

COURTIERS

Annual Chair's Statement of the Courtiers Investment Services Limited Governance Advisory Arrangement (**GAA**)

for the calendar year ended 31st December 2022



1.0 Member summary

Welcome to the annual Chair's Statement of the Courtiers Investment Services Limited Governance Advisory Arrangement (**GAA**) for the calendar year ended 31st December 2022.

This Statement has been prepared in accordance with the Financial Conduct Authority's Conduct of Business Rules (COBS) set out in COBS 19.5.5. Courtiers Investment Services Limited is an FCA authorised Firm.

This Statement is relevant to you if you are a current or former member of the workplace pension scheme operated by Courtiers Investment Services Limited on behalf of your Employer. If you are unsure about your membership of the scheme, please refer to your scheme documentation. Alternatively, your Employer can assist you, or you can contact Courtiers Investment Services Ltd direct on:

Tel: 01491 525652

Email: corporateadmin@courtiers.co.uk

1.1 Your Pension Scheme

Courtiers Investment Services Limited (**Courtiers**) operates a Group Self-Invested Personal Pension scheme ('Group SIPP') on behalf of its clients (Employers) and their employees. The Group SIPP is a 'relevant scheme' for 'relevant policyholders' for the purposes of the regulations. *Relevant policyholders* are referred to as **members** in the following sections.

The scheme name is the **Courtiers Investment Services Limited Group SIPP**.

The Group SIPP is the only workplace pension scheme operated by Courtiers and is offered to its corporate clients in order to provide a pension scheme for their employees. Courtiers does not actively market the Group SIPP but makes it available to its corporate clients should they require a workplace pension scheme.

This Statement takes into account that the Group SIPP is the only workplace pension scheme offered by Courtiers. There are no legacy workplace pension schemes operated by Courtiers or other workplace pension schemes that come within the scope of this review.

The table below provides context regarding the number of Employers using the Group SIPP for their workplace pension provision.

Total Group SIPP Membership numbers:	At 31 December 2022
Total number of Employers in Group SIPP	29
Total number of active members	1349
Total number of deferred members	1066
Total number of members	2415

1.2 Investment Pathways

Courtiers also offers investment pathways to those members who have decided to take their pension benefits at retirement by income drawdown but who do not have a regulated financial adviser. If you are a non-advised '*pathway investor*' you must be provided with investment solutions to match a particular objective in drawdown. There are 4 'Investment Pathways' mandated by the FCA and offered by Courtiers, each with a corresponding fund designed to meet a member's Pathway "objective" (outcome).

There were no members who accessed Investment Pathways during the year-ended 31 December 2022.

1.3 Governance Advisory Arrangement

Courtiers has set up a Governance Advisory Arrangement (**GAA**) to ensure that you, as a Group SIPP member or a pathway investor, benefit from independent review of the investments you invest in.

The GAA is an arrangement between Courtiers and an independent third party under which a committee is established to represent the interests of Group SIPP members and pathway investors.

The GAA has been established by Courtiers taking into account:

- (a) the size, complexity and nature of the Group SIPP that it operates; and
- (b) the size of the take-up, or expected size of the take-up, complexity and nature of the pathway investment.

The decision to establish a GAA instead of establishing an 'Independent Governance Committee' (IGC) takes account of the Group SIPP being neither a large or complex pension scheme, and the actual take-up of the investment pathways is negligible. Specifically, a GAA is appropriate because of the small number of members in the Group SIPP, the range of funds under management and the number of Employers contributing to the scheme. The Group SIPP does not operate on multiple information technology systems, it does not have multiple charging structures, and it is not invested in any with-profits funds.

A GAA is also appropriate based on the actual and expected low take-up of the investment pathways, the single charging structure in place, and the non-complex investment strategy in place that does not include investing in a with-profits fund.

Further details on the GAA are set out in section 2.0 below.

1.4 Terms of Reference and Further Information

Courtiers has established the GAA on terms that secure the independence of the GAA and its Chair. The GAA will act solely in the interests of:

- (a) 'relevant policyholders' (members) of the Courtiers Investment Services Ltd Group SIPP, and
- (b) pathway investors.

Should you require further information or a copy of the GAA's Terms of Reference (as updated from time to time), this is available to you at: www.courtiers.co.uk.

Further information on the GAA and a copy of this Statement is also available to all members at: www.courtiers.co.uk.

1.5 Value for Money requirements

The GAA is required to assess the ongoing **Value for Money** for 'Relevant Policyholders' (members) and 'Pathway Investors' delivered by the 'Relevant Scheme' (the Group SIPP) or *Investment Pathway*, in accordance with the regulations.

This assessment is not just about how much it costs you as a scheme member or pathway investor in terms of charges applied to the funds you invest in. It is about the quality of the services provided by Courtiers Investment Services Ltd, the timeliness and accuracy of dealing with member requests, the range of funds available to you and how this compares to similar alternatives. More details about the value for money assessment are shown later in this report. With effect from 1st February 2021, the GAA's role was extended to assess the value for money of Investment Pathways.

The GAA will assess the ongoing value for money through considering (though not exclusively) the three factors below and appropriate items set out in the regulations:

- (a) the level of charges and costs, in particular:
 - (i) administration charges and any transaction costs borne by members and pathway investors
 - (ii) any other charges borne by members or pathway investors and any other costs incurred as a result of managing and investing, and activities in connection with the managing and investing of, the pension savings of members or of the pathway solutions;
- (b) investment performance; and

(c) the quality of services including whether:

- (i) the communications provided to you by Courtiers are fit for purpose and properly take into account the characteristics, needs and objectives of the Group SIPP membership and pathway investors;
- (ii) the core financial transactions are processed promptly and accurately, such as processing contributions, transfers or death benefits.

As part of the ongoing Value for Money assessment, the GAA needs to consider whether to assess the Group SIPP or Investment Pathways by reference to each individual Employer or on an aggregate basis. As there is only one pension scheme and one Pathway Solution made available by Courtiers for all of its clients with one default investment strategy and a range of self-select funds and the same charging structure, it is appropriate to undertake the value for money assessment at the scheme (Group SIPP) level and at the Investment Pathway level i.e. at the product level.

The GAA is also required to undertake a comparison against similar workplace pension schemes as part of the ongoing value for money assessment on a proportionate basis to the extent that there is publicly, or readily, available information about those comparator schemes. The GAA needs to consider whether the comparison schemes offer better value for money for members based on the above factors (a)-(c) to the extent that there is publicly, or readily, available information about the comparator schemes.

The GAA can raise any concerns it has regarding Value for Money initially with Courtiers. If not satisfied, the GAA can escalate its concerns to the FCA.

1.6 Value for Money method

As noted above, the GAA is required to assess the Value for Money (VFM) provided by the Group SIPP and Investment Pathways by reference to each Employer or on an aggregate basis.

Courtiers make available a Group SIPP to their corporate clients and a pathway solution to meet the Investment Pathways requirements.

Therefore, the VFM assessment has been undertaken on a proportionate basis at the product level.

1.7 Proportionate approach to assessment

In light of the size, complexity and nature of the Group SIPP and the take-up of the Investment Pathways, the GAA has used a proportionate approach to assess the Value for Money provided by these products. The Group SIPP and Investment Pathways is a small part of Courtiers' overall business but active employees of its corporate clients and all scheme members have access to the full range of services available from Courtiers.

Courtiers offer a bespoke service to the Employers and Group SIPP members that includes consultations, surgeries and regulated financial advice where appropriate. Members have access to extensive financial articles, blogs and education on the Courtiers website. Courtiers charge the Employers a fee for their services, **there is no charge to the Group SIPP members for these services.**

The only charges that you as a member incur are the 0.75% charge on the default investment strategy or the higher charges on the self-select funds.

In addition, and dependant on your Employer's service agreement with Courtiers, you can receive comprehensive financial planning advice at no charge to yourself, including a 2-3 hour meeting with a Courtiers' adviser, the administration work involved and a report produced by a paraplanner, dealing with transfers-in and out, and pension/retirement planning. Courtiers has estimated that the overall time spent per member is 3-4 days at no additional cost to you as a member and which needs to be factored into the overall Value for Money assessment considered by the GAA.

Courtiers are developing and implementing in stages a new and customisable white-labelled employee benefits software system, with Auto-Enrolment and HR capabilities. This system provides a number of flexible features for Employers and for Group SIPP members. These include:

- a personalised dashboard showing members their benefits
- statements that can be viewed on-line or downloaded
- members can view all of their benefits in one place with access to personalised documents
- automatic enrolment can be actioned on core and flexible benefits
- a more joined-up communications method for members.

Courtiers provides this system free of charge to its corporate clients and to you as a Group SIPP member; it provides a comprehensive employee benefits (EB) portal with enhanced online capabilities allowing you to access a full range of your benefits. Courtiers has absorbed the cost of the new system and members / employees will not see an increase in costs to access the new EB portal. The Employers participating in the Group SIPP currently pay a per member fee for the EB and regulated advice services that Courtiers provides. The new portal will form part of that overall service and therefore no additional fees for this new service will be levied on the Employers or on you as a Member.

This system can also include other non-pension employee benefits such as death in service cover, links to mental health advice, information on pensions, tax and investments etc. Both the new platform and the bespoke financial planning services available from Courtiers are part of the wider holistic approach taken by Courtiers in relation to retirement planning and this approach has been taken into account when considering the Value for Money provided by the Group SIPP and by the Investment Pathways.

On a holistic basis and in line with the FCA's guidance, the additional services provided by Courtiers to the Employers and the Group SIPP members enhance the Value for Money provided by the Group SIPP and Investment Pathways.

Therefore, as part of the Value for Money assessment, the GAA has taken into account the additional services provided to you by Courtiers.

The GAA has obtained the relevant information from Courtiers necessary to assess the following in relation to the Group SIPP and Investment Pathways:

- a) costs and charges
- b) investment performance
- c) core financial transactions

and has held discussions with senior managers at Courtiers to obtain additional information or seek clarification where required.

This Statement uses the information obtained from Courtiers to form its assessment of the on-going Value for Money provided by the Group SIPP and Investment Pathways. The GAA would like to thank Courtiers for its assistance with preparing this Statement.

Ratings

The GAA has used a proportionate and straightforward approach to the rating of each of the areas that are required to be assessed. This is done on a RAG (Red-Amber-Green) basis, as below.

Assessment	Meaning
RED	The Service or Product does not provide good Value for Money.
AMBER	The Service or Product provides good Value for Money but there are areas that require improvement.
GREEN	The Service or Product provides good Value for Money.

2.0 Governance Advisory Arrangement

The GAA was established on 2nd September 2015 by Courtiers Investment Services Limited (**Courtiers**) in partnership with Punter Southall Governance Services Limited (**PSGS**), a firm of professional trustees and governance experts with experience of workplace pension schemes and trust-based defined contribution pension schemes, including DC master trusts.

Courtiers Investment Services Limited was founded in 1982 and is a privately owned wealth management firm and SIPP provider, advising individuals and corporate clients. Courtiers manages a range of funds for its clients, offering global investment opportunities across a range of asset classes. Courtiers is authorised and regulated by the Financial Conduct Authority (**FCA**).

At the date of this Statement, there is only one '*relevant scheme*' (the Group SIPP) operated by Courtiers and one default investment strategy available to members. Courtiers as the product provider does not design or choose the default investment strategy. The default investment strategy has been determined by each Employer participating in the Group SIPP having taken advice from their authorised financial advisers or investment consultants.

The GAA and Courtiers have an objective to monitor the default investment strategy to ensure it is appropriate and that it provides 'Value for Money'. Courtiers as an advisory firm liaises with its clients regarding the different investment options available and makes a recommendation on whether the default investment strategy is suitable given each Employer's objectives and age/salary profile of their employees. This recommendation is officially confirmed in a suitability report provided to the Employer. The potential conflict of interest where Courtiers gives advice on the Group SIPP as well as being the provider of the Group SIPP is recognised by Courtiers and managed in accordance with Principle 8 of the FCA's Principles for Businesses. Courtiers has confirmed to the GAA that it discloses this potential conflict to the Employers at the outset and has management procedures in place to ensure any potential or actual conflicts of interest are dealt with appropriately and are 'fit for purpose'.

As a Group SIPP member, you may choose to invest in the other investment strategies offered by Courtiers (the 'self-select' or 'non-default' funds) and to make your own decisions to invest in particular funds on an advised or non-advised basis, and the GAA has taken this into account in this Statement.

At the Year-End, the Group SIPP is the only *relevant scheme* that is a 'qualifying scheme' being used by the Employers to meet their Auto-Enrolment (**AE**) duties.

2.1 GAA Committee

The GAA is constituted with 5 individual members forming a committee including a Chair. To ensure the independence of the GAA from the Provider, a simple majority of the individuals on the GAA and the Chair are provided by PSGS and the remaining members are provided by Courtiers.

The GAA has a duty to protect your interests as a pension scheme member or pathway investor.

As a minimum, the GAA has a duty to:

- act solely in the interests of members of the workplace pension scheme operated by Courtiers and in the interests of pathway investors
- operate independently from Courtiers as the product Provider, in accordance with the GAA's Terms of Reference
- assess, and where necessary, challenge Courtiers on whether the Group SIPP and Investment Pathways provide value for money for members/pathway investors.

The GAA must provide annual reports to you on how the Group SIPP and Investment Pathways operated by Courtiers have performed.

The workplace pension scheme provided by Courtiers and the Investment Pathways have only been available for a relatively short period of time and this Statement reflects the contemporary nature of the products under review.

The workplace pension scheme covered by this report is:

The Courtiers Investment Services Limited Group SIPP (the Group SIPP).

This workplace pension scheme was established with effect from 6th October 2015. As at 31st December 2022, the only products operated by Courtiers that fell within the scope of COBS 19.5.5 are the Group SIPP and Investment Pathways.

2.2 GAA concerns

During the year-ended 31 December 2022, the GAA has not raised any concerns with Courtiers as the Provider in relation to the Value for Money for members of the Group SIPP or in connection with the Investment Pathways.

