



# Statement of Investment Principles

Creative Auto Enrolment Pension | May 2024



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## 1. INTRODUCTION

This Statement of Investment Principles (“SIP”) has been prepared by PAN Trustees UK LLP, Roger Mattingly, Robert Branagh and BESTrustees Limited (the “Trustees”) as the Trustees of Creative Pension Trust (the “Scheme”) in consultation with Creative Auto-Enrolment Limited (the “Scheme Sponsor & Manager”). This SIP relates only to section 1 of the Scheme known as Creative Auto Enrolment Pension (“CAEP”). This SIP is produced to meet the requirements of the Pensions Acts 1995 and 2004, the Occupational Pension Schemes (Investment) Regulations 2005 (as amended), the Occupational Pension Schemes (Charges and Governance) Regulations 2015, the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and any and all other relevant legislation and regulations. The Trustees comply with the requirements to maintain and take advice on the SIP and with disclosure requirements whilst also taking account of The Pensions Regulator’s and the Department for Work & Pensions’ best practice guidance. The Scheme’s assets are held in trust for the Scheme by the Trustees, whose powers of investment are set out in the Trust Deed and Rules and any subsequent amendments.

The Scheme is a Money Purchase arrangement, also known as Defined Contribution, and this SIP sets out the Trustees’ approach to investments available to members of the CAEP section of the Scheme within their Personal Retirement Account.

The contents of this SIP and the Trustees’ approach to Scheme investments are guided by the Trustees’ Investment Beliefs and Environmental, Social and Governance (“ESG”) Strategy and the Trustees’ Climate Change Governance and Reporting Framework.

The Trustees have obtained written advice from Lane Clark & Peacock LLP (the “Investment Adviser”) on the CAEP investment strategies and the production of this SIP.

The Trustees would like to clarify the following terms used in this SIP: -

- **“Investment Provider”** – This refers to the role of Mobius Life Limited which provides the platform for the CAEP section investments for members.
- **“Fund manager”** – This refers to an organisation that manages an investment mandate that the Scheme invests in either directly or indirectly.

## 2. INVESTMENT OBJECTIVES

The Trustees’ key objectives are to enable members to build up retirement savings to secure appropriate retirement benefits while being exposed to an acceptable level of investment risk.

In order to do that the Trustees have set up a default investment strategy as well as other self-select investment options.

The objective of the default investment strategy (Cushon Core) is to provide a long term net return objective equal to the Consumer Prices Index (“CPI”) plus 3.5% per annum over rolling 5-year periods in the growth phase, with gradual automatic switching into lower risk investments over the 7-year period up to the Scheme’s Normal Retirement Age (“NRA”) or alternative member selected target retirement age (known as “lifestyling”). During the de-risking, or pre-retirement, phase Cushon Core has a long term net return objective equal to CPI plus 1.5% per annum over rolling 5-year periods.



The objective of the other self-select options is to accommodate members who decide the Cushon Core default investment strategy is not appropriate for them. This can allow them to manage their pension investment at an alternative risk level and/or in line with religious or ethical considerations, with alternative levels of member engagement and targeting alternative retirement vesting outcomes while maintaining a simple-to-understand range of investment choices.

### 3. RISKS

The Trustees are required to assess the investment risks to the Scheme's assets, including the ways in which risks are to be measured and managed. In doing this the Trustees aim to take account of the members' circumstances. Specifically the Trustees have identified the following risks: -

#### Members' Attitude to Risk

The Trustees have taken advice on the likely distribution of members' attitude to risk and selected a default investment strategy that is aimed to match the majority of expected members' attitude to risk. However, the Trustees have also made available other investment options to allow members to invest at different risk levels. Investment risk is primarily measured in terms of the volatility of the underlying investments.

#### Members' Term to Retirement

The Trustees are aware of the risk that market movements in the years prior to retirement might lead to a substantial reduction in the value of the funds that could otherwise have been built up. In setting the Cushon Core default investment strategy the Trustees have included automatic investment risk reduction for members approaching NRA or alternative member selected target retirement age.

In addition the Trustees have made available other investment options on a self-select basis with different risk levels.

