	2.5%	3.4%	7.6%
Quilter Defensive	3.2%	1.0%	2.3%

Wahed - Islamic Default (Lifestyle)

Fund (lifestyle allocation at age)	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	Inception* to 31/03/2025 (annualised)
Wahed Growth+	-8.0%	3.0%	5.3%
Wahed Growth	-4.0%	3.8%	5.4%
Wahed Balance	-0.1%	3.4%	3.7%

*Inception date: 01/02/2021

TAM Default

Fund	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
TAM WPP (Focus) Balanced Fund	2.5%	3.4%	5.6%

Shard Capital Default

Fund	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
Shard Capital Balanced	-3.9%	-1.5%	3.2%

Amber Section – Self Select Funds

Fund	1yr to 31/03/2025	3 yr to 31/03/2025 (annualised)	5 yr to 31/03/2025 (annualised)
BNYM - Newton Global Income	7.8%	7.3%	12.2%
Columbia Threadneedle - TPEN Property 3 Fund	5.9%	-2.7%	3.0%
Tatton Oak Capital Growth Fund	5.6%	5.0%	10.0%
Tatton Oak Blended Aggressive Fund	5.8%	5.7%	12.5%
Tatton Oak Cautious Growth Fund	4.6%	2.8%	5.5%
Aegon Ethical Cautious Managed (Kames)	0.9%	0.6%	3.5%
HSBC Islamic Global Equity Index Fund (ACGBP)	2.8%	8.3%	15.3%

Processing core financial transactions

We are required to make sure that core financial transactions in the Scheme are processed promptly and accurately under regulation 24 of the Regulations.

What are core financial transactions?

Core financial transactions are those transactions such as:

- investing payments received by the Scheme;
- changing where savings are invested;
- the transfer of money or benefits to and from the Scheme; and
- paying benefits to members and beneficiaries.

These transactions are particularly important and must be carried out promptly and accurately, so that you are not put at risk of losing out financially. We delegate responsibility for the processing of financial transactions to Options Corporate Pensions UK Limited, the appointed Scheme administrator, who carry out these tasks on our behalf.

The administrator aims to process core financial transactions in accordance with Service Level Agreements (SLAs) set out in the Administration Agreement we have in place with them. The administrator monitors these transactions through work logs and system generated reports. Processes adopted by the administrator include:

- Daily monitoring of bank accounts to identify monies received
- Straight through processing for the majority of contributions
- Prioritising of financial transactions
- Checking of investment and banking transactions by two individuals

We receive monthly management information which allows us to monitor the performance of the administrator against the agreed service standards. This is considered at a monthly meeting attended by Head of Workplace Pensions who provides a verbal update and responds to our challenges and questions. The detail and content of this management information is under regular review to ensure we can robustly oversee the services of the administrator.

SLAs applicable to core financial transactions are as follows:

- Processing contributions - 5 days in total (1 day for processing the schedule loaded by the employer, 2 days for reconciliation from receipt of both contribution payment and schedule, plus 2 days for sending the contributions for investment). Investment and receipt of contract notes can take between 5 -10 days depending on investment manager.
- Payment of transfers out – 5 days to request disinvestment of funds following receipt of signed discharge form, plus 2 days to issue funds to receiving Scheme following receipt of disinvested funds.
- Investment of transfer-in funds – 2 days to send for investment on receipt of funds and all necessary paperwork

The pension administration system provides employers with a dedicated portal attached to the administration system to enable them to upload their contribution schedules. This portal provides verification of data, prior to collecting the contributions through direct debit for employers who have changed to this method. Manual payment of contributions can still be made following the upload of schedules for employers who have not yet changed to direct debit. Investment instructions are transacted through a secure investment solution for Aegon Blackrock, AllianceBernstein and Mobius Life. Our strategic partner defaults, Quilter and Shard, are transacted through secure daily file transfers.

As a Trustee Board, we expect to see a service success rate of at least 95% for processing contributions for investment within 5 days. During the period we have been aware that not all core transactions have been completed within this success rate. A review of our systems, controls and reporting was noted in the previous Chair's Statement and a project to implement improvements has been underway. The Trustees monitor the accuracy and timeliness of the investment of core contributions through monthly administration reports.

It was recognised that during the previous reporting period there were concerns which resulted in the installation of a dedicated team reconciling all historic transactions to ensure that all contributions have been invested

accurately. Any reconciliation that identifies any significant delays in investing contributions as a result of errors by the administrator will lead to an analysis to determine whether any member has been disadvantaged by such delays. Where this is found to be the case rectification of the individual member accounts will be undertaken and the member will be put into the correct position to ensure they are not disadvantaged.

Given the above, we remain unable to state that we are satisfied that core financial transactions have been processed promptly and accurately during the Scheme year, nor that the administrator has systems capable of doing so in accordance with the agreed administration service levels. As noted above, we continue to be aware that there are issues but have in place an extensive project with agreed actions to address these issues. This ongoing work is overseen through update reports provided to us every 2 weeks. These are also shared with the Pensions Regulator. We have continued to report to the Pensions Regulator throughout the period and kept them informed of any actions being undertaken.

Charges, transaction costs and value for money assessment

In accordance with the charge cap requirements for default funds, we aim to operate the Scheme with a level of charges and transaction costs applicable to the default funds in the range of 0.45% to 0.50% of Assets under Administration, plus an administration fee of £18 per annum per member. This year the fee structure for the Quilter section was changed to instead be a fee of 0.73% of Assets under Administration and no fixed fee element. This was following identification in the previous year of historic charge cap breaches. Disadvantaged members have now been reimbursed and ongoing fees are being monitored to prevent further breaches.

Appendix 2 shows several illustrative examples of the cumulative effect over time of the cost and charges on the value of member savings. These can also be found on our website at <https://www.optionspensions.co.uk/workplace-pension-master-trust-trustees>

We have taken account of statutory guidance in preparing this evaluation.