The GAA has not escalated any unresolved concerns to the Financial Conduct Authority (FCA).

The GAA has not needed to notify you or any other Group SIPP members or their respective Employers, or any pathway investors, of any concerns.

2.3 GAA expertise

The GAA has sufficient expertise, experience and independence to act in members' and pathway investors' interests and this is evidenced by:

- The appointment of a professional trustee company, Punter Southall Governance Services Limited (now Vidett, see below), to ensure the independence of the GAA from Courtiers as the Provider of the Group SIPP and Investment Pathways;
- Three individuals from Vidett have been appointed to the GAA, including the Chair;
- Vidett is experienced in relation to trust based defined contribution (DC) pension schemes. This experience is appropriate for the provision of a GAA to Courtiers' workplace pension scheme;
- Vidett has experience of pension scheme governance and workplace committees such as GAAs and an IGC;
- The individuals from Vidett also act for a GAA to the workplace pension scheme of another FCA regulated firm and for an Independent Governance Committee (IGC) for a major investment company;
- As part of a large trustee firm, Vidett has access to technical resources and expertise relevant to the GAA;
- Two senior individuals from Courtiers Investment Services Ltd, an FCA authorised firm, have also been appointed to the GAA; this ensures good communication between the GAA and Courtiers and the free-flow of information;
- Courtiers has a 40+ year history of dealing with corporate trust-based and contract-based pension schemes and directly employs a number of pensions specialists;
- The two individuals from Courtiers have, collectively, more than 20 years' experience of group pensions and are Senior Managers at the firm;
- Both Vidett and Courtiers understand the FCA's requirements in relation to the duties of the GAA;
- The majority of the GAA members are therefore independent of Courtiers as the Provider of the Group SIPP and Investment Pathways.

Note: Change of name

With effect from 3 July 2023, Punter Southall Governance Services Limited changed its name to Vidett Governance Services Limited. This is a change of name only and has no impact on the provision of governance services to the Courtiers Group SIPP.

3.0 Ongoing Value for Money: Group SIPP

Background

The Group SIPP provides a range of self-select funds and lifestyle strategies to cater for differing risk appetites and differing approaches in retirement. Your Employer selects a default investment strategy and range of non-default investment strategies (self-select funds) having taken advice from its advisers and having considered what is suitable for the majority of its employees.

The Default Investment Strategy is the:

Courtiers Balanced Lifestyle Strategy (Targeting Drawdown). This is a lifestyle strategy that targets Drawdown.

Your Employer may also select alternative lifestyle strategies for the Default arrangement. These target either an annuity at retirement, or cash. These strategies are called:

Courtiers Balanced Lifestyle Strategy (Targeting Annuity).

Courtiers Balanced Lifestyle Strategy (Targeting Cash).

Courtiers do not select the Lifestyling strategy or decide on the underlying asset mix of the three funds making up the Default. The design of the Default Investment Strategy is decided by your Employer and its advisers.

All new members joining the Group SIPP and where a scheme member does not make an active investment decision, will be placed in the Default Investment Strategy, but you have the option to change your investments at a later date if you wish to do so.

The 'lifestyle strategy' moves your investments from higher risk to lower risk over time and is set out in your pension scheme documents. Lifestyling is automatic in the Default Investment Strategy.

Charges

This section considers the administration charges and any transaction costs borne by you as a Group SIPP member and any other charges borne by you and any other costs incurred as a result of managing and investing, and the activities in connection with the managing and investing of your pension savings.

Since 3 January 2018, the FCA rules require investment managers to report transaction costs and charges to the manager of workplace pension schemes. For the Group SIPP, the investment managers report transaction costs and charges to Courtiers in a standard format, and Courtiers reports the costs and charges to the GAA.

In 2019, the FCA issued a consultation (CP19/10) on publishing and disclosing transaction costs and charges to workplace pension scheme members. The consultation closed on 28 May 2019 and the FCA issued new rules (PS20/2) in February 2020. PS20/2 sets out the requirement to publish and disclose information about administration charges and transaction costs by scheme governance bodies such as the GAA to all members of workplace pension schemes.

3.1 Level of Charges and Costs: Default Investment Strategy

Courtiers as the Provider of the Group SIPP has agreed that a Default Investment Strategy can be used by your Employer participating in the Group SIPP to meet its 'Auto Enrolment duties' in accordance with the regulations.

In providing the Default Investment Strategy, Courtiers has confirmed that the charges are within the range permitted by legislation. The charge cap set by the regulations for a default fund is 0.75%.

Up to 2019, the Default Investment Strategy was:

The Courtiers Balanced Lifestyle Strategy (Targeting Annuity)

From 2019 and following a review of actual experience of how members took their benefits, the Default Investment Strategy is: **The Courtiers Balanced Lifestyle Strategy (Targeting Drawdown).**

The charges and transaction costs relating to the Default Investment Strategy are set out in the table below:

Type of charge	Description	Amount
Initial charge	One-off charge taken before or after an investment is made	None
Redemption charge	One-off charge taken before or after an investment is made	None
Ongoing charges	Charges taken from the Fund over a year	0.75%
Performance fee	Charges taken from the Fund under certain specific conditions	None
Early exit charge	Charges taken from a Member's fund value on early withdrawal from the Fund	None

Summary:

- All costs and charges for the above Default Investment Strategy are within the 0.75% charge cap.
- Any costs above 0.75% are absorbed by Courtiers and are not passed on to Group SIPP members.
- There are no other additional costs or charges that are passed on to Group SIPP members.
- There are no early exit charges that are applied to the Default Investment Strategy.

At 31st December 2022, for each of the underlying funds within the Default Investment Strategy, the charges are:

- initial charge: 0.00%
- ongoing charge: 0.75%

The GAA is pleased to report that all other charges and transaction costs are borne by Courtiers.

The only exception to this is where Courtiers charges additional fees to the Employers directly for the costs of the administration of the Group SIPP. These are not member-borne charges and are therefore outside the scope of this Statement but are included for completeness. Courtiers operates on a 'per-member / per-year' fee, billed to the Employers on a regular basis.

See **Appendix 1** for further Charges & Costs information available on the Courtiers website.

3.2 Summary of impact of cost and charges: Default Investment Strategy

The table below shows the effects of charges over time on your pension savings invested in the Default Investment Strategy.

The table shows the charges that apply to your savings after one year of scheme membership and at the age of 67 for members joining at each of the ages shown on the left. For example, if you joined the scheme at the age of 40, you would have costs of £7.73 by the end of the first year and cumulative costs of £9,818.24 by the time you reach age 67.

	After one year	After one year	After one year	At age 67	At age 67	At age 67
Age at Start	Fund Value without Fees	Fund Value with Fees	Fees	Fund Value without Fees	Fund Value with Fees	Fees
22	£958.41	£954.53	£3.84	£257,710.99	£216,557.21	£22,977.94
30	£1,631.67	£1,625.04	£6.56	£246,786.80	£213,653.05	£20,265.39
35	£1,820.45	£1,813.05	£7.30	£194,725.46	£171,976.58	£14,799.19
40	£1,927.21	£1,919.37	£7.73	£143,015.18	£128,847.97	£9,818.24
45	£1,910.82	£1,903.05	£7.69	£95,404.50	£87,672.22	£5,716.04
50	£1,836.95	£1,829.46	£7.38	£58,545.42	£54,862.63	£2,906.37
55	£1,754.81	£1,747.66	£7.05	£32,552.63	£31,098.27	£1,224.66
60	£1,533.14	£1,526.92	£6.14	£13,670.73	£13,311.17	£320.80

The assumptions used in this table are:

- The example member invests in one of the standard lifestyle strategies offered by Courtiers (including the default Balanced Lifestyle Strategy (Targeting Drawdown)).
- Projected pension pot values are shown in today's terms and do not need to be reduced further for the effects of inflation
- The starting pension pot size is assumed to be £0.00
- Inflation is assumed to be 2.50% each year
- Contributions will be paid each year from the starting age shown in the column on the left to age 67
- Contributions are paid at the minimum rates required by automatic enrolment legislation, being 5% of qualifying earnings for employees and 3% of qualifying earnings for employers
- The salary is £10,000 per annum (AE Minimum Trigger Point)
- Starting salaries are based on the median earnings for the relevant age group using the most current data available from the Office for National Statistics
- Salaries will increase in line with the rate of national average earnings increases, currently 2.90%
- Total costs each year will be 0.75% of the pot value, with no other charges applicable
- The projected rate of growth for the funds shown is 4.334% each year.

Summary

The GAA has assessed the extent to which the charges and transaction costs set out above represent good value for money in the period covered by this Statement.

The charges and transaction costs applying to the Default Investment Strategy are within the current Charge Cap of 0.75% introduced by the FCA. However, the GAA notes the FCA's view that complying with the Charge Cap does not necessarily indicate good Value for Money. However, the additional services provided to you as a member of the Group SIPP by Courtiers as set out above have been taken into account by the GAA when considering Value for Money, in line with the FCA's 'holistic' approach.

The GAA therefore concludes that the current Default Investment Strategy provides you with good Value for Money.

Overall Rating: **GREEN**

3.3 Level of Costs and Charges: non-default funds

Courtiers provide a range of funds to you as a member of the Group SIPP that you can invest in either in addition to, or as an alternative to, the Default Investment Strategy.

The charges and transaction costs that apply to the non-default investment strategies and funds (that is those investment strategies and funds where you have made an active choice regarding the investment of your savings) range from 0.75 % to 1.67 % of your savings invested in the relevant strategy or fund. The table below shows the range of non-default investment strategies and the charges applying to each fund.

Non-default fund / investment strategy	Annual Management Charge (AMC)	Total Expense Ratio (TER)
Courtiers Cautious Lifestyle Strategy (Targeting Annuity)	0.75%	0.75%
Courtiers Adventurous Lifestyle Strategy (Targeting Annuity)	0.75%	0.75%
Courtiers Cautious Lifestyle Strategy (Targeting Cash)	0.75%	0.75%
Courtiers Balanced Lifestyle Strategy (Targeting Cash)	0.75%	0.75%
Courtiers Adventurous Lifestyle Strategy (Targeting Cash)	0.75%	0.75%
Courtiers Cautious Lifestyle Strategy (Targeting Drawdown)	0.75%	0.75%
Courtiers Balanced Lifestyle Strategy (Targeting Drawdown)	0.75%	0.75%
Courtiers Adventurous Lifestyle Strategy (Targeting Drawdown)	0.75%	0.75%
Goldman Sachs Sterling Liquid Reserves (Cash) Fund	0.15%	0.15%

Underlying funds into which the member can invest directly.	Annual Management Charge (AMC)	Total Expense Ratio (TER)
Courtiers Global (ex-UK) Equity Income Fund	0.75%	0.75%
Courtiers UK Equity Income Fund	0.75%	0.75%
Courtiers Investment Grade Bond Fund	0.75%	0.75%
Courtiers Total Return Cautious Risk Fund	1.5%	1.67%
Courtiers Total Return Balanced Risk Fund	1.5%	1.66%
Courtiers Total Return Growth Fund	1.5%	1.67%

More details of the Lifestyle Strategies made available by Courtiers to the Employers are shown in **Appendix 2**.

Summary

The GAA has considered the costs and charges applying to the non-default investment strategies .

The total costs (TER) for the non-default funds are in line with the Charge Cap of 0.75%. The TER for the non-default investment strategies are in the range 1.5%-1.67%. These are not high costs for small sized investments in actively managed funds.

The GAA does not have any concerns regarding the total costs for the non-default investment strategies offered to Group SIPP members.

The GAA therefore concludes that the non-default investment strategies provide good Value for Money for Group SIPP members.

Overall Rating: **GREEN**

3.4 Administration: Group SIPP

Courtiers administers the Group SIPP in-house using a system provided by a specialist firm that provides business services and technology solutions for the financial services industry. No issues have been identified with the Group SIPP member records that are maintained by the Courtiers' administration team. A new contract is being negotiated with the system provider which will include additional modules to make the administration process more efficient; this will include a new automation module to run SMPI statements and 'Wake Up' letters (issued as members approach retirement) in bulk.

As noted above, Courtiers are proceeding with the implementation of a new system. This new system will manage all Auto-Enrolment functions and is part of a wider flexi-benefit platform that Courtiers will be offering its Group SIPP clients. The GAA understands that contracts were signed during the period between Courtiers and the system provider and staff training has commenced.

Information made available to the GAA by Courtiers has confirmed the following in relation to the Group SIPP administration (as at 31 December 2022):

- total number of Employers in the Group SIPP: 29
- total number of members: 2415
- total number of active members and deferred members: 1382 and 1088
- highest membership total per employer: active members 875, deferred members 960
- lowest membership total per Employer: active members 1, deferred members 0
- total value of Employer contributions received: £4,188,063.30
- total value of Employee net contributions received: £244,186.03
- total value of Group SIPP funds under management: £32,266,975.11
- statutory Money Purchase Illustrations (SMPIs) have been issued within the required deadlines
- regulatory reports have been made to HMRC and The Pensions Regulator within the required deadlines
- 100% of the administrative work and cases were completed within the SLAs at the year end

During the reporting period a number of errors were identified and resolved by Courtiers. The errors can be categorised as follows:

- (a) Minor dealing errors which have been corrected and redress paid to the member(s) concerned (<£100 in any case) where necessary
- (b) Minor administrative and procedural errors which have been corrected and redress paid to the member(s) concerned (<£100 in any case) where necessary

During the reporting period, there have been no complaints received from members of the Group SIPP. No issues have been identified with the Group SIPP records held on Courtier's administration system.

Common and conditional data reviewed by Courtiers and reported on in the MI report for the year end shows that 99%+ of the common data held is correct.

Summary

The GAA has no material concerns regarding the administration and customer service provided by Courtiers during the year. The low number and materiality of errors, the lack of member complaints and the high level of SLAs reported on in the Group SIPP report to 31 December 2022 demonstrate that Courtiers continues to improve the accuracy and timeliness of its administration and overall member experience.

The GAA is satisfied that where an error has occurred, Courtiers has taken remedial action to quickly address it, and has made prompt payment of any shortfall due to members.

