

# CREDO

Credo Capital Limited

Consumer Duty – Price and Value Assessment

Multi Asset Portfolios

30 April 2024



## Background

This document describes and presents the price and value assessments for four different multi-asset portfolios managed by Credo, namely **MAP 20/80**, **MAP 45/55**, **MAP 60/40** and **MAP 70/30**, as required by the FCA's Consumer Duty, when these are invested in and held via Credo's platform. The assessment includes a 3-stage process to determine the relative value of each of the portfolios, and which is presented separately in the appendices.

- **Stage 1: Costs**  
Consider all costs associated with the portfolio.
- **Stage 2: Benefits**  
Consider all benefits associated with the portfolio.
- **Stage 3: Benchmarking**  
Comparison against similar products.

## Stage 1: Costs

This section will consider the costs of the portfolios when an investor buys units via Credo's platform. This represents the following costs:

- **Management fees**, which are Credo's fees for managing an investment portfolio on a discretionary basis.
- **Platform fees**, which are the platform fees charged for:
  - Arranging the safe custody of assets (i.e., the global custody fee);
  - Technology solutions:
    - Access to MyCredo Invest – our state of the art online reporting tool;
    - Access to MyCredo Invest trading capability for the entry of trades;
  - Customer support:
    - Access to a Relationship Manager and an Account Manager;
    - Access to a highly experienced Client Services team that can assist with any queries;
    - Overall provision of outstanding customer service via the Credo platform and related ecosystem; and
    - Processing of all corporate actions and other transactional events.
- **Trading Services**, which are the transaction costs for buying and selling securities on the Credo platform.
- **Foreign Exchange Services**, which relate to transactions taking place in a different currency from that of the existing cash balance within the account in question.
- **Service Charges**, which is an additional flat fee charged on each transaction.



## Stage 2: Benefits

In this section, we will note the investment objectives of the portfolios and consider the benefits from investing in the portfolios. Various factors will be considered including the **quality of service**, **portfolio performance**, and **economies of scale**.

Additionally, we will note the benefits of investing via the Credo platform, including the services provided.

## Stage 3: Benchmarking

The portfolios can be compared against similar portfolios or indices to provide comparable charges and performance returns. We will also compare Credo's platform to similar, comparable, wealth management providers in the UK and their platforms particularly with regards to costs.

## MAP 20/80

### 1. Costs

The costs associated with investing in the MAP 20/80 via Credo's platform are shown below.

| Fee Type                                  | Charge <sup>1</sup>   |
|---|---|
| <b>Management</b>                         | 0.60% p.a.  |
| <b>Platform (includes Global Custody)</b> | 0.20% (onshore), £250 minimum p.a.<br>0.30% (offshore), £500 minimum p.a. |
| <b>Trading Services</b>                   | 0.35%, minimum per trade £35 <sup>1</sup>                                 |
| <b>Foreign Exchange Spread</b>            | 0.35%   |
| <b>Service Charges</b>                    | £20 (UK securities)<br>£30 (US securities)<br>£50 (all other markets)     |

(1) Source: Credo.

**Note:** The fees detailed above are in accordance with Credo's standard Schedule of Charges for Private Clients. In certain instances (specifically in relation to some larger clients), aspects of these charges may be negotiable, and clients may thus pay lower management fees, as well as lower/zero fees for trading services.

<sup>1</sup> We don't believe we will be able to obtain a large enough sample group to carry out a meaningful benchmarking exercise on this spread.



## 2. Benefits

The investment objective of MAP 20/80 is to provide investors with diversified exposure to global assets through mutual funds and ETFs across asset classes in accordance with an evidence-based investment philosophy. The aim of the 20/80 portfolio is to provide long term exposure to both traditional and alternative assets, with a 20% long term allocation to equities and 80% in all other asset classes. The actual portfolio allocation may at any point in time fluctuate to reflect prevailing investment opportunities. The portfolio is aimed at clients who generally prefer lower risk investments but are willing to accept small downside risk to their capital in order to achieve a higher potential return than cash deposits.

| Measure                       | Description  |
|-------------------------------|--|
| <b>Investment Team</b>        | <ul style="list-style-type: none"> <li>▪ Qualified, experienced investment team, consisting of two fulltime professionals.</li> <li>▪ Detailed fund/ETF analysis with a long-term investment mindset.</li> <li>▪ Culture that encourages individual ideas and independent thinking.</li> <li>▪ Regular investment reporting (factsheet, commentary).</li> </ul>  |
| <b>Quality of service</b>     | <ul style="list-style-type: none"> <li>▪ Independence - Credo is independently owned and is thus not subject to any institutional bias.</li> <li>▪ High staff retention with senior relationship managers rarely leaving the business.</li> <li>▪ Dedicated relationship manager and account manager for each account.</li> <li>▪ Complete transparency in terms of fees.</li> <li>▪ Online client reporting and trade execution system, which can be accessed at any time.</li> </ul>   |
| <b>Investment performance</b> | <ul style="list-style-type: none"> <li>▪ Consistent long-term performance.</li> <li>▪ Disciplined investment approach.</li> <li>▪ Proven evidence-based methodology.</li> <li>▪ Analytical research by in-house investment team and ongoing daily portfolio monitoring.</li> <li>▪ By design, no conflict in terms of potential cross-investing into other active products managed by Credo</li> <li>▪ Generally defensive performance during market drawdowns, given limited equity exposure</li> </ul>   |
| <b>Other</b>                  | <p><i>3<sup>rd</sup> Party Custodian:</i></p> <p>Clients have a choice of appointing an onshore or offshore custodian of the assets. Credo uses Pershing Securities Limited, which is regulated by the Financial Conduct Authority (<b>FCA</b>) in the UK, and Pershing (Channel Islands) Limited, which is regulated by the Jersey Financial Services Commission in Jersey (both being wholly owned subsidiaries of BNY Mellon) as its primary onshore and offshore custodians respectively. In the unlikely event that Credo or its custodians are unable to meet their financial obligations, clients will benefit from extensive account protection for the net equity value of the securities positions and cash held in their account.</p> <p>In Compliance with FCA Client Asset Rules, investors' assets are held in trust accounts segregated from the custodian's own assets. Therefore, in the unlikely event of default by the custodian, investors' assets will be allocated to the</p> |