Value for members assessment

Every year we assess the extent to which the Scheme represents value for members. In doing so, we consider the costs and charges borne by members as well as a number of features of the Scheme. The assessment framework looks at a number of different aspects of how the Scheme provides value and is summarised below:

1. How we run the Scheme (governance)

- The Scheme is set up under Trust law to ensure that members' retirement savings are protected
- The Scheme is run by Trustees who are accountable for all Scheme functions
- During the period new Trustees were appointed to further strengthen the core skills needed for the master trust to be governed robustly and in line with our regulatory responsibilities
- The Trustees are supported by the expertise and experience of several advisers and service providers, notably the investment adviser, legal advisers and Scheme auditor and accountant
- Advisers and service providers are monitored and reviewed to ensure they deliver to the required standards

2. How we meet members' needs (design)

- Previously open to all employers and their employees
- Combined charges at or below the charge cap set by the government for each default fund
- Flexible investment structure and a range of solutions for employers and strategic partners
- Administration system and new member portal to access greater information

3. How we grow and protect your money (investments)

- The Trustees consider professional investment advice from their investment adviser
- The investment strategy / plan is reviewed each year
- High quality default funds for members who do not wish to make their own investment decisions, providing for managed retirement pathways by using Target Date funds or lifestyle glidepaths which reduce investment risk as retirement approaches.
- Quarterly investment performance reports provided by the investment adviser to review against targets set, and ongoing monitoring of the investment portfolio and markets.
- Comparison of investment performance against other Master Trusts as part of analysis
- Regular reviews with investment managers to discuss strategy and performance.

4. How we operate (administration)

- The Trustees monitor the administrators against service level targets to maintain service standards
- Member contributions are processed promptly
- High standards of record keeping are maintained
- Member data is held securely
- Member complaints are handled effectively

5. How we keep in touch with members (communication)

- Dedicated member helpline allowing face-to-face contact with our customer service team, with additional support through email mailboxes.
- Members have access to an online portal for up-to-date valuations and Scheme documentation, allowing them to make changes such as Beneficiary Nominations and investment switches.

6. How we keep running costs low (charges)

- Continued investment in our new administration system that provides greater functionality for member information and reduce ongoing costs
- Regular review of service provider fees

Summary of our Value for Members assessment for the year

The criteria we have looked at to assess value for members are shown below, together with the status we have applied to our assessment, where:

- Green indicates we believe that members are currently receiving value for money.
- Amber indicates that members may be receiving value for money, but improvement is required; and
- Red indicates that we believe that members are not currently receiving value for money in respect of this criterion (although members may still be receiving value for money overall).

Value for Money Criteria	Our Assessment	Summary
Administration		- Accuracy of transactions - Timeliness of core financial transactions - Timeliness of other transactions - Helpdesk available to all - Helpdesk response times for calls / Email replies
Charges*		- Clear and easy to understand charge structure - Correct balance for member & administrator costs - Low transaction costs - Fund consolidation where cost reductions occur
Communications		- Frequency - Clear and engaging for members - Online tools & documentation - Educational documents & resources
Contributions		- Ability to consolidate into one plan - Flexibility of transfers - Encouraging members to pay more - Ease with which members can increase contributions
Governance		- Trustee Governance process - Regular Trustee meetings - Skills & Knowledge - Risk Management
Investment*		- Quarterly performance monitoring - Master Trust comparisons - Appropriate defaults for member outcomes - Clear fund objectives, building in ESG requirements - Appropriate self-select funds
Retirement		- Limited range of retirement options from Scheme - Required Guidance and Risk warnings provided
Scheme Design		- Flexible Investment approach - Different sections available for key strategic partners - Sharia option - Contribution flexibility

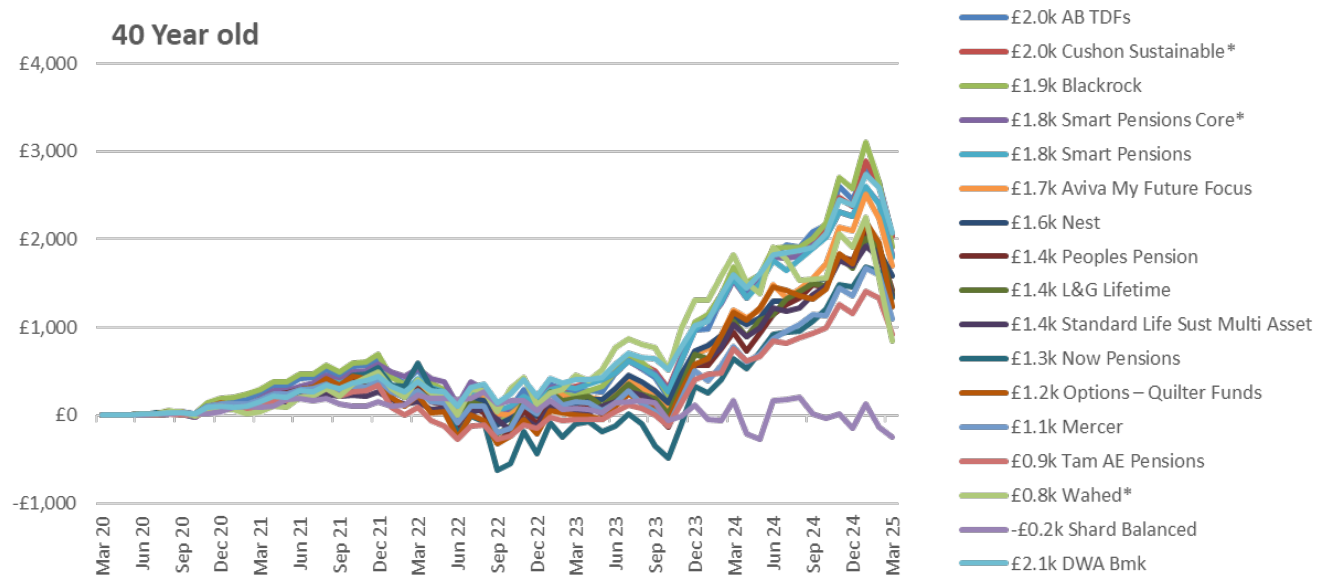
* Due to wider concerns about Shard's investment management capabilities, when reporting on value for members, this section has been excluded.