Overall Rating: **GREEN**

4.0 Investment Performance: Default Investment Strategy

The GAA has undertaken an assessment of the Default Investment Strategy offered to you as a Group SIPP member and the investment performance of the underlying funds in the period covered by this Statement to ensure its continued appropriateness.

The Default investment Strategy is an investment strategy combining 3 underlying actively managed funds. A description of each strategy and the underlying funds is set out below.

- **Courtiers Balanced Lifestyle Strategy (Targeting Annuity).**

Up to 2019, the Default Investment Strategy made available to members was the Courtiers Balanced Lifestyle Strategy which targeted an annuity on retirement. As explained below, from 2019 the Default Investment Strategy changed to targeting Drawdown at retirement.

The initial Default Investment Strategy was made available to Group SIPP members by Courtiers with effect from 6th October 2015. Although this Strategy was made available at this time, the underlying funds were launched in November 2015, following FCA approval. Where your Employer uses an external adviser (other than Courtiers), the responsibility for establishing a Default arrangement, where required, and for the on-going monitoring of that Default arrangement is between the adviser and the individual Employer sponsoring the pension scheme. It is therefore outside the scope of this Statement.

The Courtiers Balanced Lifestyle Strategy is an investment strategy which incorporates a lifestyle feature designed to reduce investment risk ahead of your planned retirement age by gradually switching the asset allocation from higher to lower risk investments over a period of 12 years prior to your selected retirement age. During this risk-reduction phase, you can still make single or regular contributions.

As noted above, up to 2019 the Default Investment Strategy made available to members was the Courtiers Balanced Lifestyle Strategy. This strategy targeted the purchase of an annuity on retirement which assumed that 25% of a member's retirement fund was taken as a tax-free cash sum at retirement, with the remaining 75% used to purchase an annuity.

The Lifestyle Strategy also offered the option to target Drawdown, or to target Cash as alternative outcomes; these are set out below.

- **Courtiers Balanced Lifestyle Strategy (Targeting Drawdown)**

Following a review in 2019, the Default Investment Strategy was amended to target Drawdown.

This change was in light of experience since the introduction of Pension Freedoms from April 2015 which suggested that fewer members were looking to purchase an annuity at retirement.

The Courtiers Balanced Lifestyle Strategy uses three funds before the lifestyling stage. The underlying funds and the asset allocation, pre-lifestyling are:

- Courtiers UK Equity Income I Shares Accumulation Fund (40%)
- Courtiers Global (ex UK) Equity Income I Shares Accumulation Fund (40%)
- Courtiers Investment Grade Bond I Shares Accumulation Fund (20%)

- **Courtiers Balanced Lifestyle Strategy (Targeting Cash)**

This Lifestyling strategy targets cash at a member's selected retirement age and is appropriate if you are considering taking your entire fund as a single lump sum or series of lump sums.

4.1 Underlying funds

The characteristics of each of the underlying funds making up the Default Investment Strategy and their investment objectives are set out below. See also **Appendix 3** for details of the fund information available online to all Group SIPP members.

4.1.1 Courtiers UK Equity Income I Shares Accumulation Fund

The investment objective of this Fund is to achieve a combination of income and capital growth. This is achieved by investment predominantly in equities of companies incorporated, domiciled or having the predominant part of their business in the UK. The cumulative investment returns over a 5-year trailing period showed a recovery from the major fall in early 2020 caused by the outbreak of Covid-19. The recovery continued throughout 2021 but the Russian invasion of Ukraine in 2022 resulted in a market downturn as inflation rose at a faster pace and central banks around the world hiked up interest rates.

The UK market endured further volatility in late 2022 as a result of the Chancellor's "mini-budget" which triggered another sell off. The fund lagged its benchmark over 1 year due to its equal weighting policy, which results in a bias towards mid- and small-caps, which underperformed larger companies during the period. However, the fund has outperformed its benchmark over 3 and 5 years on an annualised basis.

Initial charge: 0.00% On-going charge: 0.75%

4.1.2 Courtiers Global (ex UK) Equity Income I Shares Accumulation Fund

The investment objective of this Fund is to achieve a combination of income and capital growth. This is achieved by investment predominantly in equities of companies incorporated, domiciled or having the predominant part of their business outside of the UK. The cumulative investment returns over a 5-year trailing period showed a quick recovery from the major fall in markets in early 2020 caused by the outbreak of Covid-19. The recovery continued throughout 2021 but the Russian invasion of Ukraine in 2022 resulted in a market downturn as inflation rose at a faster pace and central banks around the world hiked up interest rates. Volatility in the fund was high during the year due to its equal weighting policy, which results in a bias towards medium- and small-cap firms which underperformed relative to larger companies. As a result, the fund has lagged its benchmark over 1, 3 and 5 years.

Initial charge: 0.00% On-going charge: 0.75%

4.1.3 Courtiers Investment Grade Bond I Shares Accumulation Fund

The investment objective of this Fund is to achieve a combination of income and capital growth. This is achieved by investment predominantly in investment grade government and non-government fixed and variable interest rate securities globally. The cumulative investment returns over a 5-year trailing period show steady returns for the fund versus volatile returns for the benchmark. The fund has invested predominantly in short-dated government bonds with minimal 'duration' (interest rate risk). The fund was therefore less exposed to the significant fall in the bond market seen in 2022 when interest rates surged with inflation. The fund has outperformed its benchmark over 1, 3 and 5 years.

Initial charge: 0.00% On-going charge: 0.75%

4.2 Investment performance

Investment Performance charts for the Year-Ended 31 December 2022 for each of the underlying funds making up the Default Investment Strategy are shown in **Appendix 4** (source: Morningstar) and below.

4.2.1 Cumulative performance of the Courtiers Balanced Lifestyle Strategy Fund (% Growth) at 31/12/2022

Fund	1 Year	3 Years	5 Years
Courtiers Balanced Lifestyle Strategy Fund	-6.07%	11.10%	21.31%

4.2.2 Cumulative performance of the underlying funds within the default investment strategy (% Growth) at 31/12/2022

Fund	1 Year	3 Years	5 Years
Courtiers Global (ex UK) Equity Inc I Acc Fund	-1.58%	31.83%	18.84%
<u>Benchmark:</u> <i>IA Global Equity Income</i>	6.47%	37.97%	39.82%
Courtiers Investment Grade Bd I Acc	-0.73%	0.56%	3.74%
<u>Benchmark:</u> <i>IA Global Mixed Bond*</i>	-1.79%	-9.11%	-0.03%
Courtiers UK Equity Income I Acc	0.12%	59.96%	26.65%
<u>Benchmark:</u> <i>IA UK Equity Income</i>	2.75%	37.26%	11.36%

Notes:

- All figures from Morningstar (www.morningstar.co.uk).
- *The benchmark for the Courtiers Investment Grade Bond fund changed on 19th April 2021 from the IA Global Bonds to the IA Global Mixed Bond.

Summary

At the date of this Statement, the GAA is satisfied that there are no areas of concern in relation to the cumulative investment performance of the Default Investment Strategy or the performance of any of the individual underlying funds.

The underlying funds within the Courtiers Balanced Lifestyle strategy have outperformed their relevant peer groups over the longer term (3 and 5 years). The Russian invasion of Ukraine in 2022 resulted in a market downturn as inflation rose at a faster pace and central banks around the world hiked interest rates. Over the shorter-term period (1 year), the underlying equity fund allocation has lagged its relevant peer group due to increased volatility resulting from the equal weighted investment approach adopted by the funds. The equal weighted allocation results in a bias towards small and mid-cap equities which underperformed in comparison to large-cap equities. The fixed income exposure within the strategy remained primarily invested in short-dated securities leaving the underlying fund less exposed to interest rate rises during 2022 which heavily impacted other funds within the peer group, which adopt a longer duration strategy.

Overall Rating: **GREEN**

5.0 INVESTMENT PERFORMANCE: non-default investment strategies

The non-default (self-select) investment strategies were made available to Group SIPP members by Courtiers with effect from 6th October 2015.

The range of non-default investment strategies available to all members of the Group SIPP are set out below.

Non-Default Investment Strategies available to members at 31/12/2022
Courtiers Cautious Lifestyle Strategy (Targeting Annuity)
Courtiers Adventurous Lifestyle Strategy (Targeting Annuity)
Courtiers Cautious Lifestyle Strategy (Targeting Cash)
Courtiers Balanced Lifestyle Strategy (Targeting Cash)
Courtiers Adventurous Lifestyle Strategy (Targeting Cash)
Courtiers Cautious Lifestyle Strategy (Targeting Drawdown)
Courtiers Balanced Lifestyle Strategy (Targeting Drawdown)
Courtiers Adventurous Lifestyle Strategy (Targeting Drawdown)
Goldman Sachs Sterling Liquid Reserves (Cash) Fund

Underlying funds into which the member can invest directly.
Courtiers Global (ex-UK) Equity Income Fund
Courtiers UK Equity Income Fund
Courtiers Investment Grade Bond Fund
Courtiers Total Return Cautious Risk Fund
Courtiers Total Return Balanced Risk Fund
Courtiers Total Return Growth Fund

This range of non-default investment strategies may change over time.

As the majority of the self-select funds are investment strategies, providing an appropriate and relevant benchmark for members to make an informed decision is extremely difficult. The investment strategies utilise lifestyleing at different points and a snapshot in time will not provide a fair reflection of the investment performance.

There are very few Group SIPP members invested in the non-default investment strategies. It is therefore not proportionate to attempt to set out the investment performance for each non-default investment strategy in this Statement.

However, we set out below details of three of the self-select funds that members currently invest in.

At the Year End, these were:

Fund	Fund size £M	Investment performance	Fund invested by GSIPP members	Charges	Annual Management Charge (AMC)
Total Return Cautious Risk Fund	£331M	Cumulative performance over 1, 3, 5 Years has exceeded benchmark	c. £51K	Initial 0.00% Ongoing 1.68%	1.50%
Total Return Balanced Risk Fund	£406M	Cumulative performance over 1, 3, 5 Years has exceeded benchmark	c. £225k	Initial 0.00% Ongoing 1.66%	1.50%
Total Return Growth Fund	£180M	Cumulative performance over 1, 3, 5 Years has exceeded benchmark	c. £138k	Initial 0.00% Ongoing 1.67%	1.50%

These funds are actively managed, multi-asset investments.

There are no initial charges applied to these funds.

The ongoing charges are an AMC of 1.50% for each fund.

The GAA has considered the charges to be not inappropriate for the type of funds, taking account of they are actively managed funds, the investment objectives, risk and returns.

The GAA is satisfied that Courtiers continually reviews the underlying holdings at all stages to ensure the non-default investment strategies remain appropriate for you as a Group SIPP member. All Group SIPP members can access their investment funds online and review the performance of the funds you are invested in. In addition, Courtiers' advisers are available to you via telephone, email and video calls at any time throughout the year to discuss and explain the investment performance of your chosen funds/strategies.

You may also self-select alternative investment strategies and funds with the agreement of Courtiers, subject to the necessary legal restrictions on pension investments.

Summary

At the date of this Statement, the GAA is satisfied that there are no areas of concern in relation to the investment performance of the non-default investment strategies available to Group SIPP members.

Overall Rating: **GREEN**

6.0 Quality of Services: Group SIPP

6.1 Communications

The GAA is required to assess whether the communications provided to you as a member of the Group SIPP are 'fit for purpose' and properly take into account the characteristics, needs and objectives of the members.

Courtiers has confirmed to the GAA that it has in place a suite of literature for issuing to the Employers, and to new and existing Group SIPP members (via your Employer) as appropriate and copies of the key documents have been provided to the GAA for review. The GAA has assessed these as being appropriate with sufficient detail to enable you to make informed decisions. Courtiers has confirmed that during the year, the range of literature remained the same, but the format has recently been updated. The communications continue to be reviewed by Courtiers and evolve in line with regulatory requirements and members' needs.

As a member, you are provided with detailed information relating to the Group SIPP on joining, including information relating to the Default Investment Strategy and alternative investment strategies, how to opt out, the level of member borne scheme charges, projected retirement forecasts, Courtiers' complaints procedure, how to contact the GAA and where to access copies of its reports. Courtiers provide this information to the Employers who pass it on to the individual Group SIPP members.

Members are also informed of the GAA and the Chair's Statements by Courtiers at pension surgeries, and copies of the latest Chair's Statement are provided at annual reviews.

Statutory Money Purchase Illustrations (SMPIs) are issued by Courtiers to you on the anniversary date of the initial start date for each Employer joining the Group SIPP. Courtiers has confirmed that the SMPIs have been issued to Members within the required statutory timescales. The GAA has asked Courtiers to add a line to the covering letter for the SMPIs to draw your attention to the existence of the Chair's Statement held on the Courtiers' website.

Courtiers monitors traffic to the Chair's Statement held on its website on an ad-hoc basis and has reported that in the period 1 January – 31 December 2022, the link that holds the Chair's statements had views.

Courtiers has confirmed that communications covering other statutory information have been issued to individual members as appropriate and within the necessary timescales e.g. P60s, Annual Standard Lifetime Allowance Statements, and Contribution Letters.

Where appropriate, Courtiers has issued Privacy Notices / Fair Processing Notices to meet the requirements of data protection legislation. Courtiers is a Data Controller for the purposes of the UK GDPR. Courtiers regularly reviews its standard documents issued to you to ensure the data protection wording is updated as required.

