






Each year, with the help of their advisers, the Trustee Board carries out an assessment of whether the charges and transaction costs for the investment options, borne by members, represent value for members in line with expectations. Value is not simply about low cost; the Trustee Board also considers the quality and scope of provision compared against similar schemes and available external benchmarks (including the largest Master Trust Schemes).

The Scheme Funder, Construction First Limited, was purchased by Cushon MT Limited in June 2021. The acquisition has the ability to improve Value for Members in WPT over the longer term as a result of Cushon’s scale, technological capabilities, focus on environmental, social and governance (ESG) issues, financial security and innovation within the workplace pensions space. The Trustee Board looks forward to working with Cushon going forward and will keep members updated as things progress.

The following is a summary of the Value for Members’ Report. It provides an assessment, by the Trustee Board, of the various areas of Workers Pension Trust i.e. investment, costs and charges, design, administration, communication and governance.

Investment 	<p>Transaction costs were less than other UK pension schemes.</p> <p>The Trustee Board is currently conducting a strategy review to make sure that the investment options remain suitable for members.</p> <p>WPT’s investment options do not yet fully take responsible investment (including climate change) into account. However, this is being addressed within the current strategy review.</p> <p>The Trustee Board reviews the performance of the savings funds used by WPT within the ‘default lifestyle strategy’. This is in place for members who do not wish to make their own investment decisions and is used by over 99% of members. The Trustee Board provides this strategy based on professional investment advice.</p> <p>For the 3 years ending in December 2018, 2019 and 2020 the performance of the three funds in the default strategy outperformed the benchmark return figures.</p> <p>Performance of the default funds (as at 31 December each year)</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Growth in retirement savings</th> <th style="text-align: center;">Target Growth (benchmark)</th> <th style="text-align: center;">Target beaten by %</th> </tr> </thead> <tbody> <tr> <td colspan="4">2018</td> </tr> <tr> <td>WPT Growth Fund</td> <td style="text-align: center;">-7.22%</td> <td style="text-align: center;">-7.25%</td> <td style="text-align: center;">0.03%</td> </tr> <tr> <td>WPT Volatility Reduction Fund</td> <td style="text-align: center;">0.62%</td> <td style="text-align: center;">0.55%</td> <td style="text-align: center;">0.07%</td> </tr> <tr> <td>WPT Capital Protection Fund</td> <td style="text-align: center;">0.65%</td> <td style="text-align: center;">0.46%</td> <td style="text-align: center;">0.19%</td> </tr> <tr> <td colspan="4">2019</td> </tr> <tr> <td>WPT Growth Fund</td> <td style="text-align: center;">20.06%</td> <td style="text-align: center;">19.99%</td> <td style="text-align: center;">0.07%</td> </tr> <tr> <td>WPT Volatility Reduction Fund</td> <td style="text-align: center;">5.14%</td> <td style="text-align: center;">5.08%</td> <td style="text-align: center;">0.06%</td> </tr> <tr> <td>WPT Capital Protection Fund</td> <td style="text-align: center;">0.82%</td> <td style="text-align: center;">0.57%</td> <td style="text-align: center;">0.25%</td> </tr> <tr> <td colspan="4">2020</td> </tr> <tr> <td>WPT Growth Fund</td> <td style="text-align: center;">1.26%</td> <td style="text-align: center;">1.15%</td> <td style="text-align: center;">0.11%</td> </tr> <tr> <td>WPT Volatility Reduction Fund</td> <td style="text-align: center;">5.26%</td> <td style="text-align: center;">5.22%</td> <td style="text-align: center;">0.03%</td> </tr> <tr> <td>WPT Capital Protection Fund</td> <td style="text-align: center;">0.35%</td> <td style="text-align: center;">0.13%</td> <td style="text-align: center;">0.22%</td> </tr> </tbody> </table>		Growth in retirement savings	Target Growth (benchmark)	Target beaten by %	2018				WPT Growth Fund	-7.22%	-7.25%	0.03%	WPT Volatility Reduction Fund	0.62%	0.55%	0.07%	WPT Capital Protection Fund	0.65%	0.46%	0.19%	2019				WPT Growth Fund	20.06%	19.99%	0.07%	WPT Volatility Reduction Fund	5.14%	5.08%	0.06%	WPT Capital Protection Fund	0.82%	0.57%	0.25%	2020				WPT Growth Fund	1.26%	1.15%	0.11%	WPT Volatility Reduction Fund	5.26%	5.22%	0.03%	WPT Capital Protection Fund	0.35%	0.13%	0.22%
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	<p>Following the acquisition of the Scheme Funder by Cushon in June 2021, the Cushon investment model provides the potential for improved returns on your pensions savings. It is anticipated that the new model will be implemented by mid-June 2022.</p>																																																				