Value for money on investment returns

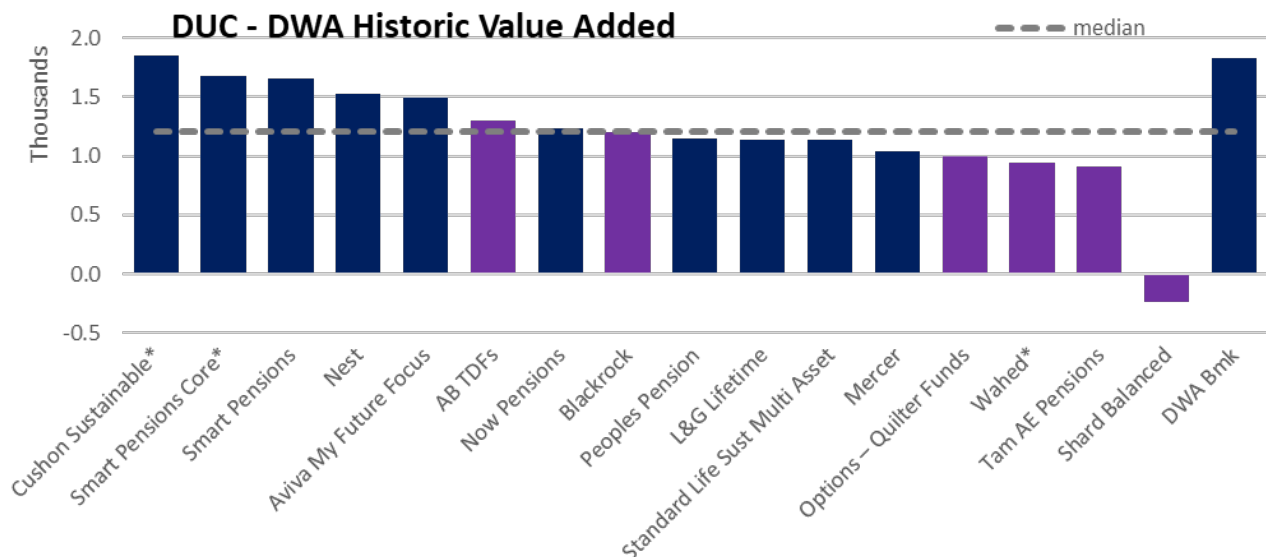
Performance in the context of fees is an important factor in Value for Money. The Trustees do not believe something represents good value for money simply because it is inexpensive. The Trustees therefore has considered the performance of its default funds both against each other and against some other master trust's default options to provide some wider context. The data in these charts is based on data collected by our investment advisor either from publicly available sources, from Morningstar or directly from providers themselves. A typical fee level for competitors is assumed based on information from published chairs statements, though individual member experience may vary. All data is up to the end of Q1 2025, the end of the Scheme year.

The charts below track a metric we call "value added". This tracks how much more money is in a typical member's pension pot over a period of five years than the amount paid in (by the member and their employer). This is done by taking a typical member (earning £25,000 a year, combined contributions of 8% of total salary paid in monthly) and calculating the impact of returns on their contributions over this period. This naturally puts a more significant weight on more recent performance as this is when a member's pot size will be largest and therefore when performance will have the biggest impact. Where historic performance was not available for the full five years, we have used manager provided simulated returns. This first chart looks at the experience of a 40 year old over the 5 years, the second chart looks at a weighted average of outcomes for members between the ages of 36 and 65. Combined they give us an insight into experience for the membership.

Each chart compares against our investment advisor's benchmark. This simple benchmark invests in 70% Global Equity and 30% Cash far from retirement and 30% Global Equity 70% Cash at retirement derisking over a period of 20 years. This is meant to be a simple investable benchmark but in practice has been a tough target to beat with strong equity returns and rising interest rates being beneficial in a period where fixed income assets suffered.



Source: Direct from providers, Morningstar or DWA simulated based on available information. Calculations performed by DWA. Cushon sustainable uses previous Cushon Net Zero strategy prior to 31/07/2022 and the Salvus default prior to 31/10/2020. Wahed and Shard strategies are simulated for periods prior to inception. The Smart Pension Core strategy uses returns from the Smart Pension default strategy prior to 30/09/2022 when these strategies split.



Source: Direct from providers, Morningstar or DWA simulated based on available information. Calculations performed by DWA. Cushon sustainable uses previous Cushon Net Zero strategy prior to 31/07/2022 and the Salvus default prior to 31/10/2020. Wahed and Shard strategies are simulated for periods prior to inception. The Smart Pension Core strategy uses returns from the Smart Pension default strategy prior to 30/09/2022 when these strategies split.

There is significant variance in outcome between cohorts. While the Scheme year up to end of March 2025 largely saw growth, longer term performance is still hampered by 2022 being one of the worst years on record for financial markets. In addition, the beginning of 2025 saw many of the previously strong performing tech stocks weaken during the quarter, particularly following the announcement that China's DeepSeek had developed a significantly cheaper AI tool. While there were some fears regarding upcoming tariffs from US President Trump the full impact of their announcement had not hit by the end of the period, however general recessionary fears had a downward trend on the US. While there has been some recovery post quarter end it is likely that markets will remain volatile due to the current geopolitical situation. Wahed, previously a very strong performer, has seen a significant drawdown this quarter as US Tech stocks and oil stocks fell in value.

Most members are better off for having been invested in the Scheme, though Shard members would have lost money over the period. Shard's performance has been weak for a while as the high proportion of illiquid investments has not provided strong returns. Shard are in the process of exiting these positions and work is underway to preserve value as much as possible.

The Trustees have also engaged Shard about their performance, as well as other concerns such as the ex-CEO being banned by the FCA. The Trustees instructed Shard to begin selling down their illiquid elements in November 2024 in order to facilitate a transfer away from Shard. As the Scheme is now in wind-up this will be a sell into Smart.

The Primary Default, AB, and the largest Default Blackrock have both seen good performance, particularly for younger members where they are largely ahead of considered competitors, reflecting their well-diversified and appropriate investment allocations. They have been held back slightly by partial currency hedging towards the UK which has been net detrimental over the period though had the potential to be beneficial.

The Wahed strategy, through its shariah exclusions, has a natural bias towards the US and therefore the larger US tech stocks. While this was beneficial for much of recent years this has counted against them in the most recent performance as these stocks suffered in the most in the aftermath of the DeepSeek announcement. As the collection of interest is not permitted Wahed was not impacted by rising interest rates in the way other strategies were.