The standard communications issued to you and all members of the Group SIPP include the following:

- New joiner pack, including information on the Default Investment Strategy and charges, range of self-select funds and charges
- Transfer-in forms
- Contribution letters and a statement issued to members who made a personal contribution in the tax year
- Contributions re-direct form
- Investment switch form
- Leaver pack, including transfer-out forms
- Third party information request form
- Wake-up packs issued to members within 2 months of their 50th birthday. Members then receive another pack between 4 and 10 weeks before they reach age 55, and then at five-yearly intervals until they have fully crystallised their pension

- Pension Savings Statements
- Benefits on retirement
- Benefits on death, including beneficiary forms and letters
- Pension Sharing Orders
- Retirement illustrations
- Pension and Investment-related articles if marketing preferences selected online
- Investment Pathway guidance and forms

In addition, Courtiers issue the following communications that are required to be issued in accordance with the statutory requirements:

1. Statutory Money Purchase Illustrations (SMPIs)
2. Annual Standard Lifetime Allowance statements (SLAs)
3. P60s
4. Privacy / Fair Processing Notices

Courtiers also provides 'News & Insights' on its website that is freely available to all Group SIPP members covering a wide range of current topics e.g. investments, market commentary, pensions. If they wish to do so, Group SIPP members can sign up for regular email updates.

See **Appendix 5** for an example of the pensions 'News & Insights' available on the Courtiers website.

Summary

The GAA has reviewed the standard communications issued to all members and those required by the regulations. The GAA is satisfied that the communications are fit for purpose and properly take into account the characteristics, needs and objectives of the members. The information provided online is also of a high standard and informative to Group SIPP members.

Overall Rating: **GREEN**

6.2 Core financial transactions

The GAA is required to assess whether the core financial transactions are processed promptly and accurately by Courtiers.

In the GAA's view, the following are the core financial transactions relating to the Group SIPP:

- the timely receipt and allocation of member and employer contributions
- the timely investment of contributions paid in respect of members
- the processing of transfer payments received from other pension arrangements
- the processing of transfer payments paid out to other pension arrangements
- the switching of members' assets between different investment strategies available to members
- the prompt payment of benefits from the scheme to, or in respect of, members.

In the period covered by this report and in the GAA's view in light of discussions with Courtiers, the core financial transactions have been processed promptly and accurately. Core financial transactions in the period have been made within Courtiers' standard, internal SLAs as evidenced by the reports provided to the GAA (see below).

Courtiers has provided the GAA with copies of the Group SIPP administration reports as the necessary evidence to confirm the following on an on-going basis:

- (a) The regular reporting on timescales for processing the core financial transactions and the reporting of errors / complaints statistics, where appropriate.
- (b) Where regular contributions are made, that the investment of the contributions is made by Courtiers once cleared funds are available in the Cash Accounts. The SLA for the investment of the

contributions is one working day from receipt of cleared funds providing valid investment instructions are held by Courtiers and all other required information has been received.

- (c) Courtiers undertakes a sweep of the Cash Accounts at least once per month to ensure there are no uninvested contributions.
- (d) For transfer payments paid out to other pension arrangements, Courtiers has procedures in place to undertake appropriate checks to ensure the receiving scheme is not a liberation arrangement. Courtiers aims to provide a streamlined process for transfers out, but additional checks are undertaken where concerns exist about the receiving scheme e.g. doubts about the receiving scheme's authenticity or there are any regulatory flags highlighted. Courtiers monitors the SLAs in relation to transfer payments but notes that some aspects of the process (relating to receiving information) are often outside of its control. Group SIPP members are referred to MoneyHelper if flags are identified and the transfer cannot proceed until the Unique Reference number is provided to Courtiers.
- (e) Where the Group SIPP is being used as a qualifying scheme for Auto Enrolment purposes, Courtiers undertakes checks of contributions received against the salaries notified to it. Any errors are identified and brought to the attention of the Employer(s) concerned.
- (f) Courtiers undertakes reviews where there are increases or decreases to the level of the expected contributions. Any errors are identified and brought to the attention of the Employer(s) concerned.

Contribution Monitoring

All contributions were received by Courtiers within the expected timescale except for two Employers as below.

Employer 1: payment of the contributions were delayed in February and November 2022 due to a reconciliation issue on the Employer's contribution schedule.

Employer 2: payment of the contributions were delayed in April and May 2022 due to the head of HR at the Employer stepping down suddenly leaving inexperienced administrators to process the payments.

Both issues were resolved relatively quickly and Employer 2 has new processes in place to enable other members of the HR team to run the contribution schedules and calculations.

Courtiers has confirmed to the GAA that all transactions have been processed in accordance with the basis agreed with each Employer for the collection of contributions and no members have suffered any loss because of any delay.

Summary

Having considered the above, the GAA is satisfied that during the period under review and based on the confirmations provided to it by Courtiers, there are no areas of concern in relation to the processing of the core financial transactions.

Overall Rating: **GREEN**

6.3 Investment strategies

As part of the assessment of the Quality of Services provided by Courtiers, the GAA assessed whether the Default Investment Strategy within the Group SIPP:

- is designed and executed in the interests of members; and
- has clear statements of aims and objectives.

In addition and as part of the assessment of the Quality of Services provided by Courtiers, the GAA is required to assess whether the characteristics and net performance of the investment strategies are regularly reviewed by Courtiers to ensure alignment with interests of the Group SIPP members and that Courtiers has taken action to make any necessary changes.

The Default Investment Strategy made available by Courtiers is the Courtiers Balanced Lifestyle Strategy (Targeting Drawdown). As noted above, this Strategy uses three underlying funds (UK Equity 40%, Global Equity 40% and Bonds 20%).

The objective of these underlying funds is to achieve income and capital growth for members invested in the Default Investment Strategy. Where an Employer uses the Default Investment Strategy, their advisers determine the asset mix within the underlying funds, based on the assessment of the demographics of the workforce. Although Courtiers assesses the appropriateness of the Default Investment Strategy, it is not possible for the GAA to state with certainty that the Default Investment Strategy is designed and executed in the interests of members, since Courtiers do not design the asset mix within the underlying funds. The GAA can confirm that each underlying fund making up the Default Investment Strategy has a clear statement of aims and objectives as set out in section 4.1 above.

Summary

The GAA is satisfied that during the period under review and on a proportionate basis taking into account that Courtiers makes available a Default Investment Strategy to its clients but does not design the underlying asset mix, the Default Investment Strategy is designed and executed in the best interests of members and each underlying fund within the Default Investment Strategy has a clear statement of aims and objectives.

The GAA does not have any areas of concern in relation to the Default Investment Strategy.

Overall Rating: **GREEN**

7.0 Ongoing Value for Money: Investment Pathways

The GAA is required to assess the ongoing value for money for *pathway investors* delivered by Investment Pathways, particularly, although not exclusively, through assessing the factors below and appropriate items set out in the regulations:

- (a) the level of charges and costs, in particular:
 - (i) administration charges and any transaction costs borne by pathway investors
 - (ii) any other charges borne by members and any other costs incurred as a result of managing and investing, and activities in connection with the managing and investing of, the drawdown fund of pathway investors;
- (b) investment performance; and
- (c) the quality of services including whether:
 - (i) the communications are fit for purpose and properly take into account the characteristics, needs and objectives of the pathway investors;
 - (ii) core financial transactions are processed promptly and accurately, such as processing contributions, transfers or death benefits.

The GAA is also required to consider whether to assess the pathway investment on an individual or aggregated basis. Courtiers decided to keep the Investment Pathways offering to non-advised members as straight-forward as possible. This approach is designed to aid members' understanding and make members more likely to engage with the pathway solutions where they are non-advised and to make active decisions.

Therefore, Courtiers offers one investment strategy (pathway solution) for each investment pathway. In the GAA's view, it is therefore appropriate to assess the pathway investments on a single product basis as there is one product and one pathway solution per investment pathway.

Background

With effect from 1 February 2021, Courtiers confirmed they would be offering Investment Pathways to non-advised members of the Group SIPP entering drawdown, despite the fact that there are currently less than 500 non-advised members entering drawdown and is therefore exempt from doing so.

Courtiers consider that it is appropriate to put Investment Pathways in place for its clients as most members stay invested after their chosen retirement date. The GAA agreed to extend its remit to include the assessment of the pathway solutions and related member communications and this is reported on below.

Courtiers has confirmed that during the year-ended 31 December 2022 there were no Group SIPP members using Investment Pathways (2021: nil).

In the event that any members decide to access Pathway 4 (a member expecting to withdraw all their funds within 5 years) and were invested solely in Cash for over 12 months, this would be thoroughly checked by Courtiers to ensure it is the correct decision for the member. Courtiers offers all members retirement advice and it is up to each member whether they accept this or not.

In the period under review, there have been no changes to the pathways solutions since launch, or to the underlying investments to meet the Investment Pathways or to the charges applying to the pathway solutions.

Courtiers provided the GAA with its Investment Pathways strategy document in Q4 2020, setting out the pathway solutions for each Investment Pathway, including the funds, risk ratings, and charges, and the draft member communications. These were agreed by the GAA prior to the FCA's revised launch date of 1 February 2021.

Pension members with larger fund values of c£200k generally require (and seek) independent financial advice which is provided by Courtiers' private client team. This leaves a small number of Group SIPP members who will potentially use Investment Pathways.

During the year under review, there were no members using Investment Pathways; therefore, it is not possible to assess whether the pathway solutions provide value for money to pathway investors. The majority of members moving from an Auto Enrolment compliant solution into non-advised drawdown are likely to be members of the Default Investment Strategy.

The GAA does not have any concerns regarding the pathway solutions in place to meet the requirements of the Investment Pathways. No members are currently using Investment Pathways. The same

investment strategies are available in decumulation as for accumulation with the same investment performance and charges applying.

Appendix 6 sets out further details of the Investment Pathways and underlying funds.

Summary

The GAA is satisfied that the pathway solutions put in place by Courtiers to meet the Investment Pathways requirements, despite having significantly less than 500 non-advised members entering drawdown, are appropriate and the GAA does not have any concerns in relation to them.

The GAA notes there are no members currently using Investment Pathways and therefore cannot assess the value for money provided to pathway investors.

Overall Rating: **GREEN**

7.1 Level of administration charges and transaction costs

The Annual Management Charge (AMC) for the default investment strategy offered by Courtiers to meet the requirements of Automatic Enrolment is capped at 0.75%.

The majority of Group SIPP members moving into non-advised drawdown will have formerly been members of the Default Investment Strategy and therefore the strategy adopted by Courtiers for the Investment Pathways in relation to the charging structure is that it is appropriate to maintain the existing charge structure of the Default Investment Strategy. This charging structure is on the basis that members will have an expectation that as they move into non-advised drawdown their costs will not automatically increase.

As a result, the AMC for each pathway solution has been set by Courtiers at 0.75% as this is an appropriate and consistent charging structure for all members moving from the Default Investment Strategy to an Investment Pathway. All costs above 0.75% are absorbed by Courtiers and are not passed on to members.

The table below shows the impact annually of the total charges of 0.75% on members' fund values from £10,000 to £200,000.

Fund value	Charges (%)	Charges (£)	Net fund value
£10,000	0.75%	£75	£9,925
£50,000	0.75%	£375	£49,625
£100,000	0.75%	£750	£99,250
£200,000	0.75%	£1,500	£198,500

Notes: Charges are incurred for each year funds remain invested. The amount of charge is not fixed and will vary according to the value of the fund.

Courtiers has advised that, from experience, those members with fund values in excess of £200,000 are generally individuals who take regulated financial advice and therefore fall outside the scope of Investment Pathways.

Pathway design

The table below sets out each Investment Pathway with its corresponding strategy, and each of the designated risk ratings determined by Courtiers and the total cost (AMC). A proportionate risk rating of 1-5 is used by Courtiers and assigned to each Investment Pathway. These ratings are not inappropriate and correspond to the following risk definitions:

- 1 = Low Risk
- 2 = Below Average Risk
- 3 = Average Risk
- 4 = Above Average Risk
- 5 = High Risk

The GAA has assessed the risk rating for each Investment Pathway prior to launch by Courtiers.

Following discussion with Courtiers, the risk ratings for Pathways 1 and 3 were revised as the high equity content of 80% and 75% respectively were not adequately reflected in the low-risk ratings.

Investment Pathway	Strategy	Risk Rating	AMC
1. I have no plans to touch my pension within the next 5 years	Target long term capital growth	4	0.75%
2. I plan to set up a guaranteed income (annuity) within the next five years	Target secure income	2	0.75%
3. I plan to start taking long-term income within the next five years	Target drawdown	3	0.75%
4. I plan to take my money within the next five years	Target cash lump sum	1	0.75%

There are no other additional costs or charges that are passed on to pathway investors. All costs and charges above 0.75% are absorbed by Courtiers.

Summary

The GAA does not have any concerns regarding the current level of charges applying to the Investment Pathways. There are currently no members in non-advised drawdown using the pathway solutions. The GAA will work with Courtiers to ensure the AMC remains at an appropriate level for pathway investors.

Overall Rating: **GREEN**

7.2 Investment performance

Each of the pathway solutions offered by Courtiers uses an existing fund from the Default Investment Strategy or self-select fund range.

Although Investment Pathways have only been available since 1 February 2021, historic performance of the underlying funds for the pathways is available and can hopefully give an indication of the longer-term prospects. Pathway investors should note that Past Performance is not a guide to future returns.

The below provides the annualised performance for the investment pathways (as at 31.12.2022).

Pathway	1 Year	3 Years	5 Years
1	-6.24	2.97	3.47
2	1.49	0.78	0.96
3	-5.29	2.68	3.14
4	1.30	0.49	0.54

Summary

The GAA does not have any concerns regarding investment performance of the Investment Pathways.

Overall Rating: **GREEN**

7.3 Quality of Services

The GAA is satisfied that the Investment Pathways strategy and member communications setting out the pathway solutions include sufficient risk warnings, particularly in relation to Option 4: taking all the money as Cash within the next 5 years. The communications are clear that members must make an active decision to invest in Cash.

Courtiers keeps substantial records in relation to the Group SIPP and any members going into drawdown. Although there are no members accessing Investment Pathways, Courtiers can track the number of its individual clients (including Group SIPP members) moving into drawdown, when benefits are taken, investment position and SLAs.

Courtiers already has the systems and procedures in place to monitor the investment decisions of members who choose to go into drawdown and can incorporate the new FCA requirements on keeping records on investment pathways. This will include:

- The number of non-advised members who choose to use investment pathways
- The number of members who self-select their investment strategy without using investment pathways
- The number of members who remain in their current investments
- The number of members offered each pathway solution
- What action Courtiers took when the member didn't select the pathway solution offered
- The number of members given warnings regarding cash investments
- The number of members still in cash after 12 months
- The number of members given multiple warnings regarding long-term cash investments.