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beneficial owner, will not be considered as belonging to the custodian, and will not be used to repay the custodian's creditors in the event of liquidation.

Pershing protects client assets in several ways:

- Asset registration: all client assets are registered in the name of a nominee company controlled by the custodian, with the client recorded as the beneficial owner of the assets.
- Asset segregation: FCA Client Asset Rules require client assets to be held in trust in accounts segregated from Pershing's own assets and segregated from Credo's assets.
- Asset reporting: regulation requires custodians to provide a quarterly (onshore) or semi-annual (offshore) custody statement in respect of client assets held.
- Verification of asset records and instructions: Pershing is required to perform regular checks that client assets are accurately recorded and specific agreements are in place as to who can issue instructions in respect of client assets.
- Assessments of custodians: the FCA undertakes regular assessments of custodians to ensure consistent application for the FCA's asset protection rules.
- Internal reviews: an annual independent review performed by Pershing's external auditors of its control environment.

*Compensation Scheme:*

Credo is a participant in the Financial Services Compensation Scheme (**FSCS**). In the unlikely event of Credo's default, compensation may be available from the scheme in respect of our liabilities to Retail clients under the relevant Terms of Business. Clients may be able to benefit from the UK's FSCS or Jersey's Depositors Compensation Scheme (**DCS**). Further information is available from the FSCS: [www.fscs.org.uk](http://www.fscs.org.uk) and the DCS: <https://www.gov.je/Pages/default.aspx>.

*Technology Solutions:*

Credo provides the following technology solutions to clients via its MyCredo platform:

- Secure, multi-browser portfolio online access;
- Configurable to specific requirements (on-line trading or view-only);
- Consolidated view of all accounts via a single login;
- On-line services, including:
  - access to MyCredo Invest for online and performance reporting; and
  - access to MyCredo Invest trading capability for the entry of trades.

*Customer Support and Transactional Processing:*

Credo provides customer support, corporate action and transactional services.

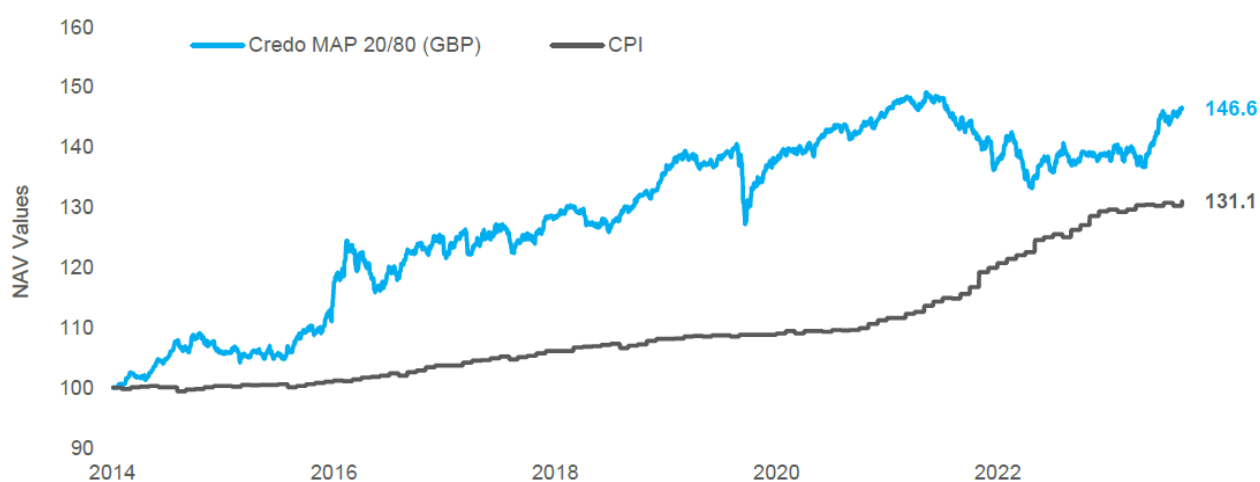
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## PORTFOLIO PERFORMANCE (GBP)<sup>1</sup>

| Return (%)          | Annualised   |         |         |        |          |         |     |
|---------------------|--------------|---------|---------|--------|----------|---------|-----|
|                     | S. Inception | 5 Years | 3 Years | 1 Year | 3 Months | 1 Month | YTD |
| Multi Asset - 20/80 | 4.0          | 2.6     | 1.2     | 6.9    | 3.9      | 0.5     | 0.7 |
| CPI <sup>2</sup>    | 2.8          | 4.1     | 6.1     | 3.8    | 0.6      | 0.6     | 0.2 |
| Relative            | 1.2          | -1.6    | -4.9    | 3.1    | 3.2      | -0.1    | 0.4 |