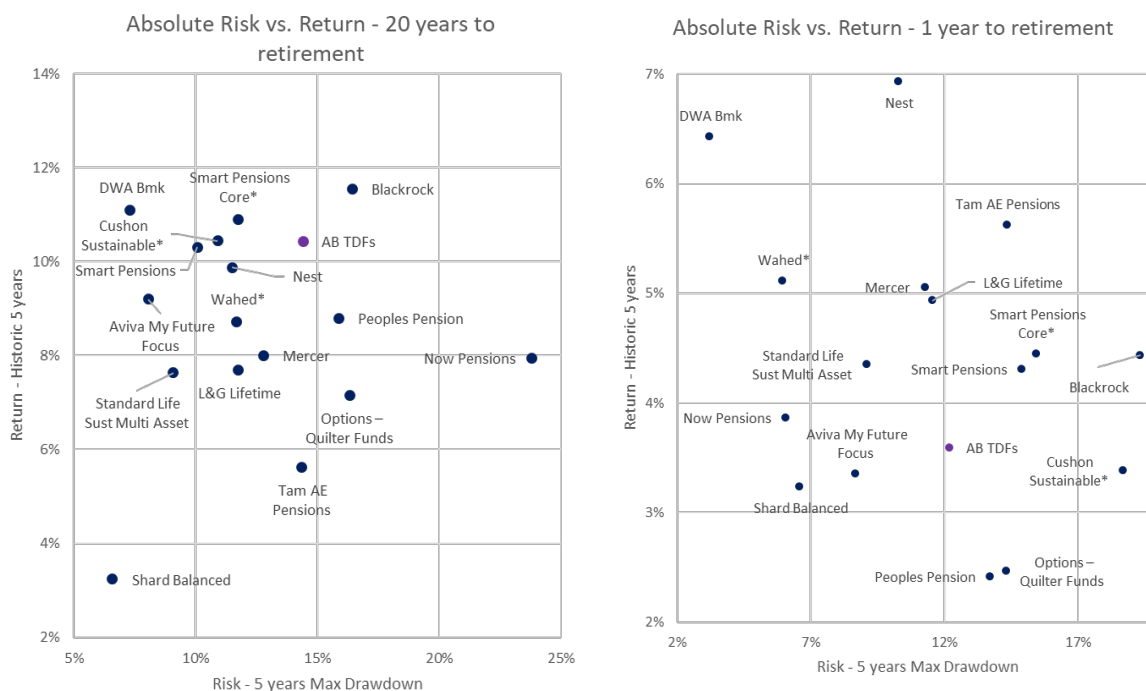
The Quilter strategies more recent performance has shown considerable improvement following the move to a global rather than UK focus. We believe this helps justify the move as appropriate.

TAM has a focus on UK investment and this has been a hindrance for much of their recent performance history though it has shown some signs of paying off over the last few quarters. The Trustees and TAM approved plans to implement lifestyling for the strategy to allow younger members to take on more risk with the hope of achieving higher returns, as well as being more defensive for older members closer to retirement age. These

changes have been deferred till after the transition.

It is pleasing to see that the Smart Pension Core strategy, which is the target for Options members whose strategies are not being preserved in the move to Smart, is one of the better performers.

The next two charts look at snapshots of Actual reported Historic Returns and Risk over the last 5 years up to the end of Q1 2025 using a measure of maximum drawdown that measures the largest peak to trough fall over the period. Two snapshots are shown, one 20 years from retirement and another 1 year from retirement.



Source: Direct from providers, Morningstar or DWA simulated based on available information. Calculations performed by DWA. Cushon sustainable uses previous Cushon Net Zero strategy prior to 31/07/2022 and the Salvus default prior to 31/10/2020. Wahed and Shard strategies are simulated for periods prior to inception. The Smart Pension Core strategy uses returns from the Smart Pension default strategy prior to 30/09/2022 when these strategies split.

Risk is more varied between the strategies despite similarities in return for many of the strategies. The relatively higher gilt exposure in the Blackrock Lifepath strategy has increased risk and reduced overall return for older members. With the exception of the balanced strategies, there is a meaningful reduction in risk as members approach retirement - which is appropriate.

The Trustees believe that these charts, combined with their understanding of fees in the wider marketplace and that all defaults are priced below the charge cap, provide evidence that the majority of the defaults in the Scheme offers good or reasonable value for money to members. With the exception of Shard, members have generally been better off for being invested within the Scheme over the last 5 years, and most sections offer a sensibly designed and diversified derisking strategy. The Trustees, through their monitoring actions, are taking measures to ensure members receive a good quality product. The Trustees are further pleased to see that Smart Pension is a strong performer on the metrics they have considered for this assessment, providing comfort that members are being moved to an appropriate destination.

Assessment summary

We do not believe that the Scheme has provided good value for members over the period. This assessment has led both to areas for improvement and has supported the decision to consolidate the Scheme with another master trust pension Scheme.

Areas for improvement:

The past year 1 April 2024 to 31 March 2025 has seen many changes for the Scheme:

- Resignations from previous Trustees
- Incoming new Trustees in 2024 and 2025
- An interim Chair following the resignation of Dinesh Visavadia (with a new permanent Chair being

appointed in May 2025)

- Increased focus on reconciliation activity and transfer to new master trust
- Engagement with the Pensions Regulator who have been requesting information through their powers under Section 72 of the Pensions Act 2004 which are now with their investigation team.
- Newly appointed Head of Workplace Pensions

Administration	• The Trustees acknowledge that service standards have not been up to the required standards during the period and the Trustees have continued to work on improving them. There have already been significant improvements in some aspects of the systems and controls. • A project was implemented in December 2023 with the Head of Workplace Pensions to reconcile all contributions and employer accounts which, as at the date of signing this Statement, is nearly completed • The Trustees continue to refine their oversight which now includes improved monthly information.
Communications	Given the change in strategic direction no specific improvements have been made to the Scheme literature or communications.
Contributions	Given the change in strategic direction, no specific improvements have been made to support members to make higher contributions to the Scheme
Retirement	The Scheme currently offers retirement benefits in the form of an Uncrystallised Funds Pension Lump Sum (UFPLS) or small pot If a member requires a different retirement option, they are required to transfer to an appropriate Scheme or retirement product.
Investment & Scheme Design	It has been concluded that the best option for delivering better outcomes for members is through the consolidation of the Scheme with another master trust. The project to achieve this is already well underway.

Trustees' knowledge and understanding

The requirement under section 248 of the Pensions Act 2004 (requirement for knowledge and understanding) has been met during the period as follows:

All Trustees have completed the Pensions Regulator's Trustee Toolkit and complied with the Continuing Professional Development requirements of their professional bodies (where applicable). Upon appointment, Trustees may attend an induction day to familiarise themselves with the operation of the master trust and Scheme documentation. All the key documents and policies relating to the Scheme, including the Trust Deed & Rules and Statement of Investment Principles, are kept electronically on a secure file server, which is kept up to date and is always available to the Trustees for reference, and referenced as necessary during Trustee meetings. Trustees are free to request any further information they may require from the administrator. Additional training is provided as and when required and has included investment workshops with the default fund managers and Sharia training to aid understanding for the Sharia section of the Scheme. Attendance at industry seminars, Pension Regulator workshops and fund manager presentations are among some of the ways that Trustees knowledge is maintained. Regular legal updates are also circulated to the Trustees.

The Trustees have significant experience within the pension industry, relating to running, managing and trusteeship of pension Schemes. The Trustees have significant knowledge and understanding of the law relating to pension trusts, and between them have sufficient knowledge of the relevant principles relating to the funding and investment of occupational pension Schemes.