#### Pension Conversion Risk

This is the risk that the funds in a member's Personal Retirement Account are not invested appropriately for the timing of when a member wants to take benefits from the Scheme or the method by which they want to take those benefits. The Trustees measure this risk by taking account of the experience within the Scheme as well as data available for the whole of the UK pension industry. The Trustees have designed the Cushon Core default investment strategy to target gradual income drawdown at the Scheme member's Normal Retirement Date or alternative member selected target retirement date, but have made other self-select options available to members to allow them to manage the timing and form of their retirement benefits in alternative ways.

#### Inflation Risk

Inflation reduces the purchasing power of savings over time. The Trustees measure inflation in line with the increase in the Consumer Prices Index ("CPI"), as set by the Office for National Statistics, and monitor the returns of the Cushon Core default investment strategy and the other self-select investment options against CPI.



## Climate Change Risk

This is the risk that the Scheme's investments are adversely affected by the impact of climate change and includes physical risks, such as rising sea levels and extreme weather conditions, as well as transitional risks resulting from actions taken to limit global temperature increases, such as new legislation and changes in consumer behaviours. The Trustees will measure these risks in various ways including monitoring metrics such as carbon emissions and net zero commitments by the Fund Managers, as well as conducting scenario analysis.

## Fund Manager Risk

This is the risk that a given Fund Manager fails to meet the agreed mandate for the investment. The performance of the Fund Managers against their mandate is assessed by various performance measures including volatility, returns and investment style.

## Liquidity Risk

The assets of the Scheme need to be available when required to pay benefits and there is a risk that some investments may not be realisable at the appropriate time. This is measured by how often the investment is valued and how quickly any investment can be sold (in part or in full).

## Concentration Risk

This is the risk that adverse conditions affecting a particular market or asset might significantly influence the overall performance of the Scheme's investments, especially where there is a large exposure to a single asset or market. This is measured by the proportion of the Scheme's assets held in a particular asset or market with specific reference to each investment option.

## Currency risk

This is the risk of investment loss because of movements in foreign exchange rates as a result of investment in assets held in currencies other than Sterling. This is measured by the proportion of the Scheme's assets held in non-Sterling currencies as well as the split of those overseas currency holdings that are not hedged back into Sterling and therefore are still exposed to currency risk.

## Operational Risk

This is the risk of fraud, poor advice or acts of negligence. The Trustees assess this by various measures including experience, competency and financial strength of third party service providers.

## 4. SELECTING INVESTMENTS

The Trustees are responsible for defining and monitoring the overall investment strategy in conjunction with their Investment Adviser and in consultation with the Scheme Sponsor & Manager.

The Trustees have set the default investment strategy and also the other investment options that members can self-select. If a member does not make any investment selection they will be automatically invested in the default investment strategy until or unless they self-select another option.



## The Default Investment Strategy

The default investment strategy is Cushon Core (see Appendix 1 for full details) and is designed to be appropriate for a typical Scheme member with a clearly defined retirement age and an “average” attitude to risk.

The Trustees have defined that average members with more than 7 years to Normal Retirement Age, or alternative member selected target retirement age (the “Growth Phase”): “are comfortable taking some risk with the expectation of better returns over the longer term. They accept that they will be exposed to some volatility. However, they expect to diversify their investments to balance the risk and would not want to invest more than 90% in stocks and shares”.

Cushon Core targets a long term net return of CPI plus 3.5% per annum over rolling 5 year periods in the Growth Phase. The Growth Phase is the period up to 7 years from NRA or alternative member Selected Target Retirement Age (“TRA”). During the Growth Phase members are invested 90% in the CPT Cushon Global Equity Core fund and 10% in the CPT Cushon Global Bonds Core fund. For members with less than 7 years to NRA/TRA, Cushon Core gradually reduces the level of investment risk so that at NRA/TRA the member is invested in a portfolio suitable for pension drawdown at retirement. At retirement Cushon Core is invested 50% in the CPT Cushon Global Equity Core fund, 25% in the CPT Cushon Global Bonds Core fund, 15% in the CPT Cushon Inflation Linked Government Bonds Core fund and 10% in the CPT Cushon Sterling Cash Core fund. This approach is reviewed on an ongoing basis to ensure the final pre-retirement phase of de-risking remains appropriate for the membership and the experience of how members choose to take their benefits at retirement.

Cushon Core may not be the most suitable option for members who retire before or after their NRA/TRA, or wish to draw their benefits using a method other than income drawdown.