## PERFORMANCE SINCE INCEPTION (01/07/2014)<sup>3</sup>



- (1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Multi-Asset 20/80 Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any Credo fees (which can vary depending on the level of service) but after all underlying fund costs.
- (2) CPI measured by CPI including owner occupiers' housing costs, not seasonally adjusted (CPIH).
- (3) Source: Bloomberg pricing as of 29/2/2024 close. All portfolio performance is calculated using Bloomberg PORT.



### 3. Benchmarking

| <b>Measure</b>               | <b>Assessment</b>  |
|------------------------------|--|
| <b>Portfolio performance</b> | MAP 20/80 comfortably outperformed its inflation-based benchmark over the past year (following a challenging 12 months the year before). Importantly, the portfolio has also beaten its benchmark by more than 1% per annum since inception in 2014. |
| <b>Comparable charges</b>    | We have reviewed comparable solutions in the market, offered primarily by IFAs and wealth management firms, and we are comfortable that the fees for the MAP solutions represent good value for money compared with our peers.                       |

### **CONCLUSION**

Considering the portfolio's costs and performance returns; we believe these to be fair, reasonable, and appropriate given the investment strategy and process. The portfolio has delivered consistent investment returns and continues to provide good value to investors.

Furthermore, Credo's costs and charges are comparable to peers and commensurate with the services we provide to clients.



## MAP 45/55

### 1. Costs

The costs associated with investing in the MAP 45/55 via Credo's platform are shown below.

| Fee Type                                  | Charge <sup>1</sup>   |
|---|---|
| <b>Management</b>                         | 0.60% p.a.  |
| <b>Platform (includes Global Custody)</b> | 0.20% (onshore), £250 minimum p.a.<br>0.30% (offshore), £500 minimum p.a. |
| <b>Trading Services</b>                   | 0.35%, minimum per trade £35 <sup>2</sup>                                 |
| <b>Foreign Exchange Spread</b>            | 0.35%   |
| <b>Service Charges</b>                    | £20 (UK securities)<br>£30 (US securities)<br>£50 (all other markets)     |

(2) Source: Credo.

**Note:** The fees detailed above are in accordance with Credo's standard Schedule of Charges for Private Clients. In certain instances (specifically in relation to some larger clients), aspects of these charges may be negotiable, and clients may thus pay lower management fees, as well as lower/zero fees for trading services.

<sup>2</sup> We don't believe we will be able to obtain a large enough sample group to carry out a meaningful benchmarking exercise on this spread.





## 2. Benefits

The investment objective of MAP 45/55 is to provide investors with diversified exposure to global assets through mutual funds and ETFs across asset classes in accordance with an evidence-based investment philosophy. The aim of the 45/55 portfolio is to provide long term exposure to both traditional and alternative assets, with a 45% long term allocation to equities and 55% in all other asset classes. The actual portfolio allocation may at any point in time fluctuate to reflect prevailing investment opportunities. The portfolio is aimed at clients who are willing and able to assume a moderate amount of capital risk, but with a lower allocation to growth assets and a focus on reducing potential downside.

| Measure                       | Description  |
|-------------------------------|--|
| <b>Investment Team</b>        | <ul style="list-style-type: none"> <li>▪ Qualified, experienced investment team, consisting of two fulltime professionals.</li> <li>▪ Detailed fund/ETF analysis with a long-term investment mindset.</li> <li>▪ Culture that encourages individual ideas and independent thinking.</li> <li>▪ Regular investment reporting (factsheet, commentary).</li> </ul>  |
| <b>Quality of service</b>     | <ul style="list-style-type: none"> <li>▪ Independence - Credo is independently owned and is thus not subject to any institutional bias.</li> <li>▪ High staff retention with senior relationship managers rarely leaving the business.</li> <li>▪ Dedicated relationship manager and account manager for each account.</li> <li>▪ Complete transparency in terms of fees.</li> <li>▪ Online client reporting and trade execution system, which can be accessed at any time.</li> </ul>   |
| <b>Investment performance</b> | <ul style="list-style-type: none"> <li>▪ Consistent long-term performance.</li> <li>▪ Disciplined investment approach.</li> <li>▪ Proven evidence-based methodology.</li> <li>▪ Analytical research by in-house investment team and ongoing daily portfolio monitoring.</li> <li>▪ By design, no conflict in terms of potential cross-investing into other active products managed by Credo</li> <li>▪ Generally defensive performance through the cycle, given balanced exposure to equity and other asset classes</li> </ul>   |
| <b>Other</b>                  | <p><i>3<sup>rd</sup> Party Custodian:</i></p> <p>Clients have a choice of appointing an onshore or offshore custodian of the assets. Credo uses Pershing Securities Limited, which is regulated by the Financial Conduct Authority (<b>FCA</b>) in the UK, and Pershing (Channel Islands) Limited, which is regulated by the Jersey Financial Services Commission in Jersey (both being wholly owned subsidiaries of BNY Mellon) as its primary onshore and offshore custodians respectively. In the unlikely event that Credo or its custodians are unable to meet their financial obligations, clients will benefit from extensive account protection for the net equity value of the securities positions and cash held in their account.</p> <p>In Compliance with FCA Client Asset Rules, investors' assets are held in trust accounts segregated from the custodian's own assets. Therefore, in the unlikely event of default by the custodian, investors' assets will be allocated to the</p> |