Details of the Trustees' collective experience is provided below:

- **PI Consulting (Trustee Services) Ltd – represented by Lynn Pointon** - Lynn is the appointed Chairman and is a qualified Actuary and experienced pensions professional, having spent 30 years in the industry.

Since 2010, Lynn has focused on her role as a professional Trustee and has a pragmatic and proportionate approach which ensures efficient management of Trustee business. Prior to becoming an independent Trustee, Lynn worked with a number of large UK consultancies, most recently as a Scheme Actuary with Aon. She has supported Trustee Boards from FTSE 100 companies to Schemes with funds of less than £10m through significant events, such as implementation of LDI strategies, Scheme mergers, corporate transactions and buy-out of Scheme liabilities. Lynn now leads the Trustee team at Pi and is a member of the Executive Management Team where she takes a lead role in the development of our Trustee services and the Trustees team.

- **David Brown** - (Independent Trustee) has broad experience across all systems and processes relating to the operation of a Master Trust, including audit and risk, operations, communications and investment gained over the last 6 years with the Smart Pension Master Trust. Additionally:
He has deep operational, shared service and investment experience from his time as Head of Pensions / Head of Pensions and Payroll Operations at Tesco Stores Limited. He has over seven years' experience working as an independent Trustee with both DB and DC Schemes / sections. David also has in depth knowledge on all aspects of responsible investing from his employment with Pensions for Purpose.
- **Chris Roberts** (Independent Trustee) has twenty-five years' experience in the pension sector. As Managing Director of a large professional Trustee firm, he was responsible for overseeing risk across 350 pension arrangements and developing processes for market leading professional Trusteeship. Working on this risk group he has firsthand experience of regulatory approval and engagement of master trusts. He has thousands of hours of practical experience chairing pension Schemes over the last 13 years. He has managed complex change processes, wind ups, PPF assessments amongst a very broad body of work. He has also managed large in-house DC Schemes for a large charity and banking organisation. This included key projects to in source DC and also to oversee a global outsourcing project. Therefore, he has a strong combination of risk, project management, operational and delivery skills that make him an ideal Trustee for a Master Trust.

The Trustees believe that they have the appropriate level of knowledge and understanding to properly exercise their function. The level and mix of skills include professional Trustees, an understanding of investment strategies for defined contribution Scheme members, legal knowledge, compliance and administration. If the Trustees feel that they have insufficient knowledge of a subject the required appropriate advice is taken, and they have formally appointed an investment adviser and legal adviser to provide advice where necessary.

In accordance with the Trustees' Resource Plan a review of the Trustees' effectiveness, performance and skills is carried out on an annual basis, and includes the completion of a skills matrix, with each Trustee completing their own assessment of their knowledge and skills. The review involves the Trustees considering and discussing their own performance, achievements and learning points over the previous 12 months, and is recorded in the Trustee meeting minutes. Where gaps in knowledge are identified appropriate training can be arranged.

The skills audit process 2025:

The Trustees assess their knowledge across five key areas, covering forty-three criteria ranked as either "Essential" or "Desirable" skills. Assessment rated the Trustees as either "Excellent", "Good", "Fair" or "Development" across these criteria. The individual and collective output of the process assists the Trustees with a training plan.

The process involves the Trustees' Secretary issuing questionnaires covering knowledge and skills to all the Trustees and collated the information which was received. This is then followed up with a meeting with the Chair. The appraisal exercise allows the Chair to identify any strengths or weaknesses with the Trustees which were discussed at a subsequent meeting. Output will be fed into the training plan. The latest formal review of the Trustees skills and knowledge took place in May 2025 following the appointment of the new Trustees. Trustees' skills are constantly monitored.

Scheme Governance

- All Trustees have gone through the Fit & Proper assessment required as part of the Pensions Regulator's master trust authorisation and supervision regime
- A focus on administration has been at the forefront following the reconciliation project.
- The Scheme's risk register has been updated and improved during the Scheme year.
- The Scheme has the advantage of independent (non-affiliated) and professional Trustees, a Scheme secretary and independent professional advisers.

Appointment of professional governance from IGG to support Scheme management was in place until 28

February 2025, after which Pinsent Masons Pensions Solutions provides both Secretarial and Governance support to the Trustee board.

Non-affiliation of Trustees and member representation

The requirements of regulation 27(2) of the Regulations for a majority of the Trustees to be non-affiliated have been met during the period. The Board of Trustees comprises of two individual Trustees and a Corporate Trustee all of whom are non-affiliated to the Scheme.

All independent Trustees meet the criteria for non-affiliated Trustee as they are independent of any undertaking which provides advisory, administration, investment or other services in respect of the Scheme.

Three new Trustees were appointed during or shortly after the Scheme Year end, PI Consulting (Trustee Services) Ltd, which is a Corporate Trustee, David Brown and Chris Roberts.

The selection and appointment process for the current Trustees was as follows:

- An advert for the role was placed on the Pensions Careers website and Chris Roberts was appointed following this process in March 2025.
- As a result of discussions with the Pensions Regulator, David Brown, who is also a trustee of the Smart Pension Master Trust (SPMT), was appointed. This was considered expedient given that the Scheme is in the process of transferring to the SPMT.
- The Pensions Regulator began an exercise to appoint a Corporate Trustee from its approved Trustee Panel to the Scheme, and it was subsequently agreed that the appointment could be made directly by Options Corporate Pensions UK Ltd. Pi Consulting (Trustee Services) Ltd was subsequently appointed.

As the Pensions Regulator was aware of the approach taken to the selection and appointment of the current Trustees and the need to appoint replacement Trustees promptly given the circumstances of the Scheme it has been concluded that, as far as was possible, the appointment processes were open and transparent. These appointments further increased the Trustee board's level of knowledge and will allow greater capacity to deliver their objectives.

The arrangements that the Trustees have put in place to encourage members of the Scheme or their representatives to make their views on matters relating to the Scheme known to the Trustees include:

- A statement encouraging member feedback has been placed in the member booklet and on the Annual Benefit Statement, whereby members can respond through a dedicated email address.
- Members can also provide feedback through their employer or the employer's IFA or representative.

Signed for and on behalf the Trustees of the Scheme by

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Chair of Trustees

Date: 31 October 2025

Appendix 1 – Costs and charges

For all strategies except the Quilter strategies Options charges a £1.50 per month admin charge. Negative Transaction costs have been treated as zero.