## Self-Select Investment Options

The Trustees are aware that Cushon Core may not be appropriate for all members. The Trustees have therefore made other investment options available on a self-select basis. The self-select options have been limited to make it easy for members to assess the options and make a decision regarding their own investments that is appropriate to their personal circumstances while still allowing some choice and flexibility.

The Trustees have selected the self-select investment options based on their risk levels, the methods by which members may choose to take their benefits and religious and ethical considerations. A list of the alternative investment options and details of each of them is available in Appendix 2.

It is the Trustees’ policy to provide suitable information for members so that they can make appropriate investment decisions. The range of investment options was selected by the Trustees after taking advice from the Trustees’ Investment Adviser and after consideration of the following points: -

- A competitive and easy to understand charging structure for the Scheme
- A range of asset classes
- The need for diversification
- The suitability of each asset class for different members
- Operational Risk



In relation to both the Default and Self-Select strategies the Trustees have sought to minimise Operational Risk by ensuring that all advisers and third party service providers are suitably qualified and experienced, authorised and regulated by the Financial Conduct Authority (where appropriate) and that suitable liability and compensation clauses are included in all contracts and agreements for professional services received. The Investment Provider is also assessed based on its independent financial strength ratings.

The Trustees monitor the performance of the investments against pre-set benchmarks and the mandates for the underlying investments.

The Trustees' policy is to use pooled investment funds (i.e. investment in unit-linked pooled investment funds) and not to hold any direct investments.

## 5. GOVERNANCE

The Trustees of the Scheme are have overall responsibility for the investment of the Scheme assets but do not take day-to-day investment decisions. When deciding which decisions to take themselves and which to delegate, the Trustees have taken into account whether they have the appropriate training and advice in order to make an informed decision. The Trustees have established the following decision making structure: -

### Trustees

- Set the structures and processes for carrying out their role
- Select appropriate experts to provide advice as and when required
- Set the structure for the implementation of the investment strategy
- Select and monitor the planned asset allocation strategy
- Review the self-select fund range and default investment strategy on a regular basis
- Monitor the Investment Provider and Fund Managers
- Make ongoing decisions relevant to the operational principles of the Scheme's investment strategy

### Investment Adviser

- Advises on all aspects of the governance and investment of the Scheme's assets, including the implementation of investment decisions
- Negotiation of fee terms and contractual terms
- Advises on this SIP
- Ensures that it delivers advice that is compliant with the relevant regulations, including Section 36 of the Pensions Act 1995 (as amended in 2004) and relevant requirements of the Financial Conduct Authority, and considers The Pension Regulator's guidance on investments

### Investment Provider & Fund Managers

- Operate within the terms of this SIP and their written contracts and agreements

### Scheme Administrator

- Administrative and operational liaison with the Investment Provider



- Scheme secretarial and reporting liaison with the Investment Provider

The Trustees expect the Investment Provider and Fund Managers to manage the assets delegated to them under the terms of their contracts and/or agreements and to give effect to the principles in this SIP as far as is reasonably practicable. Where that is not reasonably practical the Trustees expect the Investment Provider to explain why that is not the case.

The Trustees accept that the assets are subject to the Investment Provider's and Fund Managers' own corporate governance policies. However, the Trustees expect the Investment Provider and Fund Managers to discharge their responsibilities by taking account of current best practice, which includes the UK Corporate Governance Code and the UK Stewardship Code. The Investment Provider's and Fund Managers' policies are monitored on a regular basis.

## 6. DAY-TO-DAY MANAGEMENT OF ASSETS

The Trustees have taken steps to ensure that the Investment Provider and Fund Managers have the appropriate experience and expertise for managing the Scheme's investments and they are carrying out their work competently.

The Fund Managers' structure and investment objectives for each investment option ("mandates") are summarised in the Appendices. The Trustees have delegated all day-to-day decisions about the investments that fall within each mandate, including the realisation of investments, to the Investment Provider through written contracts and agreements. When choosing investments, the Trustees are required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4). The Fund Managers' duties also include voting and corporate governance in relation to the Scheme's assets.

### Investment Provider and Fund Manager Incentivisation

The Investment Provider and Fund Managers are remunerated on a percentage charge basis related to the amount of assets under management. The Trustees believe that this incentivises the Investment Provider and Fund Managers to take a longer term approach to investment related considerations where the investment mandate allows them to do so and which allows them to act in the best interests of members and in line with the Trustees' investment strategy.