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beneficial owner, will not be considered as belonging to the custodian, and will not be used to repay the custodian's creditors in the event of liquidation.

Pershing protects client assets in several ways:

- Asset registration: all client assets are registered in the name of a nominee company controlled by the custodian, with the client recorded as the beneficial owner of the assets.
- Asset segregation: FCA Client Asset Rules require client assets to be held in trust in accounts segregated from Pershing's own assets and segregated from Credo's assets.
- Asset reporting: regulation requires custodians to provide a quarterly (onshore) or semi-annual (offshore) custody statement in respect of client assets held.
- Verification of asset records and instructions: Pershing is required to perform regular checks that client assets are accurately recorded and specific agreements are in place as to who can issue instructions in respect of client assets.
- Assessments of custodians: the FCA undertakes regular assessments of custodians to ensure consistent application for the FCA's asset protection rules.
- Internal reviews: an annual independent review performed by Pershing's external auditors of its control environment.

*Compensation Scheme:*

Credo is a participant in the Financial Services Compensation Scheme (**FSCS**). In the unlikely event of Credo's default, compensation may be available from the scheme in respect of our liabilities to Retail clients under the relevant Terms of Business. Clients may be able to benefit from the UK's FSCS or Jersey's Depositors Compensation Scheme (**DCS**). Further information is available from the FSCS: [www.fscs.org.uk](http://www.fscs.org.uk) and the DCS: <https://www.gov.je/Pages/default.aspx>.

*Technology Solutions:*

Credo provides the following technology solutions to clients via its MyCredo platform:

- Secure, multi-browser portfolio online access;
- Configurable to specific requirements (on-line trading or view-only);
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- On-line services, including:
  - access to MyCredo Invest for online and performance reporting; and
  - access to MyCredo Invest trading capability for the entry of trades.

*Customer Support and Transactional Processing:*

Credo provides customer support, corporate action and transactional services.

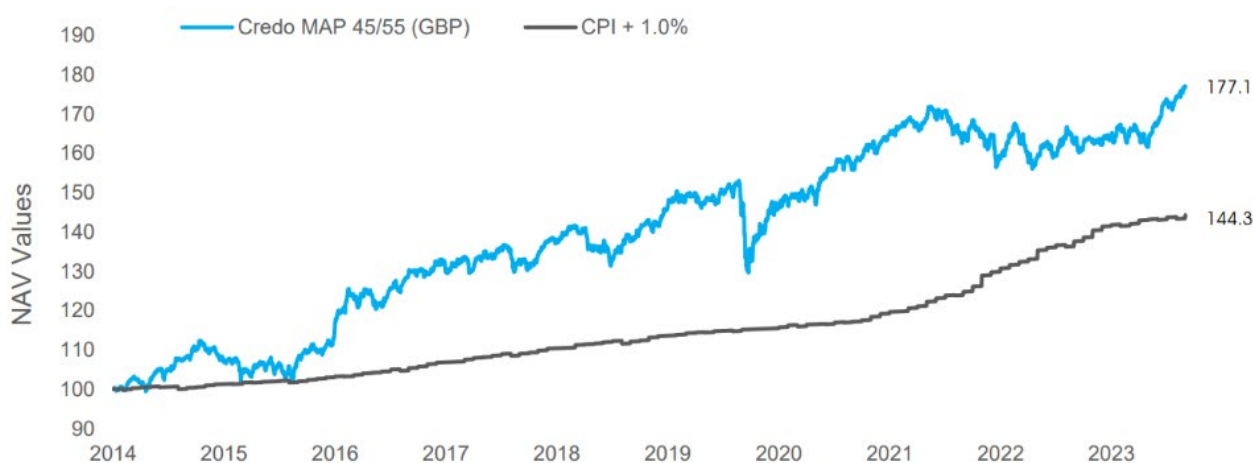
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## PORTFOLIO PERFORMANCE (GBP)<sup>1</sup>

| Return (%)              | Annualised   |         |         |        |          |         |     |
|-------------------------|--------------|---------|---------|--------|----------|---------|-----|
|                         | S. Inception | 5 Years | 3 Years | 1 Year | 3 Months | 1 Month | YTD |
| Multi Asset - 45/55     | 6.1          | 5.2     | 4.4     | 9.1    | 5.7      | 1.6     | 2.1 |
| CPI + 1.0% <sup>3</sup> | 3.9          | 5.2     | 7.2     | 4.9    | 0.9      | 0.7     | 0.4 |
| Relative                | 2.2          | 0.0     | -2.8    | 4.3    | 4.9      | 0.9     | 1.7 |

## PERFORMANCE SINCE INCEPTION (01/07/2014)<sup>3</sup>



- (1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Multi-Asset 45/55 Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any Credo fees (which can vary depending on the level of service) but after all underlying fund costs.
- (2) CPI measured by CPI including owner occupiers' housing costs, not seasonally adjusted (CPIH).
- (3) Source: Bloomberg pricing as of 29/02/2024 close. All portfolio performance is calculated using Bloomberg PORT.



