

Fidelity Master Trust

Your guide to the
Chair's Statement

What you need to know about your pension scheme for the scheme year ending **30 June 2023**.

The Chair's Statement is a regulatory document and as a result is quite long and detailed. So, as part of our commitment to keeping things clear and simple, we've created this guide. In it, we summarise the main points of the annual Chair's Statement and present them in a simpler way.

The Chair's Statement and our value for Money assessment covers all members in the Master Trust. However, some members in certain schemes within the Master Trust have their own bespoke investment range. This means that your default investment strategy as mentioned throughout this document, might be different to FutureWise. If this applies to you, you can read about how we review your investment strategy [here](#).

Highlights from the year

- We altered our default investment strategy, FutureWise, to make it more flexible, transparent, sustainable, and suitable for your retirement income needs.
- Fidelity started sending more information digitally. This made it easier for you to access your information online and helping to save 720 trees* each year.
- We continued to focus on sustainable investing, working towards our aim of hitting net zero on our carbon emissions by 2050. This net-zero means we aim to balance the amount of carbon added to the atmosphere by the Master Trust with the amount removed.

* estimated per year, based on existing volumes

Did the Master Trust offer you value?

This Scheme Year, we (the Master Trust Board) have concluded that the **Master Trust provides value for members**. This means that we think you're getting a good deal from your pension scheme.

How did we decide that?

Each year, we carry out a 'value for members' assessment. This is a way of checking whether the Master Trust provides good value for the money you pay in fees and charges. We look at the following areas:

- The suitability of the investment strategy
- The costs and charges that you pay
- The level and quality of service that you receive
- The level and quality of the benefits that you receive at retirement, compared with the contributions you make
- The security of your investments.

“

All the funds that FutureWise invests in have **goals** that aim to reduce the **carbon footprint** of the strategy compared to the wider market. This means that your pension savings are helping to **fight climate change** and support a greener economy.

”

Here are some of the reasons why we think the Master Trust offers value:

- **The FutureWise transition:** We've improved our default investment strategy to make it more flexible, transparent, sustainable, and suitable for your needs.
- **Low and competitive investment costs:** We ensure transaction costs are low and competitive when compared to other pension schemes. These are the costs of buying and selling the investments within the funds.
- **High-quality service:** The indicators we use to measure member engagement have improved over the year, especially the use of digital channels and the collection of contact data.
- **Increased focus on sustainability:** We have integrated environmental, social, and governance (ESG) factors into our investment decisions. We outline our progress in assessing and managing climate-related risks and opportunities across the Master Trust in our [Fidelity Master Trust and Climate change – update](#). This sets out the carbon emissions made by Master Trust and our goals for reducing that carbon footprint.

The changes to FutureWise

Every workplace pension scheme offers a default investment strategy. This is the option that you are automatically enrolled in if you don't choose how to invest your pension savings. Yours is called FutureWise.

In the last year, we reviewed FutureWise, our default investment strategy. We made some changes to improve it. Here are the main changes:

- **Moving the FutureWise investments into a range of Target Date Funds (TDFs):** These are funds that adjust the mix of investments and risk according to your age and expected retirement date. The fund managers can react to changes in the market and your needs more quickly and it's easier to track performance.
- **Making the strategy fully sustainable:** All the funds that FutureWise invests in have goals that aim to reduce the carbon footprint of the strategy compared to the wider market. This means that your pension savings are helping to fight climate change and support a greener economy.
- **Focusing on income drawdown:** As more members in retirement access their money flexibly over time, we've designed the strategy to suit this option. This means that your savings have the opportunity to continue to grow and generate income for you after you retire, while still allowing you to take lump sums if you wish.

Because FutureWise moved into TDFs over the scheme year we only have performance figures for a six-month period, and we are happy that FutureWise is performing as expected. Remember you can find your personal performance figures on [PlanViewer.co.uk](#)

The Master Trust in figures

Master Trusts benefit are multi-employer schemes, the more members and more money they have the more they benefit from economies of scale. These figures are from the Master Trust scheme year 1 July 2022 to 30 June 2023.



17 new participating employers
joined in scheme year

152 participating
employers



151,493 members

(from **133,565** at start of scheme year)

Want to know more?

We hope you have enjoyed this guide and found it useful. If you want to know more, you can find the following documents online:

[The full Chair's Statement >>](#)

[The Master Trust Report and Financial Accounts >>](#)

[The Statement of Investment Principles >>](#)

[Member Spotlight on the TCFD report >>](#)

You can also access your personal pension account on planviewer.fidelity.co.uk/newlogin/ to check your balance, change your contributions, switch your investments, and plan your retirement. 