### Portfolio Turnover Costs

Portfolio turnover costs are those that result from the buying and selling of assets within each investment option.

- The Trustees will monitor the portfolio turnover at least annually to ensure it remains within an acceptable range and expect to engage with the Fund Managers if it falls outside of that range.
- The Trustees will request details of the portfolio turnover costs for each of the investment mandates on an annual basis from the Fund Managers to assist them with their assessment. If portfolio turnover costs are not available the Trustees will refer to the overall transaction costs data for each mandate for their assessment.
- Portfolio turnover costs will also inform the Trustees' decisions on the retention and selection of each investment mandate.

The Scheme assets are invested via a Trustee Investment Plan ("TIP") insurance contract with the Investment Provider Mobius Life Limited. The Investment Provider invests in pooled collective investment funds, other unitised life funds via reinsurance agreements, and direct investments





managed in a segregated portfolio by an investment manager appointed by the Investment Provider. The Investment Provider has appointed a Custodian to hold the direct investments on its behalf.

The Trustees expect the Investment Provider and Fund Managers to meet certain standards and the Trustees, with the assistance of their Investment Adviser, assess the performance of the Investment Provider and Fund Managers against key performance indicators, including reporting requirements, on at least an annual basis.

The Trustees' contract and agreements with the Investment Provider are open ended with the aim of developing a long term partnership that provides the best member outcomes. However, if the Investment Provider and/or Fund Managers fail to meet required standards in key areas during the year the Trustees, with the assistance of their Investment Adviser, will engage with the relevant party or parties to seek to rectify any issues. If the Investment Provider or Fund Manager is unable to rectify the identified issues within an agreed timescale the Trustees will perform a market review, which may result in the replacement of the Investment Provider or Fund Manager, subject to contractual notice periods.

## 7. REALISATION OF ASSETS

The Trustees delegate the realisation of assets as required, following member requests on retirement or other circumstances defined in the Scheme rules, to the Scheme administrator, based on certain pre-agreed criteria. In selecting assets the Trustees consider the liquidity of the investments in the context of the likely needs of members.

## 8. ENVIRONMENTAL SOCIAL AND GOVERNANCE (“ESG”) INVESTMENT POLICY

The Trustees recognise that ESG considerations (including climate change) can have a material financial impact on the Scheme's investments. The Trustees have considered ESG issues with their Investment Adviser and will evaluate and manage these risks and opportunities when reviewing the Scheme's investment strategy and in the selection and retention of their Investment Provider and Fund Managers.

- The Trustees will include ESG considerations, including climate change, in the selection and retention of each investment mandate.
- The Trustees have reviewed these risks by reference to an 'appropriate time horizon' for the Scheme's investments. The Trustees have defined this as the median average term to the Scheme's NRA for members.

The Trustees believe that the primary driver of long term investment returns is asset allocation (as opposed to individual stock/investment selection). The Trustees have a preference for passive index tracking underlying investment management utilising pooled funds.

The expectation is that passive management reduces the risk of significant underperformance relative to the market being tracked and minimises investment costs with the aim of maximising value for money for members.

However, the Trustees recognise that there are circumstances where passively tracking whole market indices may not be in the best interests of members. The Trustees therefore accept that some of the Scheme's investments will be invested on a partially or fully active basis, or track adjusted non-whole market indices.



When selecting new Scheme funds available to members, the Trustees will consider the ESG policies adopted by the Fund Managers.

- The Investment Adviser will review the ESG and Stewardship policies of the Fund Managers and report the results to the Trustees at least annually and take those issues into consideration in the selection and retention of the Fund Managers with the aim of improving the outcomes for members, especially in the longer term.
- The Trustees will also engage with the Fund Managers on relevant ESG issues to reduce risks and benefit from opportunities both in the shorter and longer term with regard to the expected investment time horizon for members.
- The Trustees will review the above activities on at least an annual basis.
- The Trustees will aim to review this ESG investment policy on an annual basis and at least every three years.
- The Trustees will review compliance with the ESG investment policy on an annual basis and report this to members. In doing so the Trustees, with the assistance of their Investment Adviser, will consider all invested funds.