### 3. Benchmarking

| <b>Measure</b>               | <b>Assessment</b>  |
|------------------------------|--|
| <b>Portfolio performance</b> | MAP 45/55 comfortably outperformed its inflation-based benchmark over the past year (following a challenging 12 months the year before). Importantly, the portfolio has also beaten its benchmark by more than 2% per annum since inception in 2014. |
| <b>Comparable charges</b>    | We have reviewed comparable solutions in the market, offered primarily by IFAs and wealth management firms, and we are comfortable that the fees for the MAP solutions represent good value for money compared with our peers.                       |

#### **Conclusion**

Considering the portfolio's costs and performance returns; we believe these to be fair, reasonable, and appropriate given the investment strategy and process. The portfolio has delivered consistent investment returns and continues to provide good value to investors.

Furthermore, Credo's costs and charges are comparable to peers and commensurate with the services we provide to clients.



## MAP 60/40

### 1. Costs

The costs associated with investing in the MAP 60/40 via Credo's platform are shown below.

| Fee Type                                  | Charge <sup>1</sup>   |
|---|---|
| <b>Management</b>                         | 0.60% p.a.  |
| <b>Platform (includes Global Custody)</b> | 0.20% (onshore), £250 minimum p.a.<br>0.30% (offshore), £500 minimum p.a. |
| <b>Trading Services</b>                   | 0.35%, minimum per trade £35 <sup>3</sup>                                 |
| <b>Foreign Exchange Spread</b>            | 0.35%   |
| <b>Service Charges</b>                    | £20 (UK securities)<br>£30 (US securities)<br>£50 (all other markets)     |

(3) Source: Credo.

**Note:** The fees detailed above are in accordance with Credo's standard Schedule of Charges for Private Clients. In certain instances (specifically in relation to some larger clients), aspects of these charges may be negotiable, and clients may thus pay lower management fees, as well as lower/zero fees for trading services.

<sup>3</sup> We don't believe we will be able to obtain a large enough sample group to carry out a meaningful benchmarking exercise on this spread.



## 2. Benefits

The investment objective of MAP 60/40 is to provide investors with diversified exposure to global assets through mutual funds and ETFs across asset classes in accordance with an evidence-based investment philosophy. The aim of the 60/40 portfolio is to provide long term exposure to both traditional and alternative assets, with a 60% long term allocation to equities and 40% in all other asset classes. The actual portfolio allocation may at any point in time fluctuate to reflect prevailing investment opportunities. The portfolio is aimed at clients who are willing and able to accept short term volatility as a trade-off for higher potential returns and the portfolio has a large focus on the potential growth of capital over the long term.

| Measure                       | Description  |
|-------------------------------|--|
| <b>Investment Team</b>        | <ul style="list-style-type: none"> <li>▪ Qualified, experienced investment team, consisting of two fulltime professionals.</li> <li>▪ Detailed fund/ETF analysis with a long-term investment mindset.</li> <li>▪ Culture that encourages individual ideas and independent thinking.</li> <li>▪ Regular investment reporting (factsheet, commentary).</li> </ul>  |
| <b>Quality of service</b>     | <ul style="list-style-type: none"> <li>▪ Independence - Credo is independently owned and is thus not subject to any institutional bias.</li> <li>▪ High staff retention with senior relationship managers rarely leaving the business.</li> <li>▪ Dedicated relationship manager and account manager for each account.</li> <li>▪ Complete transparency in terms of fees.</li> <li>▪ Online client reporting and trade execution system, which can be accessed at any time.</li> </ul>   |
| <b>Investment performance</b> | <ul style="list-style-type: none"> <li>▪ Consistent long-term performance.</li> <li>▪ Disciplined investment approach.</li> <li>▪ Proven evidence-based methodology.</li> <li>▪ Analytical research by in-house investment team and ongoing daily portfolio monitoring.</li> <li>▪ By design, no conflict in terms of potential cross-investing into other active products managed by Credo</li> <li>▪ Growth which is somewhat correlated with rising equity market over time, given portfolio tilt which favours equities</li> </ul>   |
| <b>Other</b>                  | <p><i>3<sup>rd</sup> Party Custodian:</i></p> <p>Clients have a choice of appointing an onshore or offshore custodian of the assets. Credo uses Pershing Securities Limited, which is regulated by the Financial Conduct Authority (<b>FCA</b>) in the UK, and Pershing (Channel Islands) Limited, which is regulated by the Jersey Financial Services Commission in Jersey (both being wholly owned subsidiaries of BNY Mellon) as its primary onshore and offshore custodians respectively. In the unlikely event that Credo or its custodians are unable to meet their financial obligations, clients will benefit from extensive account protection for the net equity value of the securities positions and cash held in their account.</p> <p>In Compliance with FCA Client Asset Rules, investors' assets are held in trust accounts segregated from the custodian's own assets. Therefore, in the unlikely event of default by the custodian, investors' assets will be allocated to the</p> |



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beneficial owner, will not be considered as belonging to the custodian, and will not be used to repay the custodian's creditors in the event of liquidation.