	<p>Trustee conclusion: Improvement plan underway</p> <p>The investment strategy of Workers Pension Trust requires review to include responsible investing. The use of Cushon technology will allow members to engage directly with their pension fund.</p>
<p>Costs and Charges</p> <p>£</p>	<p><u>WPT Section</u></p> <p>For the WPT section, charges paid by members are as follows:</p> <ul style="list-style-type: none"> • Monthly Contribution Charge of 1.8%; for example: if £80 is added to your savings each month, the contribution charge would be £1.44 per month or a total of £17.28 per year. • Annual Management Charge of 0.3%; for example: if your retirement savings are worth £5,000 this means that the AMC for that year would be £15.00. <p>The total cost is below the government cap for auto-enrolment schemes.</p> <p><u>WPT-E section</u></p> <p>For the WPT-E section, the member pays an Annual Management Charge of 0.75% which complies with the maximum charges cap.</p> <p>The LGIM Sterling Liquidity Fund requires manual reduction to ensure compliance. The 0.75% charge for the WPT-E section is high when compared with the average.</p> <p>The charges are broadly comparable to Master Trusts of a similar size and membership profile.</p> <p>Trustee conclusion: Performing as expected</p>
<p>Design</p> 	<p>The Scheme has been designed as an auto-enrolment scheme, with a good contributions structure and with the demographics of the membership in mind.</p> <p>Given the relatively small pots which members will accrue it targets cash for members at retirement, which is appropriate.</p> <p>Trustee conclusion: Performing as expected</p>
<p>Administration</p> 	<p>The administration of Workers Pension Trust is carried out by Mercer, a third party administrator, and Construction First Limited who both scored above 93% in all assessments.</p> <p>Core financial transactions were assessed as having been processed promptly and accurately.</p> <p>Trustee conclusion: Performing very well</p>
<p>Communication</p> 	<p>Members are provided with a welcome pack, annual statements and have access to a scheme website which holds all relevant documents and various surveys.</p> <p>Members have on-line access to the BenPal online portal; 90% of members using the portal commented they find it easy to use. A modelling tool is available for members to model contribution rates and investment choices and see the impact of these on the value of their funds at retirement.</p> <p>Members can provide feedback to the Trustee Board via surveys and feedback forms. The average satisfaction rate was 9 out of 10 from 199 respondents.</p> <p>Trustee conclusion: Performing very well</p>
<p>Governance</p> 	<p>The Trustee Board met six times during the last year. A Governance Sub-Committee was established during 2020.</p> <p>The Chair of the Trustee Board, Carole Ryden, from Capital Cranfield, is an independent Professional Trustee. Three Member-Nominated Trustees were on the Board during the year, increasing the Trustee Board's knowledge, skills and experience.</p> <p>The Trustee Board will undertake a governance review during the early part of 2021 to identify any gaps and to ensure the highest standards of governance are achieved.</p> <p>Trustee conclusion: Improvement plan underway:</p> <p>The supervision regime required of a Master Trust has identified areas for improvement in monitoring conflicts of interest, understanding roles and responsibilities and in managing relationships between the three Boards governing Workers Pension Trust.</p>