## Climate Change

The Trustees support the goals of the Paris Agreement and have made the following commitments: -

- **ZeroByFifty** – For the Scheme to achieve net zero status on carbon emissions for all member investments under management by 2050
- **FiftyByThirty** – For the Scheme to achieve a 50% reduction on carbon emission for all member investments under management by 2030

In support of these commitments the Trustees expect the Fund Managers to report relevant climate-related metrics and voting and stewardship activities on at least an annual basis.

In addition the Trustees produce an annual Climate Change Report in line with the Occupational Pension Schemes (Climate Change Governance and Reporting) Regulations 2021 (the “Regulations”), which are based on the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) reporting requirements. The latest Climate Change Report is published on the Scheme website ([www.creativebenefits.co.uk/creative-pension-trust/about](http://www.creativebenefits.co.uk/creative-pension-trust/about)).

## Voting and stewardship

The Trustees strongly support engagement activity, including the use of voting rights, to manage ESG and other investment risks and opportunities, with an appropriate level of positive and/or negative screening of underlying investments.

The Trustees expect the Investment Provider and the Fund Managers to adhere to the UK Stewardship Code and for the Fund Managers to be signatories to the Principles for Responsible Investment (“PRI”) Association (or equivalent principles and/or codes), or explain why if they are not.

The Trustees, or their Investment Adviser on their behalf, will consider how any Fund Managers exercise their rights (including voting rights) in relation to the underlying investments they hold in line with the UK Stewardship code.

The Trustees rely on the voting and engagement policies of the Fund Managers. However, the Trustees, or their Investment Adviser on their behalf, issue a formal letter to all of the Scheme



Fund Managers setting out their stewardship priorities as detailed below along with their expectations of the Fund Managers in relation to those priorities and other stewardship and ESG considerations. The Fund Managers are requested to acknowledge receipt of that letter and the Trustees' stewardship priorities and/or raise any concerns.

The Trustees, or their Investment Adviser on their behalf, will monitor compliance with the above on at least an annual basis.

The Trustees expect the Investment Provider to issue an annual stewardship report, or explain the reasons why it has not done so, and the Trustees will review that report to identify any areas of concern.

The Trustees' selection and retention criteria and engagement activities in relation to the Fund Managers are expected to influence the Fund Managers in their voting and engagement activities with individual investee companies to improve returns and/or reduce risks for members, especially in the longer term.

The Trustees expect the Fund Managers to provide examples of those activities on at least an annual basis, or explain why such activity has not been undertaken.

The Trustees monitor the Fund Managers' activities in relation to ESG factors, voting and engagement at least annually with the assistance of their Investment Adviser. The Trustees seek to understand how the Fund Managers are implementing their stewardship policies in practice to check that their stewardship is effective and aligned with the Trustees' expectations.

The Trustees have selected stewardship priorities to provide a focus for their monitoring of Fund Managers' voting and engagement activities. At the date of this Statement those priorities are: -

- Climate Change
- Equality, Diversity & Inclusion
- Corporate Behaviour

The primary fiduciary management requirement of the Trustees is to provide members with appropriate levels of net risk adjusted investment returns. The above stewardship priorities have been selected as the Trustees believe they form an integral part of managing that requirement.

ESG issues including the above stewardship priorities present investment, and other, risks that are potentially avoidable and therefore must be considered to manage the level of risk to which members are exposed. The Trustees believe the above stewardship priorities are currently likely to have the most significant impact on risk adjusted returns for members compared with other ESG considerations.

The Trustees review the above priorities regularly and update them when appropriate. The Trustees communicate these stewardship priorities to the Investment Provider and Fund Managers as well as confirming their more general expectations in relation to ESG factors, voting and engagement.

If the Trustees' monitoring identifies areas of concern they, or their Investment Adviser on their behalf, will engage with the Investment Provider and/or relevant Fund Manager to encourage improvements. The Trustees will set objectives and target dates for any formal engagement review progress, and have an escalation process which they will follow if progress is unsatisfactory.

The Trustees expect their Investment Adviser to check adherence to the UK Stewardship code in relation to the Fund Managers, as well as reviewing and collating information on the use of voting



rights and engagement activities on at least an annual basis with the assistance of the Investment Provider.

## Capital Structure

- The Trustees expect the Investment Provider and Fund Managers to monitor the capital structure of investee companies.
- The Trustees expect the Fund Managers to vote and engage on the capital structure of investee companies to reduce risks and/or improve returns.
- The Trustees expect the Investment Provider and/or Fund Managers to provide evidence of that activity on at least an annual basis or explain why that is not available.