Pershing protects client assets in several ways:

- Asset registration: all client assets are registered in the name of a nominee company controlled by the custodian, with the client recorded as the beneficial owner of the assets.
- Asset segregation: FCA Client Asset Rules require client assets to be held in trust in accounts segregated from Pershing's own assets and segregated from Credo's assets.
- Asset reporting: regulation requires custodians to provide a quarterly (onshore) or semi-annual (offshore) custody statement in respect of client assets held.
- Verification of asset records and instructions: Pershing is required to perform regular checks that client assets are accurately recorded and specific agreements are in place as to who can issue instructions in respect of client assets.
- Assessments of custodians: the FCA undertakes regular assessments of custodians to ensure consistent application for the FCA's asset protection rules.
- Internal reviews: an annual independent review performed by Pershing's external auditors of its control environment.

*Compensation Scheme:*

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*Technology Solutions:*

Credo provides the following technology solutions to clients via its MyCredo platform:

- Secure, multi-browser portfolio online access;
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*Customer Support and Transactional Processing:*

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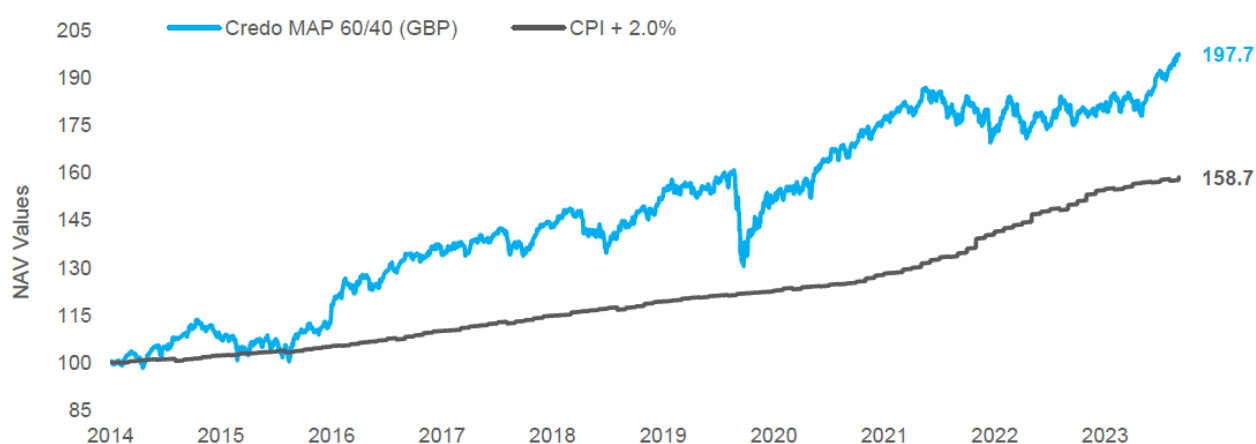
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## PORTFOLIO PERFORMANCE (GBP)<sup>1</sup>

| Return (%)          | Annualised   |         |         |        |          |         |     |
|---------------------|--------------|---------|---------|--------|----------|---------|-----|
|                     | S. Inception | 5 Years | 3 Years | 1 Year | 3 Months | 1 Month | YTD |
| Multi Asset - 60/40 | 7.3          | 6.7     | 6.3     | 10.5   | 6.8      | 2.2     | 2.9 |
| CPI + 2.0%          | 4.9          | 6.2     | 8.3     | 5.9    | 1.1      | 0.8     | 0.6 |
| Relative            | 2.4          | 0.5     | -2.0    | 4.6    | 5.7      | 1.5     | 2.4 |

## PERFORMANCE SINCE INCEPTION (01/07/2014)<sup>3</sup>



- (1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Multi-Asset 60/40 Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any Credo fees (which can vary depending on the level of service) but after all underlying fund costs.
- (2) CPI measured by CPI including owner occupiers' housing costs, not seasonally adjusted (CPIH).
- (3) Source: Bloomberg pricing as of 29/02/2024 close. All portfolio performance is calculated using Bloomberg PORT.





### 3. Benchmarking

| <b>Measure</b>               | <b>Assessment</b>  |
|------------------------------|--|
| <b>Portfolio performance</b> | MAP 60/40 comfortably outperformed its inflation-based benchmark over the past year (following a challenging 12 months the year before). Importantly, the portfolio has also beaten its benchmark by more than 2% per annum since inception in 2014. |
| <b>Comparable charges</b>    | We have reviewed comparable solutions in the market, offered primarily by IFAs and wealth management firms, and we are comfortable that the fees for the MAP solutions represent good value for money compared with our peers.                       |

### **CONCLUSION**

Considering the portfolio's costs and performance returns; we believe these to be fair, reasonable, and appropriate given the investment strategy and process. The portfolio has delivered consistent investment returns and continues to provide good value to investors.