Summary

The GAA does not have any concerns regarding the Quality of Services provide by Courtiers in relation to Investment Pathways.

Overall Rating: **GREEN**

7.4 Member engagement

The GAA is required to consider members' interests. To support this, Courtiers has put the following arrangements in place:

- all key communications issued by Courtiers to Group SIPP members and their Employers includes reference to the GAA;
- Courtiers seeks the support of the Employers to encourage feedback from members of the Group SIPP;
- information on the GAA is available to all members through Courtiers' website, is provided by Courtiers at pension surgeries and included as part of the annual reviews of the Group SIPP conducted with the Employers;
- the covering letter to the SMPI statements includes reference to the Chair's Statement being available to members via the Courtiers' website and includes the link to it.

Summary

In the GAA's view, Courtiers provides Group SIPP members via their Employers with suitable and appropriate member communications. Courtiers is aware that member engagement is lower than it would like and is continually working to improve this. However, the direct relationship between Courtiers and Group SIPP members is via the Employers and not direct with members, so engagement levels with members and member representation is expected to remain low.

Overall Rating: **GREEN**

8.0 Governance - cyber security

As part of the processing of the core financial transactions, the GAA has considered the robustness of Courtiers' information technology and systems. Whilst cyber security falls outside of the GAA's remit, a successful breach of Courtiers' IT systems has the potential to impact the core financial transactions undertaken. For this reason, the GAA considers it appropriate to provide some brief information relating to the measures taken by Courtiers to ensure its IT systems and data are protected.

Courtiers has confirmed the following information in relation to its cyber security.

In 2015, Courtiers appointed an information security specialist consultancy as its ongoing information security advisor. The information security firm holds relevant certifications including CREST Certified Tester, ISO/IEC 27001 Lead Auditor and PCI DSS QSA.

Courtiers outsources its first, second- and third-line IT support to a UK based information, communications, and technology service provider which has been providing services to small and medium enterprises since 1997, predominantly in the financial and legal sectors. This IT service provider was appointed after a formal tendering process run by Courtiers.

During the period, Agility IS ran extensive external and internal penetration testing to identify areas of weaknesses and create programmes of work for BCS. Agility IS forms part of the monthly reporting and control of BCS activities. It is intended that both external and internal penetration tests are repeated annually to test conformance and identify any new areas of weakness.

The IT provider operates services for Courtiers from a 4D data centres in Byfleet and Gatwick.

The GAA has seen the 4D ISO 27001 certification and is satisfied with the measures currently in place to protect Courtiers' IT systems and ultimately the processing of the core financial transactions.

Summary

The GAA does not have any material concerns regarding the protections put in place by Courtiers in relation to its information technology and systems. The GAA is not aware of any cyber security breaches.

Overall Rating: **GREEN**

9.0 Governance - data protection

The EU General Data Protection Regulation (EU GDPR) applied with effect from 25th May 2018 and introduced new contractual obligations on data controllers and data processors, giving individuals increased control over their personal data and enhanced reporting obligations in the event of a data breach. The UK GDPR was brought into UK legislation by the Data Protection Act 2018 and replaced the EU GDPR following Brexit.

The GAA is an internal committee of Courtiers and is not provided with personal member data. It is not a data controller or data processor. However, appropriate terms are in place between Courtiers and PSGS in relation to the processing of personal member data in case any member contacts the GAA or PSGS direct. The GAA is satisfied with the policies put in place by Courtiers to meet the requirements of the UK General Data Protection Regulation (UK GDPR).

Summary

The GAA is satisfied that Courtiers is compliant with the requirements of the GDPR and how it processes member data in relation to the products in scope.

Overall Rating: **GREEN**

10. Management

The GAA has no concerns regarding the management of Courtiers and the experience of the Courtiers individuals on the GAA. Management is responsive to requests from the GAA and acts responsibly and collaboratively to assist the GAA in the discharge of its duties.

Overall Rating: **GREEN**

11. Environmental, Social and Governance (ESG)

Where Courtiers offers an investment strategy or makes investment decisions which could have a material impact on a Group SIPP member's or a pathway investor's investment returns, the GAA has a duty to consider and report on:

- (a) the adequacy and quality of Courtiers' policy (if any) in relation to ESG financial considerations
- (b) the adequacy and quality of Courtiers' policy (if any) in relation to non-financial matters, and
- (c) how the considerations or matters in a) and b) are taken into account in Courtiers' investment strategy or investment decision making, and
- (d) the adequacy and quality of Courtiers' policy (if any) in relation to stewardship.

Where Courtiers does not have a policy, the GAA will report on the reasons for not having a policy.

The GAA has been provided with a document 'ESG Factors in Courtiers Funds' relevant to the Group SIPP and Investment Pathways. This sets out Courtiers' approach to ESG and monitoring of it.

The relevant ESG details are:

- ESG factors are considered at the initiation of an investment position and during all subsequent regular reviews.
- The ESG Risk scores of the underlying holdings are monitored on a monthly basis.
- The ESG Risk scores for individual holdings are amalgamated into globe ratings per fund. Whilst the funds are not mandated to maintain a particular globe rating any deviations will be reviewed.

Stewardship:

Engagement with companies is undertaken by Courtiers where appropriate. This is done by Investor Relations at Courtiers, via direct contact with senior management.

- Proxy votes are exercised by Courtiers for all equities and is the primary method of engagement due to the equal weighting applied to construction of the underlying funds. External research is used for all proxy votes.
- For the Investment Grade Bond Fund, ESG factors are considered where appropriate at the initiation of an investment position with issuers assessed at the time of investment.
- Courtiers offer ethical strategies but not in the Default Investment Strategy as the charges exceed the Charge Cap. Courtiers include questions about ethical views on the Fact Find it undertakes with its clients as ESG is becoming more topical with Group SIPP members and with Courtiers' private clients.

For ESG data, Courtiers utilises Sustainalytics, a leading independent ESG data provider. They provide a range of analysis inclusive of corporate governance, company controversies and ESG Risk Ratings.

Courtiers has advised there has been no interest from Group SIPP members or any enquiries regarding specific ESG focused funds or ethical funds.

Summary

The GAA does not have any concerns with Courtiers' policies on the financial and non-financial ESG factors or stewardship for the products within the GAA's remit at this time. This will continue to be reviewed and reported on in future Chair's statements.

Overall Rating: **GREEN**

12.0 Scheme Comparators

The GAA is required to use its reasonable endeavours to obtain and compare comparators for the Group SIPP and Investment Pathways and assess whether those comparators could provide better value for money to members and pathway investors. This assessment should be undertaken in a manner that is proportionate to the likely member benefits that will result from the comparison. The assessment is also on the basis that there is publicly, or readily available information about the comparators.

As noted in this Statement, the products within scope of the GAA's remit are the Group SIPP and Investment Pathways provided by Courtiers to the employees of their corporate clients. There are currently no members in non-advised drawdown using the Investment Pathways, so the GAA's view is that a comparator for this product is not required.

For the Group SIPP, the GAA notes that this is a single product that is not commercially marketed by Courtiers but is made available to its corporate clients if a workplace pension scheme is required to meet its AE duties, or to provide pension provision. The Group SIPP makes available a Default Investment Strategy but it is the Employers and their advisers who determine the underlying asset allocation. The costs and charges relating to the Default Investment Strategy are capped at 0.75% with Courtiers absorbing any costs above this. Courtiers also provide at no cost to the Group SIPP members additional services including regulated advice and enhanced online systems that aid members' understanding of the Group SIPP and the investments available. The online functionality also includes pension and investment articles (if members select this option) and investment-related videos/webinars. This enhanced system capability is made available to members at no-cost. Should members want to do so, they can also contact Courtiers direct and request information on the underlying asset performance, including equity exposure on a real time basis. This may not appeal to all members, but it allows members to check their investment holdings should they wish to do so.

The GAA's view is that there is no publicly or readily available information to enable a proportionate comparison to be made of the Group SIPP against other similar products, taking into account the Default Investment Strategy is designed by the Employers with their advisers, the additional services provided by Courtiers to Group SIPP members at no additional cost, and the quality of services provided by Courtiers.

13.0 Overall assessment of Value for Money

The GAA has assessed the three factors below as part of determining whether the Group SIPP and Investment Pathways provide value for money:

- (a) Level of charges and costs
- (b) Investment performance
- (c) Quality of services

It is the GAA's view that the Group SIPP (and to the extent necessary to report on the value for money provided by the Investment Pathways as there are no members currently accessing any pathway solution) provide good value for money.

This assessment is based on the specific points below and at a product level:

- (i) The administration charges and transaction costs are capped at 0.75% for Group SIPP members and pathway investors;
- (ii) There are no other charges borne by members above the 0.75% cap. All other charges are borne by the Employers or absorbed by Courtiers;
- (iii) The investment performance of the underlying equity funds in the Default Investment Strategy has been volatile over 1 Year to 31 December 2022 both in terms of real returns and performance against the benchmarks. The reasons for this are outlined in section 4.1 above. The performance of the underlying Bond fund outperformed its benchmark over 1, 3 and 5 year periods.
- (iv) The cumulative investment performance of the Default Investment Strategy provided strong investment returns over 1, 3 and 5 Year periods. Courtiers have won awards for their funds, not just the funds underlying the Default Investment Strategy but the multi-asset 'self-select' funds available to all members;
- (v) The communications are fit for purpose and properly take into account the characteristics, needs and objectives of the members as far as these are known by Courtiers;

(vi) The core financial transactions have been processed promptly and accurately.

The GAA is satisfied that Courtiers has implemented its policies in relation to ESG financial and non-financial factors and in relation to Stewardship. The GAA has no concerns regarding these matters.

It is the GAA's view that it has properly considered on a proportionate basis in light of the products within scope and taking into account the size, complexity and nature of them, the factors necessary to determine its assessment of value for money.

In addition,

- a) The GAA has considered members' interests (see 7.4 above)
- b) There have been no concerns raised by the GAA with Courtiers, the FCA, Employers or Group SIPP members (see 2.2 above)
- c) The GAA's expertise is set out in 2.3 above
- d) Administration charges and transaction costs comply with the Charge Cap requirements.

The GAA's overall assessment is that the Group SIPP (and to the extent necessary, the Investment Pathways) provide Group SIPP members and pathway investors with good value for money. This assessment also takes into account the additional services provided to members by Courtiers, including:

- All Group SIPP members have at some stage been members of their employer workplace pension scheme. Your employer / former employer would still have a contract with Courtiers to provide a certain level of service to you.
- Within all services offered, past and present employees of these companies can contact a Courtiers regulated adviser at any point to answer questions, provide useful information and help guide members in the right way.
- In cases where the Employer has also signed up to the member advisory services, regulated advice can and is provided at no cost to Group SIPP members.

Courtiers therefore have a different type of relationship with the Group SIPP members and have a number of support options available to them as either a product provider via the dedicated administration team who can provide factual information, or where appropriate members can seek regulated financial advice from qualified & chartered financial advisers.

Courtiers also provide an interactive and easy to navigate online portal, where members can track the performance of their pension, consider alternative funds with a "deep dive" into the underlying holdings within each of the funds, far in excess of what most fund managers provide.

In addition, where members have signed up to receiving marketing information from Courtiers, they can choose to receive a wealth of useful financial planning, pension and investment related commentary and articles.

The Courtiers website has also been significantly developed to provide transparency and a wealth of information to help Group SIPP members. Please see website news and views as a good example of what is available to all GSIPP members, using the links below.

<https://www.courtiers.co.uk/>

<https://www.courtiers.co.uk/news-and-insights/>

For those Group SIPP members who are active employees, Courtiers has an agreement to spend time at each Employer's offices/ premises to run Pension Review days / "surgeries", where members can call in to ask any questions either face to face, by video or phone call. There is no cost for this to you as an active member as Courtiers have agreed service levels with the individual Employers.

Overall Rating: **GREEN**

Signed by Vidett Governance Services Ltd, as Chair of the Courtiers Investment Services Ltd Governance Advisory Arrangement (GAA).

Chair SIMON RIVIERE

Date 31 August 2023

APPENDIX 1

Charges & Costs information available to members on the Courtiers website.

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Charges & Costs

Fund charges and costs explained

Initial charge

Ongoing Charges Figure (OCF)

Annual Management Charge (AMC)

Portfolio Transaction Costs

Performance Fee


Exit Charge

Pricing Policy

For more information on each fund's charges please refer to the relevant Key Investor Information Document (KIID) this can be found in the fund information section of our website.

For details of costs and charges, distribution strategy and target market applicable to Courtiers funds, please refer to [the European MiFID Template \(EMT\) version 4.0, 2023](#), published in the regulatory disclosure section of our website.


We recommend investors seek advice from a qualified financial adviser before investing in any of CAMLs range of funds.



Regulatory Disclosures

Information and links to download detailed documentation.


[Read more](#)



Fund Information

Key information and fund detail. Includes prices, performance and documentation.


[Read more](#)



Investing in Courtiers Funds

Explore the various routes to investing in Courtiers Funds, for new and existing investors.

[Read more](#)



Documentation

Access product and fund information alongside the latest financial reports.

[Read more](#)

www.courtiers.co.uk/courtiers-funds/charges-costs/

32

Fund charges and costs explained

Initial charge

This is sometimes referred to as the entry charge. It is the maximum that might be taken out of your money before it is invested.

Courtiers Asset Management Limited (CAML) does not currently apply an initial charge for all new investments.

Ongoing Charges Figure (OCF)

These are the annual operating expenses of running the fund and are deducted from the assets of the fund. Each fund will apply an ongoing charge, which is used to pay the costs of running the fund. The types of expenses contained within the ongoing charges can include:

- registration fees, regulatory fees
- custody and other fund administration costs
- costs of independent oversight functions such as auditors and legal fee
- fees paid to the Authorised Corporate Director ("ACD") known as the annual management charge or AMC (see below)

The ongoing charges for each fund and share class vary, and can be found in the relevant Key Investor Information Document.