## Investment Provider & Fund Managers Engagement

The Trustees, with the assistance of their Investment Adviser will provide a copy of this policy and any subsequent updates to the Scheme's Investment Provider and Fund Managers. Additional engagement may take the form of additional meetings and communications between the Investment Provider and/or Fund Managers and the Trustees, although the Trustees may delegate this to their Investment Adviser on their behalf.

## Conflicts of Interest

- In their dealings with the Investment Provider and Fund Managers, the Trustees and their Investment Adviser will disclose any actual or potential conflicts of interest.
- The Trustees expect the Investment Provider and Fund Managers to disclose to the Trustees any actual or potential conflicts of interest in relation to their dealings with relevant Fund Managers and any actual or potential conflicts of interest arising for those Fund Managers.
- Where any potential or actual conflict of interest is identified the Trustees will invest the assets of the Scheme in the sole interest of the members and their beneficiaries.

## Non-Financial Factors

The Trustees will also consider non-financial factors in the selection and retention of the investment options available to members and have utilised the experience of their Investment Adviser in that respect. The Trustees, with the assistance of their Investment Adviser, review feedback from members and take that into consideration in relation to the management of the Scheme's investment strategy.

The Trustees recognise that some members may prioritise ethical or religious concerns over other investment considerations and as such, following advice from their Investment Adviser, have made a number of suitable funds available (see Appendix 2 for further details).

The Trustees will continue to seek and review feedback from members in relation to investment issues, including non-financial factors.

## 9. Illiquid Assets

Illiquid assets means assets of a type which cannot easily or quickly be sold or exchanged for cash and where assets are invested in a collective investment scheme, includes any such assets held by the collective investment scheme.



Cushon Core does not currently include illiquid assets. The Trustees believe that long-term net risk-adjusted investment returns may be improved by investing in illiquid assets. However, illiquid assets in Defined Contribution pension scheme investment strategy design is a relatively new and developing area, where there are a number of risks with these types of investments and typically a higher cost of investment. Therefore, at this time, it is the Trustees' policy not to allocate to illiquid assets within the Cushon Core default investment strategy. However, with the support of their Investment Adviser, the Trustees intend to further consider investment in illiquid assets when reviewing the default investment strategy in future.

## 10. MONITORING

The Trustees will monitor compliance with the SIP annually and produce an Implementation Statement to detail that process.

- The Trustees, or their Investment Adviser on their behalf, will issue the SIP and any subsequent updates to the Investment Provider and the Fund Managers and will expect the Investment Provider and Fund Managers to comply with the terms of the SIP or explain any deviation as soon as practically possible.
- The Trustees will then assess any deviations and determine any appropriate actions to be taken to address those. The results will be reported in the annual Implementation Statement.

The Trustees intend to review this SIP annually, but will do so at least every three years and immediately following any significant change in investment policy. The Trustees will take expert investment advice on any changes to the SIP.

The Trustees typically monitor the performance of each investment mandate against relevant benchmarks on a quarterly basis with the assistance of their Investment Adviser and normally conduct a full annual review of the overall investment strategy.