Furthermore, Credo's costs and charges are comparable to peers and commensurate with the services we provide to clients.



## MAP 70/30

### 1. Costs

The costs associated with investing in the MAP 70/40 via Credo's platform are shown below.

| Fee Type                                  | Charge <sup>1</sup>   |
|---|---|
| <b>Management</b>                         | 0.60% p.a.  |
| <b>Platform (includes Global Custody)</b> | 0.20% (onshore), £250 minimum p.a.<br>0.30% (offshore), £500 minimum p.a. |
| <b>Trading Services</b>                   | 0.35%, minimum per trade £35 <sup>4</sup>                                 |
| <b>Foreign Exchange Spread</b>            | 0.35%   |
| <b>Service Charges</b>                    | £20 (UK securities)<br>£30 (US securities)<br>£50 (all other markets)     |

(4) Source: Credo.

**Note:** The fees detailed above are in accordance with Credo's standard Schedule of Charges for Private Clients. In certain instances (specifically in relation to some larger clients), aspects of these charges may be negotiable, and clients may thus pay lower management fees, as well as lower/zero fees for trading services.

<sup>4</sup> We don't believe we will be able to obtain a large enough sample group to carry out a meaningful benchmarking exercise on this spread.



## 2. Benefits

The investment objective of MAP 70/30 is to provide investors with diversified exposure to global assets through mutual funds and ETFs across asset classes in accordance with an evidence-based investment philosophy. The aim of the 70/30 portfolio is to provide long term exposure to both traditional and alternative assets, with a 70% long term allocation to equities and 30% in all other asset classes. The actual portfolio allocation may at any point in time fluctuate to reflect prevailing investment opportunities. The portfolio is aimed at clients who are willing and able to take significant risk to increase the return-generating potential; this is the most growth orientated profile of all the MAP ESG portfolios and may be subject to substantial short-term volatility.

| Measure                       | Description  |
|-------------------------------|--|
| <b>Investment Team</b>        | <ul style="list-style-type: none"> <li>▪ Qualified, experienced investment team, consisting of two fulltime professionals.</li> <li>▪ Detailed fund/ETF analysis with a long-term investment mindset.</li> <li>▪ Culture that encourages individual ideas and independent thinking.</li> <li>▪ Regular investment reporting (factsheet, commentary).</li> </ul>  |
| <b>Quality of service</b>     | <ul style="list-style-type: none"> <li>▪ Independence - Credo is independently owned and is thus not subject to any institutional bias.</li> <li>▪ High staff retention with senior relationship managers rarely leaving the business.</li> <li>▪ Dedicated relationship manager and account manager for each account.</li> <li>▪ Complete transparency in terms of fees.</li> <li>▪ Online client reporting and trade execution system, which can be accessed at any time.</li> </ul>   |
| <b>Investment performance</b> | <ul style="list-style-type: none"> <li>▪ Consistent long-term performance.</li> <li>▪ Disciplined investment approach.</li> <li>▪ Proven evidence-based methodology.</li> <li>▪ Analytical research by in-house investment team and ongoing daily portfolio monitoring.</li> <li>▪ By design, no conflict in terms of potential cross-investing into other active products managed by Credo</li> <li>▪ Growth which is largely correlated with rising equity market over time, given portfolio tilt which favours equities</li> </ul>  |
| <b>Other</b>                  | <p><i>3<sup>rd</sup> Party Custodian:</i></p> <p>Clients have a choice of appointing an onshore or offshore custodian of the assets. Credo uses Pershing Securities Limited, which is regulated by the Financial Conduct Authority (<b>FCA</b>) in the UK, and Pershing (Channel Islands) Limited, which is regulated by the Jersey Financial Services Commission in Jersey (both being wholly owned subsidiaries of BNY Mellon) as its primary onshore and offshore custodians respectively. In the unlikely event that Credo or its custodians are unable to meet their financial obligations, clients will benefit from extensive account protection for the net equity value of the securities positions and cash held in their account.</p> <p>In Compliance with FCA Client Asset Rules, investors' assets are held in trust accounts segregated from the custodian's own assets. Therefore, in the unlikely event of default by the custodian, investors' assets will be allocated to the</p> |



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beneficial owner, will not be considered as belonging to the custodian, and will not be used to repay the custodian's creditors in the event of liquidation.

Pershing protects client assets in several ways:

- Asset registration: all client assets are registered in the name of a nominee company controlled by the custodian, with the client recorded as the beneficial owner of the assets.
- Asset segregation: FCA Client Asset Rules require client assets to be held in trust in accounts segregated from Pershing's own assets and segregated from Credo's assets.
- Asset reporting: regulation requires custodians to provide a quarterly (onshore) or semi-annual (offshore) custody statement in respect of client assets held.
- Verification of asset records and instructions: Pershing is required to perform regular checks that client assets are accurately recorded and specific agreements are in place as to who can issue instructions in respect of client assets.
- Assessments of custodians: the FCA undertakes regular assessments of custodians to ensure consistent application for the FCA's asset protection rules.
- Internal reviews: an annual independent review performed by Pershing's external auditors of its control environment.