Annual Management Charge (AMC)

This is the fee paid to CAML as the ACD of the fund for managing the funds and is included in the ongoing charges figure. It covers investment management services such as research analysis and portfolio management. The AMC is calculated and accrued daily, based on the value of the fund's net assets reflected in the daily value of the fund.

Portfolio Transaction Costs

Funds incur broker commission and transfer taxes (UK Stamp Duty Reserve Tax or SDRT in the UK) as a necessary part of buying and selling the fund's underlying investments. SDRT is not charged on open ended investment companies (OEICs) transactions after 31 March 2014.

In case of shares, broker commissions and transfer taxes are paid by the fund on each transaction. In addition there is a dealing spread; this is the difference between the buying and selling prices of the underlying investments. Dealing spreads vary depending on the investment, transaction value and market sentiment.

Unlike shares, other types of investments such as bonds, derivatives, collective investment schemes, have no separately identifiable transaction costs; these costs form part of the dealing spread.

Performance Fee

This is taken from a fund under specific conditions e.g. if the fund manager outperforms or beats a performance target.

No performance fee is charged on any of our funds.

Exit Charge

This is sometimes referred to as the redemption charge. It is taken when you redeem your shares in a fund.

Courtiers Asset Management Limited (CAML) do not currently apply an exit charge for any of the Courtiers funds.

Pricing Policy

We operate a single pricing methodology. This means that the price of a share for buying and selling is determined by reference to a particular valuation point each day.

CAML deals on a forward pricing basis, calculated at the next valuation point (22:00 daily) after receipt of a request for a purchase or sale.

We reserve the right to charge a "dilution levy" to protect investors from the costs of buying or selling investments as a result of other large investors joining or leaving the fund.

Based on the current level of transactions in the firm, the estimated rate of any dilution levy is expected to be 0.5%. On this basis the CAML as the ACD does not expect to require a dilution levy in normal circumstances.

APPENDIX 2

Courtiers Balanced Lifestyle Strategies.

Investment objective:

These strategies are aimed at investors with an average risk profile and to deliver returns that are greater than cost of living increases. Courtiers also has lifestyle strategies that are suited to those with above or below average risk profiles. Each Employer selects a default option but members can change their strategy if required.

Core funds:

During the accumulation stage, the Courtiers Balanced Lifestyle Strategy invests in three funds:

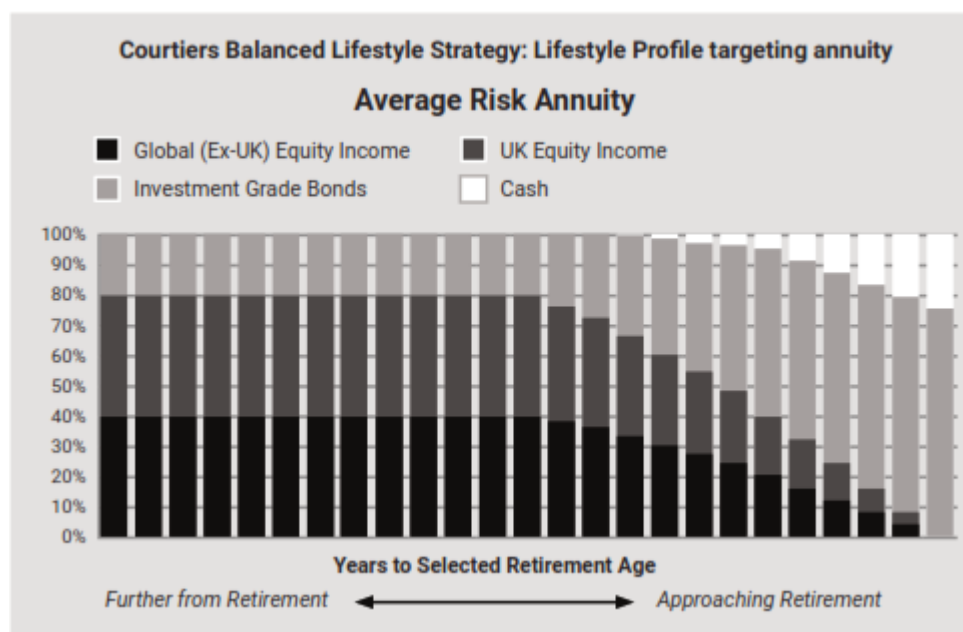
- Global (ex-UK) Equity Income Fund (40%)
- UK Equity Income Fund (40%)
- Investment Grade Bond Fund (20%)

The three lifestyle strategies are set out below:

1. **Courtiers Balanced Lifestyle Strategy (targeting annuity)**

In this strategy switching occurs annually by adjusting the balance between the three funds listed above, together with cash, to target the selected retirement outcome. The table below shows the lifestyle profile assuming a member expects to take the 25% tax-free cash lump sum at retirement and purchase an annuity with the remainder.

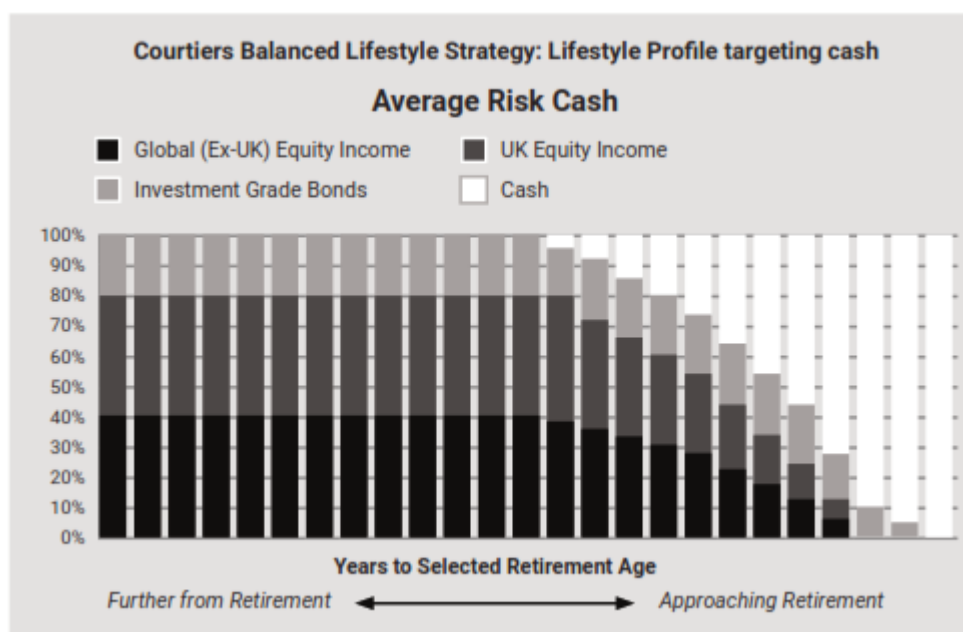
The lifestyle profile for this strategy is:



2. **Courtiers Balanced Lifestyle Strategy (targeting cash)**

In this strategy, the fund is gradually moved to 100% cash at a member's selected retirement age. This strategy might suit a member looking to take their entire pension fund as a single lump sum, or a series of lump sums over a relatively short period. This fund uses a combination of cash held with a bank and a money-market investment fund.

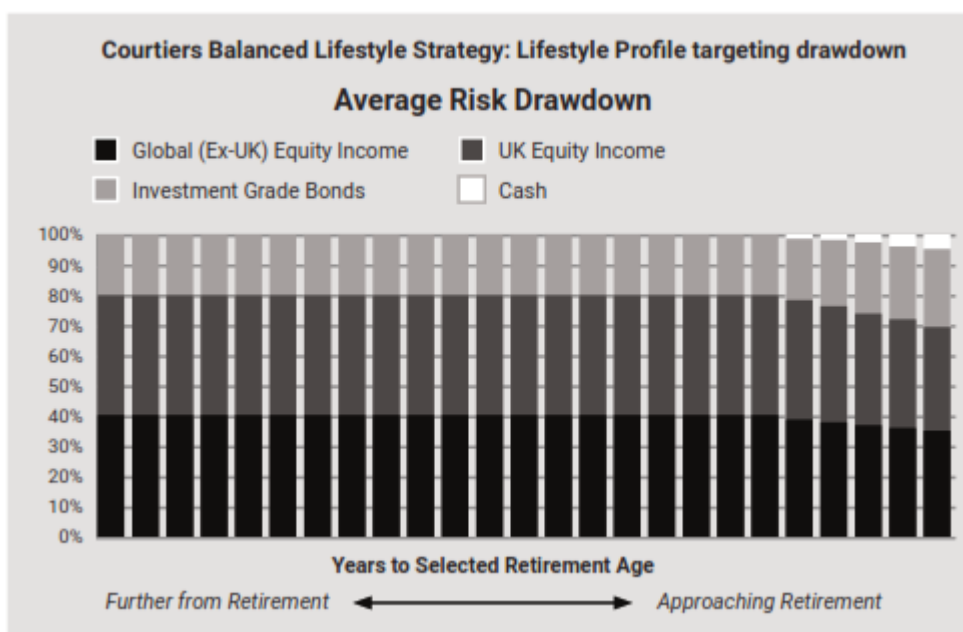
The lifestyle profile for this strategy is:



3. Courtiers Balanced Lifestyle Strategy (targeting drawdown)

In this strategy, a member's investments are fully invested until five years before the member's selected retirement age and then only make small reductions to the level of investment risk. This might suit a member looking to use phased drawdown to provide their retirement income. It might also be appropriate for members who don't need to draw anything from their pensions immediately and therefore wish to leave the money invested so that it has a better opportunity to grow.

The lifestyle profile for this strategy is:



Note: the lifestyle feature is not compulsory for members. Members can choose to come out of a lifestyle strategy at any time and can switch to another strategy or back into the default investment strategy, at any time, to suit their personal circumstances.

APPENDIX 3

Online investment information available at www.courtiers.co.uk/fund-information/ (performance figures shown at a current date).

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Multi-Asset Funds

Equity Funds

Ethical Fund

Bond Fund

Fund Information / Multi-Asset Funds

Courtiers Total Return Cautious Risk Fund

Data as of:	29/08/2023
Fund Size:	£ 297,194,445.29
Fund Price:	£1.833

Read more

Courtiers Total Return Balanced Risk Fund

Data as of:	29/08/2023
Fund Size:	£ 399,035,580.99
Fund Price:	£2.199

Read more

Courtiers Total Return Growth Fund

Data as of:	29/08/2023
Fund Size:	£183,328,223.29
Fund Price:	£2.457

Read more

Fund Information / Equity Funds

Courtiers UK Equity Income Fund

Data as of: 29/08/2023

Fund Size: £ 50,001,160.82

Fund Prices:

I Accumulation £1.616

R Accumulation £1.519

I Distribution £1.056

[Read more](#)

Courtiers Global (ex-UK) Equity Income Fund

Data as of: 29/08/2023

Fund Size: £ 36,948,935.06

Fund Prices:

I Accumulation £1.758

R Accumulation £1.654

[Read more](#)

Fund Information / Bond Fund

Courtiers Multi-Asset Funds

Courtiers Total Return Cautious
Risk FundCourtiers Total Return Balanced
Risk Fund

Courtiers Total Return Growth Fund

Courtiers Equity Funds

Courtiers UK Equity Income Fund

Courtiers Global (ex-UK) Equity
Income Fund

Courtiers Ethical Funds

Courtiers Ethical Value Equity Fund

Courtiers Bond Funds

Courtiers Investment Grade Bond
Fund[Back to funds](#)[Make an enquiry](#)

Courtiers Investment Grade Bond Fund

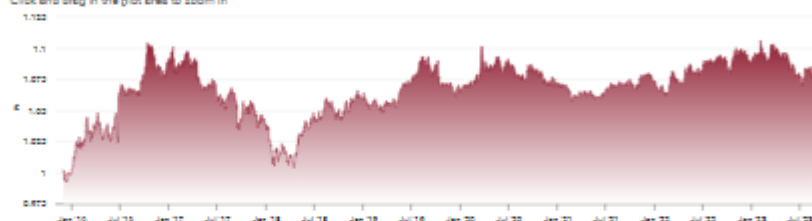
The following data is updated on weekdays between 14:00 – 17:00. Sources for all data are Courtiers Asset Management Limited and Morningstar Direct. Charts show daily fund prices since launch (27/11/2015). Based on total return, income reinvested, returns are net of charges, single pricing basis in UK pound sterling. Past performance is not a reliable indicator of future returns.