**For and on behalf of the Trustee Board of Creative Pension Trust**

**Roger Mattingly (Chair)**

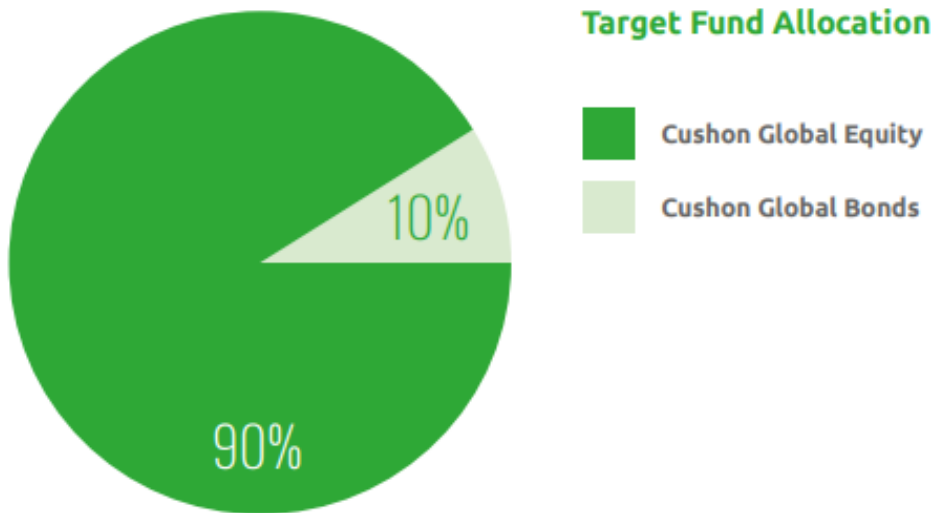
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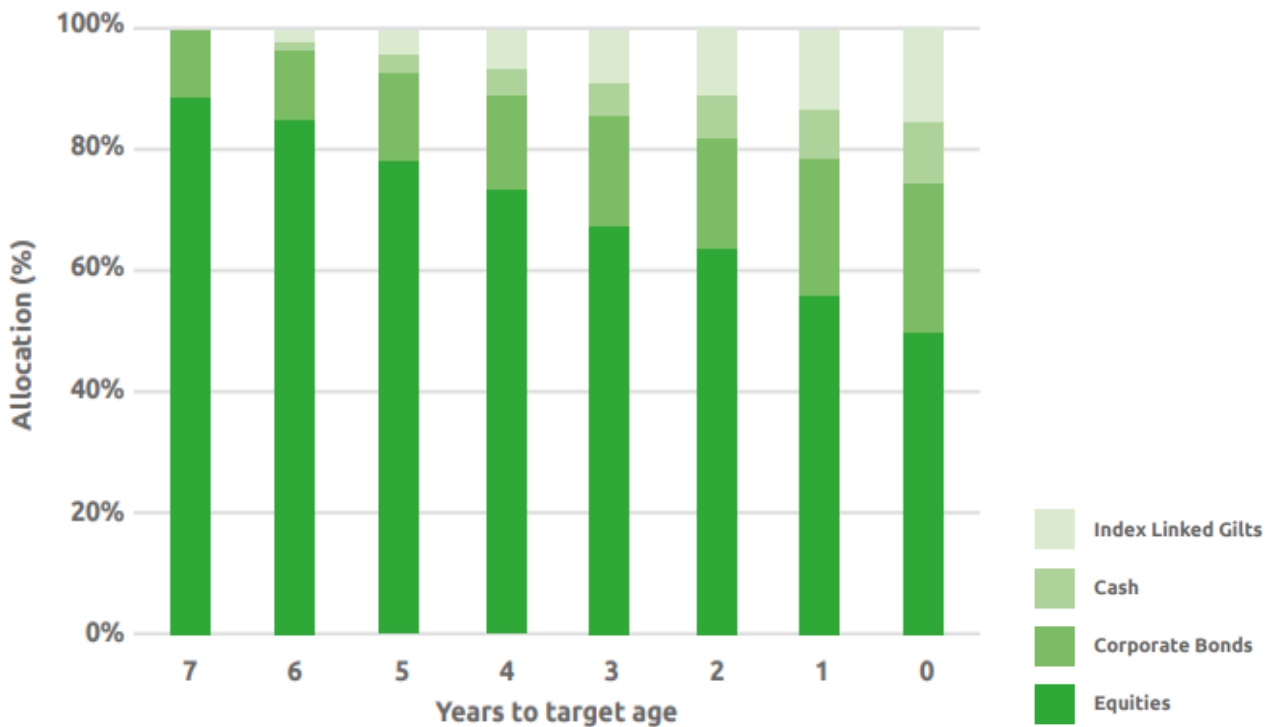
## APPENDIX 1 – Cushon Core (Default Investment Strategy)

The charts below show how the Cushon Core default investment strategy will be invested at key landmarks leading up to a member’s Normal Retirement Age, or alternative member selected target retirement age (“TRA”). The target split of investment between the different underlying funds, asset classes and actual percentage holdings within Cushon Core may vary or be changed over time to better suit market conditions and try to ensure the best possible overall outcome and balance of risk for members.