Fund	AMC	OCF	Options Fee	Total Fee	Transaction Costs	Notes
AB TDF 2011-2013 Retirement Fund	0.15%	0.20%	0.20%	0.40%	0.01%	OCF includes AMC, 0.04% Mobius Platform charge and any additional fund expenses.
AB TDF 2014-2016 Retirement Fund	0.15%	0.20%	0.20%	0.40%	0.01%	
AB TDF 2017-2019 Retirement Fund	0.15%	0.20%	0.20%	0.40%	0.00%	
AB TDF 2020-2022 Retirement Fund	0.15%	0.20%	0.20%	0.40%	0.00%	
AB TDF 2023-2025 Retirement Fund	0.15%	0.20%	0.20%	0.40%	0.00%	
AB TDF 2026-2028 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2029-2031 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2032-2034 Retirement Fund	0.15%	0.22%	0.20%	0.42%	0.00%	
AB TDF 2035-2037 Retirement Fund	0.15%	0.22%	0.20%	0.42%	0.00%	
AB TDF 2038-2040 Retirement Fund	0.15%	0.22%	0.20%	0.42%	0.00%	
AB TDF 2041-2043 Retirement Fund	0.15%	0.22%	0.20%	0.42%	0.00%	
AB TDF 2044-2046 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2047-2049 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2050-2052 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2053-2055 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2056-2058 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2059-2061 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2062-2064 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2065-2067 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2068-2070 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
AB TDF 2071-2073 Retirement Fund	0.15%	0.21%	0.20%	0.41%	0.00%	
TAM WPP Balanced Fund	0.46%	0.46%	0.00%	0.46%	0.10%	Underlying funds have estimated transaction costs of 0.166%
Shard Balanced Portfolio	0.40%	0.40%	0.10%	0.50%	0.11%	
Wahed - Sharia Growth Plus	0.50%	0.50%	0.00%	0.50%	0.03%	
Wahed - Sharia Growth	0.50%	0.50%	0.00%	0.50%	0.02%	
Wahed - Sharia Balance	0.50%	0.50%	0.00%	0.50%	0.01%	

	AMC	OCF	Adviser Fee	Options Fee	Total Fee	Transaction Costs	
Quilter Defensive strategy	0.30%	0.33%	0.16%	0.23%	0.73%	0.02%	This section no longer charges a fixed admin fee.
Quilter Balanced strategy	0.30%	0.33%	0.16%	0.23%	0.73%	0.02%	
Quilter Growth strategy	0.30%	0.33%	0.16%	0.23%	0.73%	0.02%	
Quilter Adventurous strategy	0.30%	0.33%	0.16%	0.23%	0.73%	0.02%	

Fund	AMC	OCF	Options Fee	Total Fee	Transaction Costs	Notes
DC LifePath Flexi N	0.25%	0.25%	0.25%	0.50%	0.05%	
DC LifePath Retirement 2025-27 Class N	0.26%	0.26%	0.24%	0.50%	0.02%	
DC LifePath Retirement 2028-30 Class N	0.26%	0.26%	0.24%	0.50%	0.04%	
DC LifePath Retirement 2031-33 Class N	0.26%	0.26%	0.24%	0.50%	0.04%	
DC LifePath Retirement 2034-36 Class N	0.26%	0.26%	0.24%	0.50%	0.04%	
DC LifePath Retirement 2037-39 Class N	0.26%	0.26%	0.24%	0.50%	0.04%	
DC LifePath Retirement 2040-42 Class N	0.26%	0.26%	0.24%	0.50%	0.04%	
DC LifePath Retirement 2043-45 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement 2046-48 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement 2049-51 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement 2052-54 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement 2055-57 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement 2058-60 Class N	0.26%	0.26%	0.24%	0.50%	0.06%	
DC LifePath Retirement 2061-63 Class N	0.26%	0.26%	0.24%	0.50%	0.06%	
DC LifePath Retirement 2064-66 Class N	0.26%	0.26%	0.24%	0.50%	0.06%	
DC LifePath Retirement 2067-69 Class N	0.26%	0.26%	0.24%	0.50%	0.06%	
DC LifePath Retirement 2070-72 Class N	0.26%	0.26%	0.24%	0.50%	0.06%	
DC LifePath Retirement 2073-75 Class N	0.26%	0.26%	0.24%	0.50%	0.05%	
DC LifePath Retirement Year Fund Class N	0.25%	0.25%	0.25%	0.50%	0.01%	

Fund	AMC	OCF	Options Fee	Total Fee	Transaction Costs	Notes
BNYM - Newton Global Income	1.50%	1.61%	0.30%	1.91%	0.37%	
Columbia Threadneedle - TPEN Property 3 Fund	0.75%	0.83%	0.30%	1.13%	0.00%	
Tatton Oak Capital Growth Fund	0.75%	0.94%	0.30%	1.24%	0.06%	
Tatton Oak Blended Aggressive Fund	0.15%	0.36%	0.30%	0.66%	0.13%	This is the lowest charging self-select fund.
Tatton Oak Cautious Growth Fund	0.75%	0.97%	0.30%	1.27%	0.06%	This is the highest charging self-select fund.
Aegon Ethical Cautious Managed (Kames)	0.75%	0.77%	0.30%	1.07%	0.43%	
HSBC Islamic Global Equity Index Fund (ACGBP)	0.75%	0.94%	0.30%	1.24%	0.01%	

Total Fee includes OCF where provided

AMC: Annual Management Charge – these are fees charged by Investment Managers to cover the cost of managing the fund and are directly borne by the member.

OCF: Ongoing Charges Figure – this includes the AMC, Platform Fees and covers additional operational expenses such as audit, legal and regulatory. These additional fees may be accounted for within the fund performance figures.

Appendix 2

Illustrations over time of the growing effect costs and charges on the value of member's savings

Illustration 1 – AllianceBernstein TDFs & Aegon Blackrock Default Funds

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 22

Year	AllianceBernstein TDF		AEGON BlackRock Lifepath TDF	
	Before charges	After all charges and costs deducted	Before charges	After all charges and costs deducted
1	£1,929.20	£1,903.54	£1,929.20	£1,901.99
3	£5,987.47	£5,883.78	£5,987.47	£5,874.20
5	£10,327.63	£10,106.46	£10,327.63	£10,081.59
10	£22,543.12	£21,821.74	£22,543.12	£21,721.21
15	£36,991.55	£35,399.09	£36,991.55	£35,156.87
20	£54,081.11	£51,131.98	£54,081.11	£50,663.23
25	£74,294.57	£69,360.40	£74,294.57	£68,557.25
30	£98,202.98	£90,478.22	£98,202.98	£89,204.67
35	£121,789.61	£110,680.35	£124,095.32	£110,894.72
40	£140,710.79	£126,126.74	£143,190.22	£125,860.91
45	£161,057.57	£142,395.21	£163,723.81	£141,560.55