Fund Size: £ 23,147,888.25

Data as of: 29/08/2023

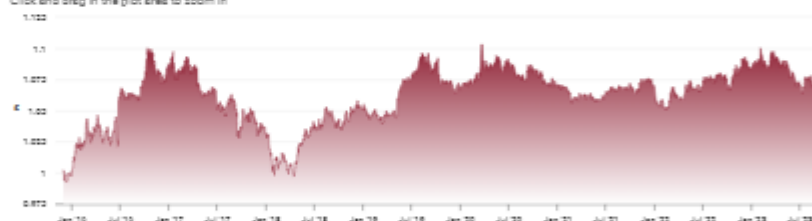
Courtiers Investment Grade Bond Fund - I Accumulation Price: £1.086

Click and drag in the plot area to zoom in



Courtiers Investment Grade Bond Fund - R Accumulation Price: £1.078

Click and drag in the plot area to zoom in



Fund Objective and Investment Policy

Investor Profile

Key Investor Information

Performance Comparator

Important Information

Fund Managers

Documents

- Latest Fund Factsheet - I Shares 21/07/2023

- Latest Fund Factsheet - R Shares 21/07/2023

- Key Investor Information Document - I Shares

- Key Investor Information Document - R Shares

- Investment Process

- ESG Factors in Courtiers Funds

Fund Information / Ethical Fund

Courtiers Multi-Asset Funds

Courtiers Total Return Cautious Risk Fund

Courtiers Total Return Balanced Risk Fund

Courtiers Total Return Growth Fund

Courtiers Equity Funds

Courtiers UK Equity Income Fund

Courtiers Global (ex-UK) Equity Income Fund

Courtiers Ethical Funds

Courtiers Ethical Value Equity Fund

Courtiers Bond Funds

Courtiers Investment Grade Bond Fund

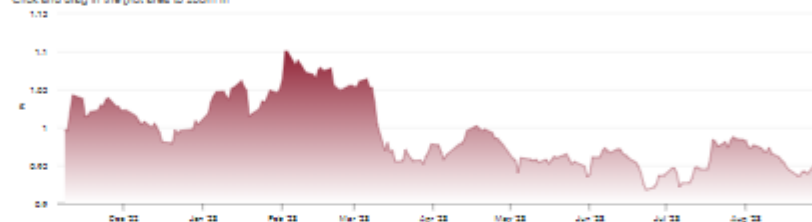
[Back to funds](#)[Make an enquiry](#)

Courtiers Ethical Value Equity Fund

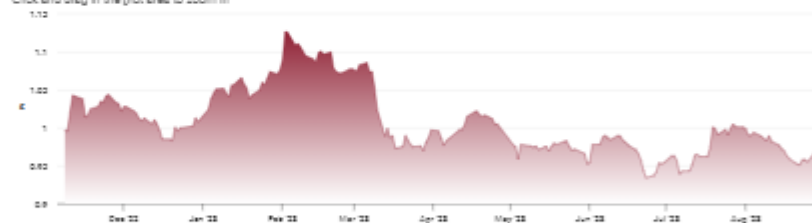
The following data is updated on weekdays between 10:00 - 17:00. Sources for all data are Courtiers Asset Management Limited and Morningstar Direct. Charts show daily fund prices since launch (07/11/2022). Based on total return, income reinvested, returns are net of charges, single pricing basis in UK pound sterling. Past performance is not a reliable indicator of future returns.

Fund Size: **£ 7,276,441.79**Data as of: **29/08/2023**Courtiers Ethical Value Equity Fund - I Accumulation Price: **£0.956**

Click and drag in the plot area to zoom in

Courtiers Ethical Value Equity Fund - R Accumulation Price: **£0.972**

Click and drag in the plot area to zoom in



Fund Objective and Investment Policy

Investor Profile

Key Investor Information

Performance Comparator

Important Information

Fund Managers

Documents

- Latest Fund Prospectus I Shares 21/07/2023

- Latest Fund Prospectus R Shares 21/07/2023

- Fund Screening Criteria

- Key Investor Information Document - I Shares

- Key Investor Information Document - R Shares

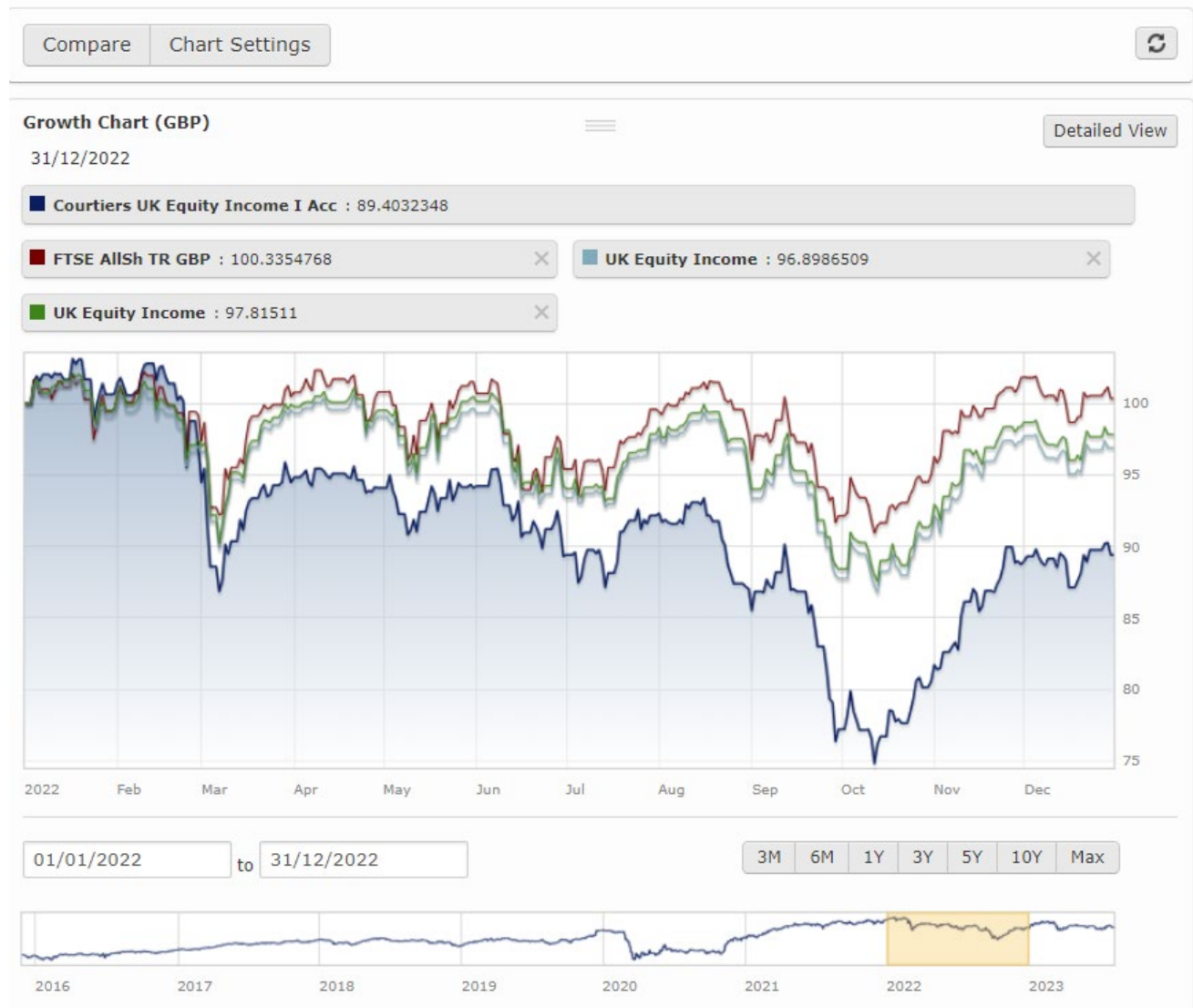
- Investment Process

- ESG Factors in Courtiers Funds

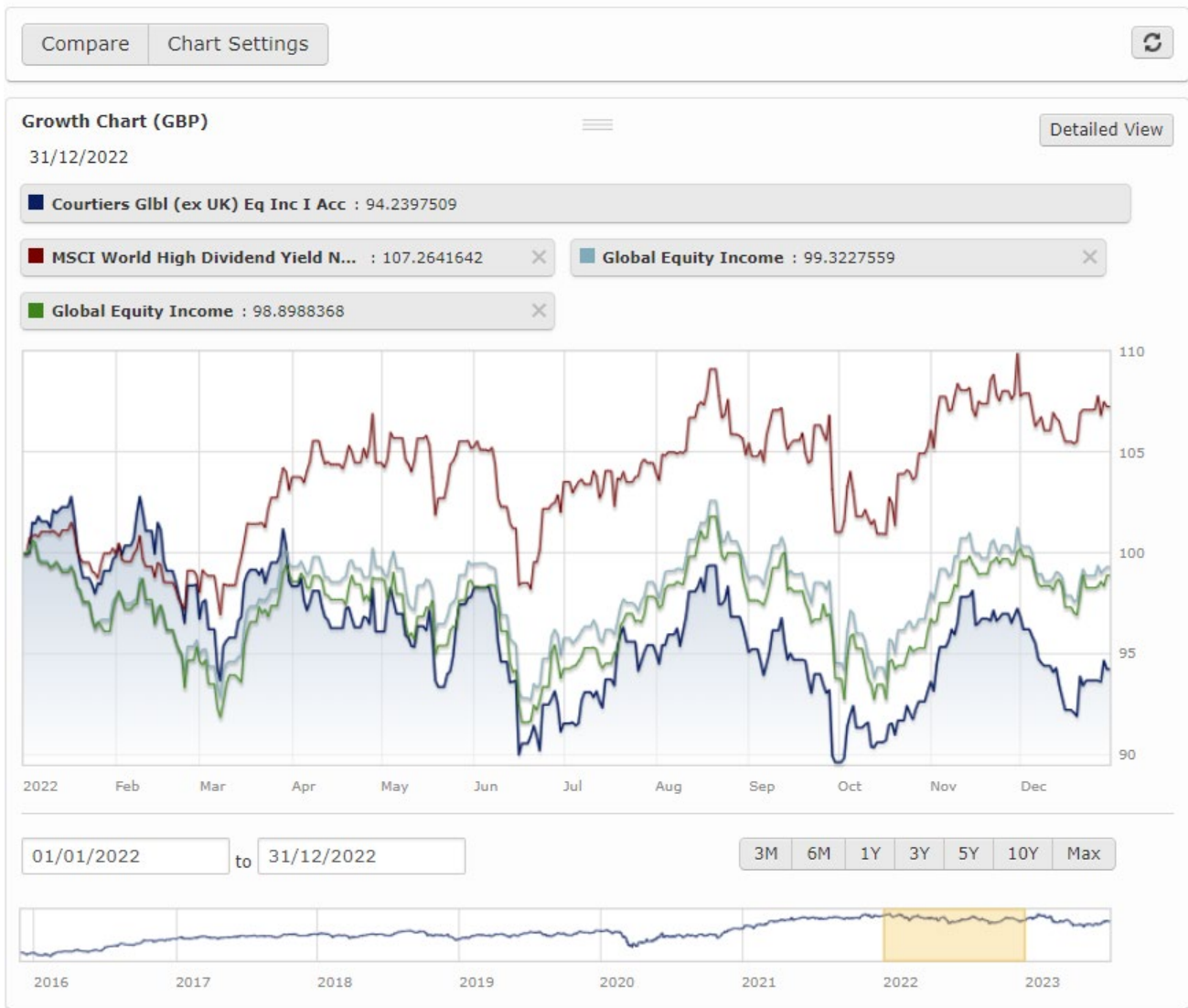
APPENDIX 4

Investment Performance charts of the underlying funds within the Default Investment Strategy for the period 1 January – 31 December 2022.

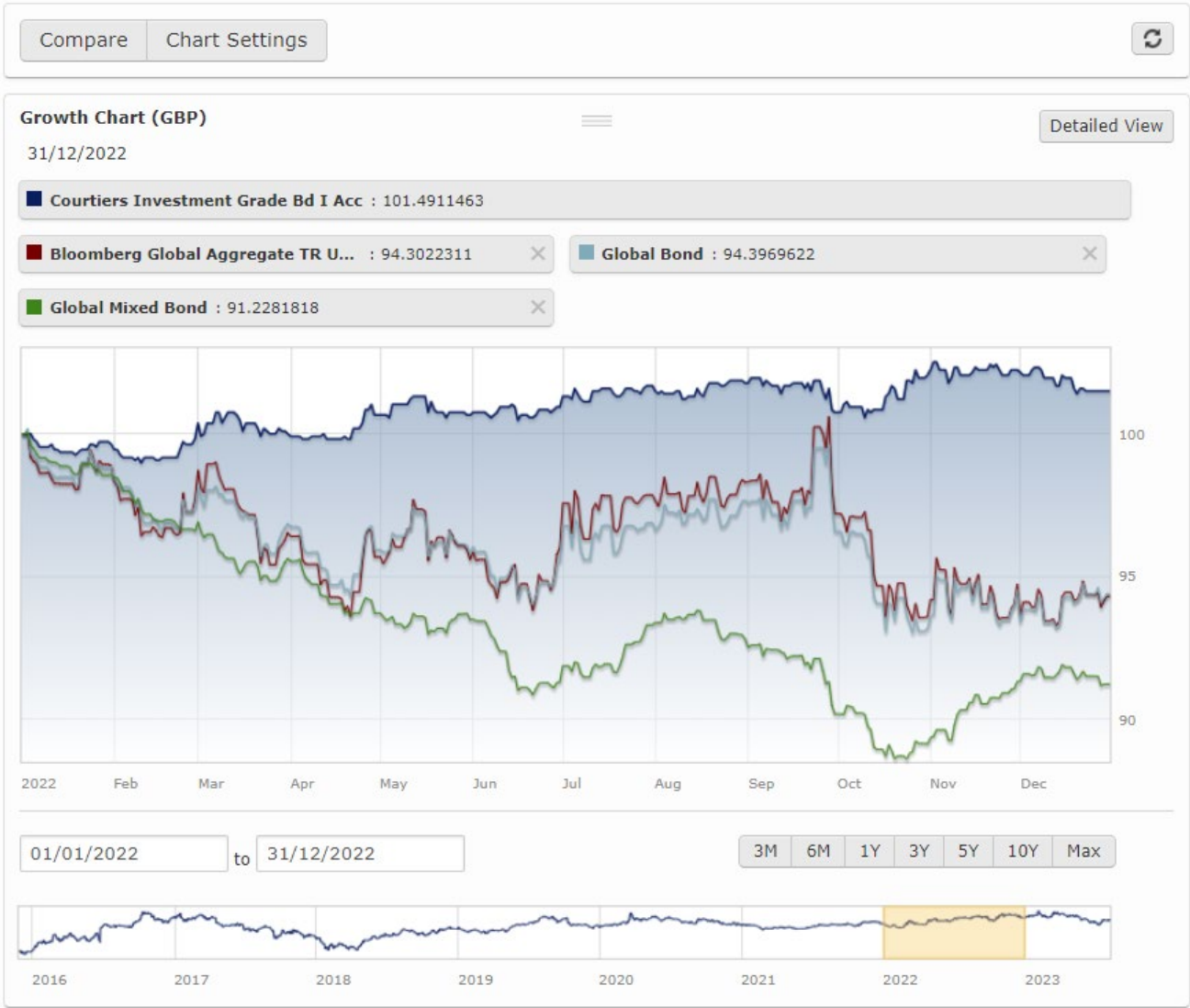
(Source: Morningstar)

Courtiers UK Equity Income Fund I Acc

COURTIERS Global (ex UK) Equity Income I Shares Accumulation



COURTIERS Investment Grade Bond I Share Accumulation



APPENDIX 5

Example pensions information on the Courtiers website under 'News & Insights'.