### Growth Phase



### Pre-retirement Phase



In order to achieve the above asset allocation Cushon Core assets are invested in underlying funds that are blended to provide the required investment split as follows: -

<b>Fund</b>	<b>Underlying Fund</b>	<b>Asset class</b>	<b>Target Allocation in Growth Phase</b>	<b>Target Allocation at NRA/TRA</b>
CPT Cushon Global Equity Core	Macquarie True Index	Global Equities	90%	50%
CPT Cushon Global Bonds Core	Wellington Global Impact Bond	Global Corporate Bonds	2.5%	6.25%
	Lombard Odier TargetNetZero Global IG Corporate	Global Corporate Bonds	2.5%	6.25%
	LGIM Future World GBP Corporate Bond Index	Corporate Bonds	1.8%	4.5%
	Ninety One Global Target Return Credit	Multi Asset Credit	3.2%	8%
Cushon Inflation Linked Government Bonds Core	LGIM Over 5 Year Index-Linked Gilts	Government Bonds	-	15%
Cushon Sterling Cash Core	LGIM Cash	Money Market	-	10%

Below the investment objectives of the underlying funds are listed.

<b>Fund</b>	<b>Investment Objective</b>
CPT Cushon Global Equity Core	The Fund aims to provide long-term capital growth through an investment allocation to Global equity securities.
CPT Cushon Global Bonds Core	The Fund aims to provide long-term investment growth through an investment allocation to Global fixed income securities.
CPT Cushon Inflation Linked Government Bonds Core	The Fund aims to provide long-term investment return through an investment allocation to inflation linked government bonds.
CPT Cushon Sterling Cash Core	The Fund aims to provide returns in line with short term deposits.

**April 2024**

## Appendix 2 – Self-Select Funds

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

<b>Fund</b>	<b>Underlying Fund</b>	<b>Investment Objective</b>
CPT Cushon Sustainable Global Equity	LGIM Future World Global Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to Global equity securities which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Sustainable UK Equity	LGIM Future World UK Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to UK equity securities which exhibit positive environmental, Social and Governance characteristics.
CPT Cushon Sustainable Europe (ex UK) Equity	LGIM Future World Europe (ex UK) Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to Europe (ex UK) equity securities which exhibit positive Environmental, Social and Governance characteristics
CPT Cushon Sustainable Japanese Equity	LGIM Future World Japan Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to Japanese equity securities which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Sustainable North American Equity	LGIM Future World North American Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to North American equity securities which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Sustainable Pacific ex Japan Equity	LGIM Future World Asia Pacific (ex Japan) Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to Asia Pacific (ex Japan) equity securities which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Sustainable Emerging Market Equity	LGIM Future World Emerging Markets Equity Index	The Fund aims to provide long-term capital growth through an investment allocation to Emerging Markets equity securities which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Fixed Interest Gilts	LGIM All Stocks Gilt Index	The Fund aims to provide long-term investment return through an investment allocation to UK fixed interest gilt securities.
CPT Cushon Index-Linked Gilts	LGIM All Stocks Index-Linked Gilts Index	The Fund aims to provide long-term investment return through an investment allocation to UK index-linked gilt securities.
CPT Cushon Sustainable UK Corporate Bonds	LGIM Future World GBP Corporate Bond Index	The fund aims to provide diversified exposure to the GBP corporate bond markets which exhibit positive Environmental, Social and Governance characteristics.
CPT Cushon Cash	LGIM Cash	The Fund aims to provide returns in line with short term deposits.



CPT Cushon Shariah	HSBC Islamic Global Equity Index	The Fund aims to provide long-term capital growth by investing in securities of a range of companies listed across the globe whilst meeting Islamic investment principles.
CPT Cushon Global Impact	Baillie Gifford Positive Change	The Fund aims to provide long-term capital growth through an investment allocation to Global equity securities which exhibit positive change.

Please note that the underlying funds and investment objectives may be changed over time.

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PO Box 9813, Bournemouth, BH1 9PL

team@creativeae.co.uk    0345 606 0424    creativebenefits.co.uk

Creative Pension Trust is an occupational pension scheme governed by a group of Independent Trustees including PAN Trustees UK LLP (Company No. OC333840) of The Annex, Oathall House, Oathall Road, Haywards Heath, West Sussex, England RH16 3EN and BESTrustees Limited (Company No. 02671775) of 1 Cornhill, London EC3V 3ND. The scheme is sponsored by Creative Auto-Enrolment Limited (Company No. 8554978), trading as Creative. Registered office: 250 Bishopsgate, London EC2M 4AA.

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