*Compensation Scheme:*

Credo is a participant in the Financial Services Compensation Scheme (**FSCS**). In the unlikely event of Credo's default, compensation may be available from the scheme in respect of our liabilities to Retail clients under the relevant Terms of Business. Clients may be able to benefit from the UK's FSCS or Jersey's Depositors Compensation Scheme (**DCS**). Further information is available from the FSCS: [www.fscs.org.uk](http://www.fscs.org.uk) and the DCS: <https://www.gov.je/Pages/default.aspx>.

*Technology Solutions:*

Credo provides the following technology solutions to clients via its MyCredo platform:

- Secure, multi-browser portfolio online access;
- Configurable to specific requirements (on-line trading or view-only);
- Consolidated view of all accounts via a single login;
- On-line services, including:
  - access to MyCredo Invest for online and performance reporting; and
  - access to MyCredo Invest trading capability for the entry of trades.

*Customer Support and Transactional Processing:*

Credo provides customer support, corporate action and transactional services.

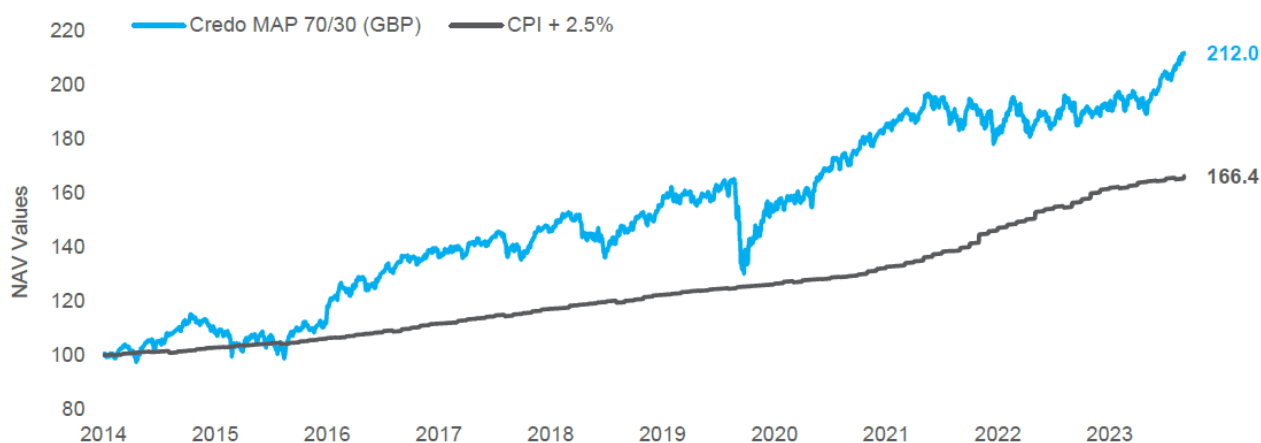
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## PORTFOLIO PERFORMANCE (GBP)<sup>1</sup>

| Return (%)          | Annualised   |         |         |        |          |         |     |
|---------------------|--------------|---------|---------|--------|----------|---------|-----|
|                     | S. Inception | 5 Years | 3 Years | 1 Year | 3 Months | 1 Month | YTD |
| Multi Asset - 70/30 | 8.1          | 7.8     | 7.6     | 11.4   | 7.6      | 2.7     | 3.5 |
| CPI + 2.5%          | 5.4          | 6.7     | 8.8     | 6.4    | 1.2      | 0.8     | 0.6 |
| Relative            | 2.7          | 1.1     | -1.2    | 5.0    | 6.4      | 1.9     | 2.9 |

## PERFORMANCE SINCE INCEPTION (01/07/2014)<sup>3</sup>



- (1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Multi-Asset 70/30 Portfolio. Portfolio incorporates all additions and removals. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash. Performance is calculated before any Credo fees (which can vary depending on the level of service) but after all underlying fund costs.
- (2) CPI measured by CPI including owner occupiers' housing costs, not seasonally adjusted (CPIH).
- (3) Source: Bloomberg pricing as of 29/02/2024 close. All portfolio performance is calculated using Bloomberg PORT.



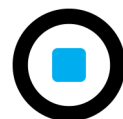
### 3. Benchmarking

| <b>Measure</b>               | <b>Assessment</b>  |
|------------------------------|--|
| <b>Portfolio performance</b> | MAP 70/30 comfortably outperformed its inflation-based benchmark over the past year (following a challenging 12 months the year before). Importantly, the portfolio has also beaten its benchmark by more than 2% per annum since inception in 2014. |
| <b>Comparable charges</b>    | We have reviewed comparable solutions in the market, offered primarily by IFAs and wealth management firms, and we are comfortable that the fees for the MAP solutions represent good value for money compared with our peers.                       |

### **CONCLUSION**

Considering the portfolio's costs and performance returns; we believe these to be fair, reasonable, and appropriate given the investment strategy and process. The portfolio has delivered consistent investment returns and continues to provide good value to investors.

Furthermore, Credo's costs and charges are comparable to peers and commensurate with the services we provide to clients.



**CREDO**