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News & Insights

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Types Sort Results By

21 Jul



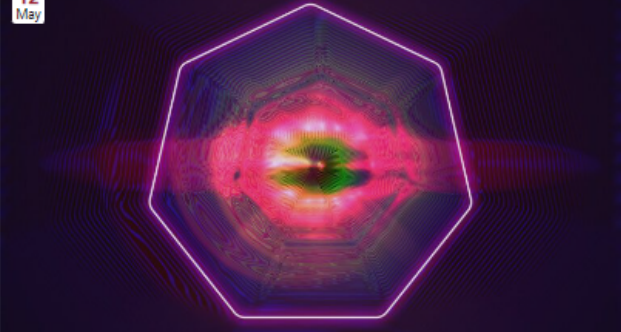
Two ways to switch ISA or SIPP provider

Switching an ISA, SIPP or personal pension to another provider such as Courtiers needn't be hard work. However, it's important to follow the correct process. There are two ways to do it - cash transfers and in specie transfers. This article considers the ins and outs of each.

Colin Cottell

[Investment](#) [Pensions](#) [Tax](#)

12 May




Cash has had its day – what are the implications?

From being used in 70% of transactions in 1999, cash has been in decline. And this is set to continue. While many will welcome this as inevitable and a sign of progress, could there be another side to the cashless society coin?

Colin Cottell

[Investment](#) [Pensions](#) [Tax](#)

30 Mar




Abolition of the lifetime allowance

The abolition of the lifetime allowance announced in the recent Budget represents one of the biggest shakeups in UK pensions for many years. As this article illustrates, guidance published since the Budget has done nothing to dispel the significance of the changes, nor the resulting controversy, with the Labour Party pledging to reverse them should they become the next government.

Colin Cottell

16 Mar



Courtiers Spring Budget Briefing

Following yesterday's Spring Budget, Courtiers' summary along with 2023-24 tax tables are available to view and download in PDF format.

Courtiers

www.courtiers.co.uk/news-and-insights/topics/pensions

APPENDIX 6

Investment Pathways options and fund information (source: Courtiers).

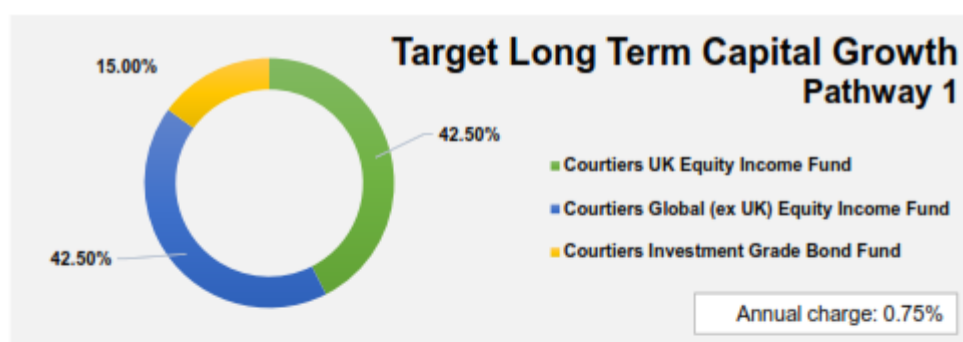
Option 1: I have no plans to touch my money in the next 5 years

This option might be right for you if you don't intend to touch your pension for the foreseeable future, 5 years or more, but are unsure how to invest for the long term.

This may be for you if:	<ul style="list-style-type: none"> You want to keep your money invested for at least 5 years but you're not sure how You want your pension investments to have the potential for long term growth.
This Pathway invests in:	The Courtiers Target Long Term Capital Growth strategy
Strategy:	This aims for long-term growth and controls risk by varying the types of investments it holds in response to market conditions. 15% of the fund is held in more defensive investments.
Things you should consider:	The value of your investment can go down as well as up, so you may get back less than you invest. It is also possible that this fund may be higher risk than your current investments.

By following this strategy, you are willing to take on investment risk but want a broad diversification of assets to mitigate some of that risk, whilst seeking to achieve capital growth.

The strategy Courtiers has designed for Option 1 is the Target Long Term Capital Growth strategy and how this is invested is illustrated below:



Courtiers has rated the strategies underlying the Investment Pathways on a risk-rated score from 1 to 5. With a score of 1 being the lowest risk to a score of 5 being the highest risk.

The Target Long Term Capital Growth strategy has a risk rating score of 4, which we consider to be **'Above Average Risk'**.

Risk definition: Above average risk investors recognise that taking risks can be to their long-term advantage and they are comfortable with the ups and downs of stocks and shares. They understand that this strategy can result in large fluctuations in the value of their capital but are willing to accept this risk to achieve their goals. They have probably invested in the stock market previously and they are prepared to consider more aggressive sectors, such as emerging markets and smaller companies. They will keep cash for emergencies and immediate expenditure in safer investments, such as deposits and National Savings, but this is purely for immediate liquidity.

Investor traits: Risk taker, experienced investor, thinks long-term, confident, un-phased by losses.

The cost of the fund is its Annual Management Charge (AMC), which is currently 0.75% p.a. of the fund value. For every £100 invested Courtiers charges 75p to cover the investment and administration costs.

Option 2: I plan to use my money to set up a guaranteed income (annuity) within the next 5 years

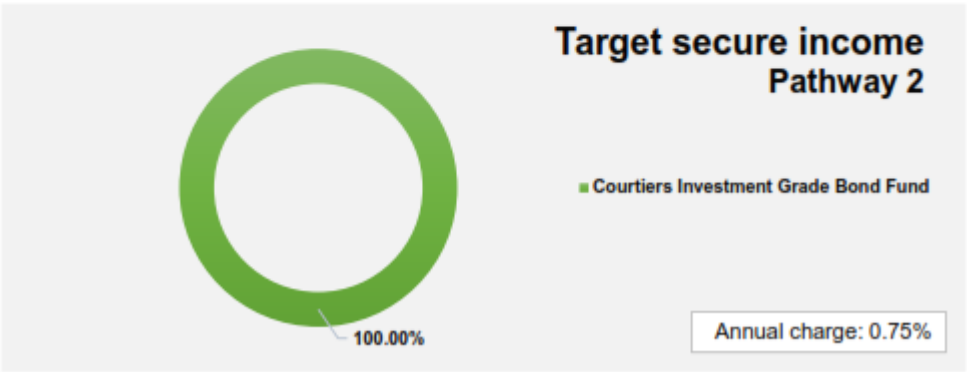
This may be your preferred option if you intend to secure a guaranteed income for life, via an annuity.

This may be for you if:	<ul style="list-style-type: none">• You are planning to set up a guaranteed income for life• Your investment objective is growth to keep pace with movements in annuity rates
This Pathway invests in:	The Courtiers Target Secure Income strategy
Strategy:	This aims to preserve your annuity purchasing power
Things you should consider:	If the strategy does not achieve its objective, there is a risk that the annuity you eventually set up will give you a lower income than you were hoping for.

You have an income goal in mind and you feel that your existing pension fund is sufficient to provide that income when it is converted into an annuity. You feel that a secure income is required to meet your retirement objectives.

Your investment aim is to match your pension fund to changes in the annuity rate.

The strategy Courtiers has designed for Option 2 is the Target Secure Income strategy and how this is invested is illustrated below:



The Target Secure Income strategy has a risk rating score of 2; **‘Below Average Risk’**.

Risk definition: Below average risk investors keep money for capital expenditure, and emergencies, in deposit accounts and National Savings. They will, however, take risks with their medium to longer-term assets (over 5 years) in an attempt to generate higher returns than inflation. Longer-term capital will be broadly diversified over a range of assets where the values may fluctuate, but this will be limited. Below-average risk investors recognise that the risk of placing their money in cash deposits is that inflation can erode the value of capital.

Investor traits: Wary, takes some long-term risks.

The cost of the fund is its Annual Management Charge (AMC), which is currently 0.75% p.a. of the fund value. For every £100 invested Courtiers charges 75p to cover the investment and administration costs.

Option 3: I plan to start taking my money as a long-term income within the next 5 years

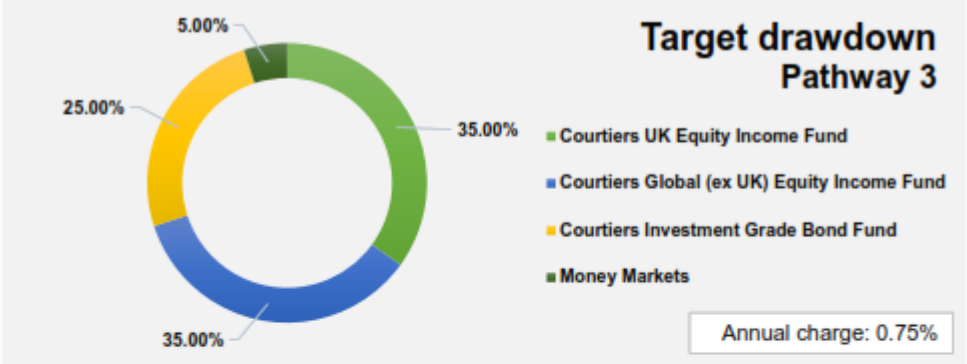
This option might be suitable if you intend to withdraw regular or occasional income from your pension, typically around 3-5% of the pension value a year.

This may be for you if:	<ul style="list-style-type: none">• You intend to draw regular or occasional income from your investments• You want to take these withdrawals over a number of years, perhaps your whole retirement.• You understand the income you are going to take will not be guaranteed• Your investment objective is sustainable income strategy with capital growth
This Pathway invests in:	The Courtiers Target Drawdown strategy
Strategy:	This aims to provide capital growth and has a long-term income target. It holds a range of investments, to manage risk, some of the assets are defensive.
Things you should consider:	Investments with the potential to achieve long-term growth also come with the risk that they will fall in value and there is no guarantee that they will meet their objectives

You intend to withdraw funds for a number of years, or possibly even throughout your retirement.

Your investment aim is to achieve a sustainable income with capital growth.

The strategy Courtiers has designed for Option 3 is the Target Drawdown strategy and how this is invested is illustrated below:



The Target Drawdown strategy has a risk rating score of 3, **'Average Risk'**.

Risk definition: Average risk investors keep money for capital expenditure, and emergencies, in deposit accounts and National Savings. They are, however, prepared to accept risks with their medium to longer-term assets (over 5 years) and will expose this capital to broadly diversified portfolios that reflect movements in the major markets for stocks and shares. They accept that there are risks with this strategy and that there will be fluctuations in their capital value in the short term but they are willing to accept a reasonable amount of fluctuation in the capital value of their investments in order to achieve their goals.

Investor traits: Considered, some experience, takes measured risks, thinks long-term.

The cost of the fund is its Annual Management Charge (AMC), which is currently 0.75% p.a. of the fund value. For every £100 invested Courtiers charges 75p to cover the investment and administration costs.

Option 4: I plan to take out all my money within the next 5 years

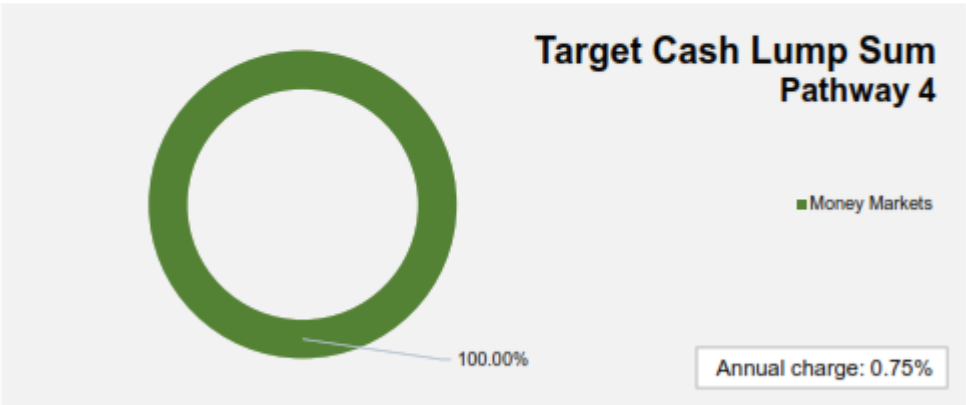
This option may be right for you if you intend to take the entirety of your pension as cash in the next five years.

This may be for you if:	<ul style="list-style-type: none">• You don't want the risk of your investment falling in value• Your investment objective is capital preservation• Future investment growth is limited
This Pathway invests in:	The Courtiers Target Cash Lump Sum strategy
Strategy:	This aims to preserve the value of your capital. It holds low risk, cash-based investments, that may pay a low level of income
Things you should consider:	When interest rates are low, it is possible that charges may be more than the growth in your investment. In addition, the longer you hold your investment, the more its real value may be eroded by inflation.

You don't want to risk a fall in the value of your investment and wish to avoid riskier assets such as equities.

Your investment aim is to protect the value of your fund.

The strategy Courtiers has designed for Option 4 is the Target Cash Lump Sum strategy and how this is invested is illustrated below:



The Target Cash Lump Sum strategy has a risk rating score of 1, 'Low risk'.

Risk definition: Low risk investors seek to minimise the risk of fluctuations in the value of their investments. They will take small amounts of risk with their medium to longer-term assets (over 5 years), but savings, and money for emergencies, are kept safe in cash deposits and National Savings. Low risk investors recognise that the risk of placing their money in cash deposits is that inflation can erode the value of capital.

Investor traits: Quite cautious, takes some long-term risks, guarded

The cost of the fund is its Annual Management Charge (AMC), which is currently 0.75% p.a. of the fund value. For every £100 invested Courtiers charges 75p to cover the investment and administration costs.