Illustration 2 – AllianceBernstein TDFs & Aegon Blackrock Default Funds

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 40

Year	AllianceBernstein TDF		AEGON BlackRock Lifepath TDF	
	Before charges	After all charges and costs deducted	Before charges	After all charges and costs deducted
1	£8,651.15	£8,597.26	£10,719.44	£10,648.29
3	£13,176.32	£12,982.43	£15,388.28	£15,134.69
5	£18,015.81	£17,634.54	£20,381.40	£19,886.51
10	£31,636.67	£30,540.49	£34,434.68	£33,031.39
15	£47,747.37	£45,496.86	£51,056.85	£48,203.40
20	£61,089.92	£57,468.76	£65,743.17	£61,101.62
25	£73,544.95	£68,196.58	£78,548.79	£71,742.06
27	£75,713.23	£69,599.87	£80,864.60	£73,101.66

The typical member for the illustrations of the AllianceBernstein (AB) TDFs & Aegon Blackrock (BR) default funds are based on the following assumptions: -

- Has a starting pot of £0 at age 22, £6,500 at age 40 for AB and £8,500 at age 40 for BR
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed

- Inflation is assumed to be 2.5% over the long term
- The nominal rates of return, with an allowance for lifestyling are detailed below.
 - 6% far from retirement, moving towards 4% at retirement starting 9 years from retirement for AB and 8 years from retirement for BlackRock

Illustration 3 – Quilter Cheviot Default Fund

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 22

Year	Before charges	After all charges and costs deducted
1	£1,929.20	£1,901.99
3	£5,987.47	£5,874.20
5	£10,327.63	£10,081.59
10	£22,543.12	£21,721.21
15	£36,991.55	£35,156.87
20	£54,081.11	£50,663.23
25	£71,553.16	£66,029.57
30	£86,689.33	£78,799.52
35	£102,965.92	£92,197.07
40	£120,468.86	£106,252.17
45	£139,290.52	£120,996.32

Illustration 4 – Quilter Cheviot Default Fund

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 40

Year	Before charges	After all charges and costs deducted
1	£12,270.66	£12,191.75
3	£17,047.24	£16,768.90
5	£22,155.60	£21,616.79
10	£33,569.96	£32,193.23
15	£45,844.33	£43,293.79
20	£59,043.50	£54,942.99
25	£71,344.35	£65,283.34
27	£73,447.75	£66,518.85

The typical member for the illustrations of the Quilter Cheviot default funds are based on the following assumptions: -

- Has a starting pot of £0 at age 22, and £10,000 at age 40
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rates of return, net of transaction costs, with an allowance for lifestyling are detailed below.
 - 6% for the growth fund, 4% for the balanced fund and 4% for the defensive fund

Illustration 5 – TAM WPP (Focus) Balanced Fund

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 22

Year	Before charges	After all charges and costs deducted
1	£1,892.80	£1,866.34
3	£5,761.90	£5,655.73
5	£9,745.08	£9,521.88
10	£20,224.39	£19,532.72
15	£31,493.25	£30,055.96
20	£43,611.15	£41,116.36
25	£56,642.07	£52,740.06
30	£70,654.78	£64,954.58
35	£85,723.26	£77,788.97
40	£101,927.06	£91,273.77
45	£119,351.72	£105,441.16

Illustration 6 – TAM WPP (Focus) Balanced Fund

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 40

Year	Before charges	After all charges and costs deducted
1	£4,429.39	£4,391.01
3	£8,373.27	£8,230.45
5	£12,433.44	£12,147.66
10	£23,115.30	£22,290.60
15	£34,601.98	£32,952.59
20	£46,954.10	£44,158.72
25	£58,344.08	£54,051.57
27	£60,064.21	£55,104.50

The typical member for the illustrations of the TAM WPP Balanced Fund are based on the following assumptions: -

- Has a starting pot of £0 at age 22, and £2,500 at age 40
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rate of return is assumed to be 4%

Illustration 7 – Wahed - Islamic Default

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 22

Year	Before charges	After all charges and costs deducted
1	£1,929.20	£1,901.99
3	£5,987.47	£5,874.20
5	£10,327.63	£10,081.59
10	£22,543.12	£21,721.21
15	£36,991.55	£35,156.87
20	£54,081.11	£50,663.23
25	£74,294.57	£68,557.25
30	£98,202.98	£89,204.67
35	£119,563.64	£106,855.03
40	£138,317.11	£121,624.38
45	£158,483.54	£137,117.58

Illustration 8 – Wahed - Islamic Default

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 40

Year	Before charges	After all charges and costs deducted
1	£14,068.41	£13,879.21
3	£18,296.48	£17,651.64
5	£22,649.21	£21,442.74
10	£34,100.76	£31,002.22
15	£46,415.12	£40,678.63
20	£59,657.30	£50,472.28
25	£72,004.39	£58,513.91
27	£74,127.26	£58,759.44

The typical member for the illustrations of the Wahed Invest funds (Islamic Default) are based on the following assumptions: -

- Has a starting pot of £0 at age 22, and £12,000 at age 40
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rate of return, with an allowance for lifestyling is assumed to be 6% for the Wahed Growth+ Fund, 4% for the Wahed Growth Fund and 4% for the Wahed Balanced fund

Illustration 9 – Shard Capital Default

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 22

Year	Before charges	After all charges and costs deducted
1	£1,892.80	£1,865.78
3	£5,761.90	£5,652.29
5	£9,745.08	£9,513.20
10	£20,224.39	£19,499.85
15	£31,493.25	£29,981.89
20	£43,611.15	£40,982.44
25	£56,642.07	£52,525.85
30	£70,654.78	£64,637.80
35	£85,723.26	£77,345.27
40	£101,927.06	£90,676.68
45	£119,351.72	£104,661.86

Illustration 10 – Shard Capital Default

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Currently aged 40

Year	Before charges	After all charges and costs deducted
1	£4,429.39	£4,389.68
3	£8,373.27	£8,224.69
5	£12,433.44	£12,135.02
10	£23,115.30	£22,249.43
15	£34,601.98	£32,865.45
20	£46,954.10	£44,006.50
25	£58,344.08	£53,813.94
27	£60,064.21	£54,829.08

The typical member for the illustrations of the Shard Capital Default fund are based on the following assumptions: -

- Has a starting pot of £0 at age 22, and £2,500 at age 40
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rate of return is assumed to be 4%

Deferred member illustrations for a member aged 40 years

Illustration 11 – AllianceBernstein TDFs & Aegon Blackrock Default Funds

Based on a typical deferred Scheme member described below, we have calculated the following illustrations: -

Year	AllianceBernstein TDF		AEGON BlackRock Lifepath TDF	
	Before charges	After all charges and costs deducted	Before charges	After all charges and costs deducted
1	£2,585.37	£2,556.95	£2,585.37	£2,554.88
3	£2,764.94	£2,677.27	£2,764.94	£2,670.74
5	£2,956.99	£2,806.52	£2,956.99	£2,795.06
10	£3,497.52	£3,171.86	£3,497.52	£3,145.73
15	£4,136.85	£3,604.09	£4,136.85	£3,559.34
20	£4,448.54	£3,735.95	£4,534.09	£3,745.68
25	£4,783.71	£3,881.64	£4,875.70	£3,876.16
27	£4,924.74	£3,943.77	£5,019.45	£3,931.83

The typical member for the illustrations of the AllianceBernstein TDFs & Aegon Blackrock default funds are based on the following assumptions: -

- Has a starting pot of £2,500
- Is due to take money from age 67

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rates of return, with an allowance for lifestyle are detailed below.
 - 6% far from retirement, moving towards 4% at retirement starting 9 years from retirement for AB and 8 years from retirement for BlackRock

Illustration 12 – Quilter Cheviot Default Fund

Based on a typical Scheme member described below, we have calculated the following illustrations: -

Year	Before charges	After all charges and costs deducted
1	£4,423.91	£4,304.94
3	£4,731.19	£4,525.34
5	£5,087.65	£4,670.48
10	£5,470.97	£4,831.44
15	£5,883.18	£5,007.98
20	£6,326.44	£5,199.97
25	£6,512.96	£5,281.07
27	£4,423.91	£4,304.94

The typical member for the illustrations of the Quilter Cheviot default funds are based on the following assumptions: -

- Has a starting pot of £4,000
- Is due to take money from age 67

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rates of return, net of transaction costs, with an allowance for lifestyling are detailed below.
 - 6% for the growth fund, 4% for the balanced fund and 4% for the defensive fund

Member illustrations for a self-select member aged 22 years

Illustration 13 – Tatton Oak Cautious & Tatton Oak Blended Aggressive

Based on a typical Self-select Scheme member in the most expensive (Tatton Oak Cautious) & least expensive (Tatton Oak Blended Aggressive) self-select funds described below, we have calculated the following illustrations: -

Year	Tatton Oak Cautious		Tatton Oak Blended Aggressive	
	Before charges	After all charges and costs deducted	Before charges	After all charges and costs deducted
1	£1,892.80	£1,862.75	£1,892.80	£1,852.15
3	£5,761.90	£5,633.99	£5,761.90	£5,570.26
5	£9,745.08	£9,466.98	£9,745.08	£9,306.80
10	£20,224.39	£19,325.57	£20,224.39	£18,728.79
15	£31,493.25	£29,590.41	£31,493.25	£28,266.14
20	£43,611.15	£40,276.87	£43,611.15	£37,919.17
25	£56,642.07	£51,401.06	£56,642.07	£47,688.30
30	£70,654.78	£62,979.83	£70,654.78	£57,574.05
35	£85,723.26	£75,030.81	£85,723.26	£67,577.07
40	£101,927.06	£87,572.43	£101,927.06	£77,698.06
45	£119,351.72	£100,623.93	£119,351.72	£87,937.82

The typical member for the illustrations of the self-select funds are based on the following assumptions: -

- Has a starting pot of £0 at age 22
- Is due to take money from age 67
- Contributions of £1,820 per year (based on 8% of Qualifying Earnings on a salary of £29,000)

How the illustrations are calculated: -

- Values are not guaranteed
- Inflation is assumed to be 2.5% over the long term
- The nominal rate of return is assumed to be 4% for Tatton Oak Cautious and 4% for Tatton Oak Blended Aggressive.

Appendix 3

Asset allocations of default investments

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 (“the 2023 Regulations”) introduced new requirements to disclose asset allocations of default arrangements. We share these below.

AllianceBernstein TDFs

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash				
Corporate bonds		2.5%	13.6%	19.4%
Government bonds			25.1%	45.5%
Other bonds				
Listed equities	88.2%	85.7%	52.4%	32.5%
Private equity	6.0%	5.9%	3.6%	0.8%
Venture capital/growth equity				
Buyout funds				
Property	4.3%	4.3%	3.1%	1.1%
Infrastructure				
Private debt				
Other	1.5%	1.6%	2.2%	0.7%

Aegon Blackrock Lifepath TDFs

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash				
Corporate bonds		3.45%	18.82%	11.30%
Government bonds			14.23%	43.75%
Other bonds			0.77%	11.22%
Listed equities	85.24%	81.65%	54.43%	30.53%
Private equity	5.99%	5.75%	3.84%	0.58%
Venture capital/growth equity				
Buyout funds				
Property	4.23%	4.23%	3.25%	0.96%
Infrastructure	3.03%	3.03%	2.33%	1.07%
Private debt				
Other	1.51%	1.89%	2.33%	0.59%

Quilter Default Lifestyle

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash	4.8%	4.9%	4.9%	1.7%
Corporate bonds	1.0%	2.6%	2.6%	7.7%
Government bonds	4.6%	15.7%	15.7%	41.2%
Other bonds				
Listed equities	86.4%	69.0%	69.0%	33.2%
Private equity				
Venture capital/growth equity				
Buyout funds				
Property	1.5%	2.8%	2.8%	3.7%
Infrastructure	0.9%	2.0%	2.0%	4.8%

Private debt				
Other	0.9%	3.0%	3.0%	7.7%

Wahed Islamic Lifestyle

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash	0.50%	0.50%	0.5%	0.5%
Corporate bonds				
Government bonds				
Other bonds	0.00%	0.00%	13.5%	50.0%
Listed equities	99.00%	99.00%	79.65%	42.25%
Private equity				
Venture capital/growth equity				
Buyout funds				
Property				
Infrastructure				
Private debt				
Other			6.35%	7.25%

TAM Balanced Fund & Shard Balanced

Asset class	TAM Percentage allocation	Shard Percentage Allocation
Cash	5.2%	15.7%
Corporate bonds	21.0%	14.1%
Government bonds	16.3%	
Other bonds	5.8%	8.7%
Listed equities	51.7%	40.1%
Private equity		21.3%
Venture capital/growth equity		
Buyout funds		
Property		
Infrastructure		

Private debt

Other
