

Cost Transparency Standard (CTS) - Market Update

November 4, 2024

- **Pension Funds commit to participation in the Cost Transparency Standard (CTS)**
- **Asset Managers have started completion of CTS Templates**
- **Enhanced CTS Value for Money Report delivers critical new data for Trustees**

CTS Announcement

On July 16, 2024, The Pensions Authority in Ireland issued a formal statement about the introduction of the **Cost Transparency Standard (CTS)** in Ireland.

The Cost Transparency Standard (CTS) is facilitated by the Irish Association of Pension Funds (IAPF) and supported by the Irish Association of Investment Managers (IAIM).

Update & Pension Funds Participating

Since the CTS Announcement on July 16, briefings on the CTS have been given to Pension Funds, to IAPF Committees, to Investment Consultants, to Independent Trustees and other advisors, and to Asset Managers.

The first group of pension funds have now committed to participation and Asset Managers began reporting last week, supported by ClearGlass Ireland.

Other leading Pension Funds are in the process of discussing their participation with trustees.

Requirements for Participation & Timing

The Pensions Authority has made clear that it expects Pension Funds to participate in the **Cost Transparency Standard (CTS)**.

The Pensions Authority has confirmed that it expects Pension Funds to begin participating in the Cost Transparency Standard (CTS) **as soon as possible**.

Clear Process

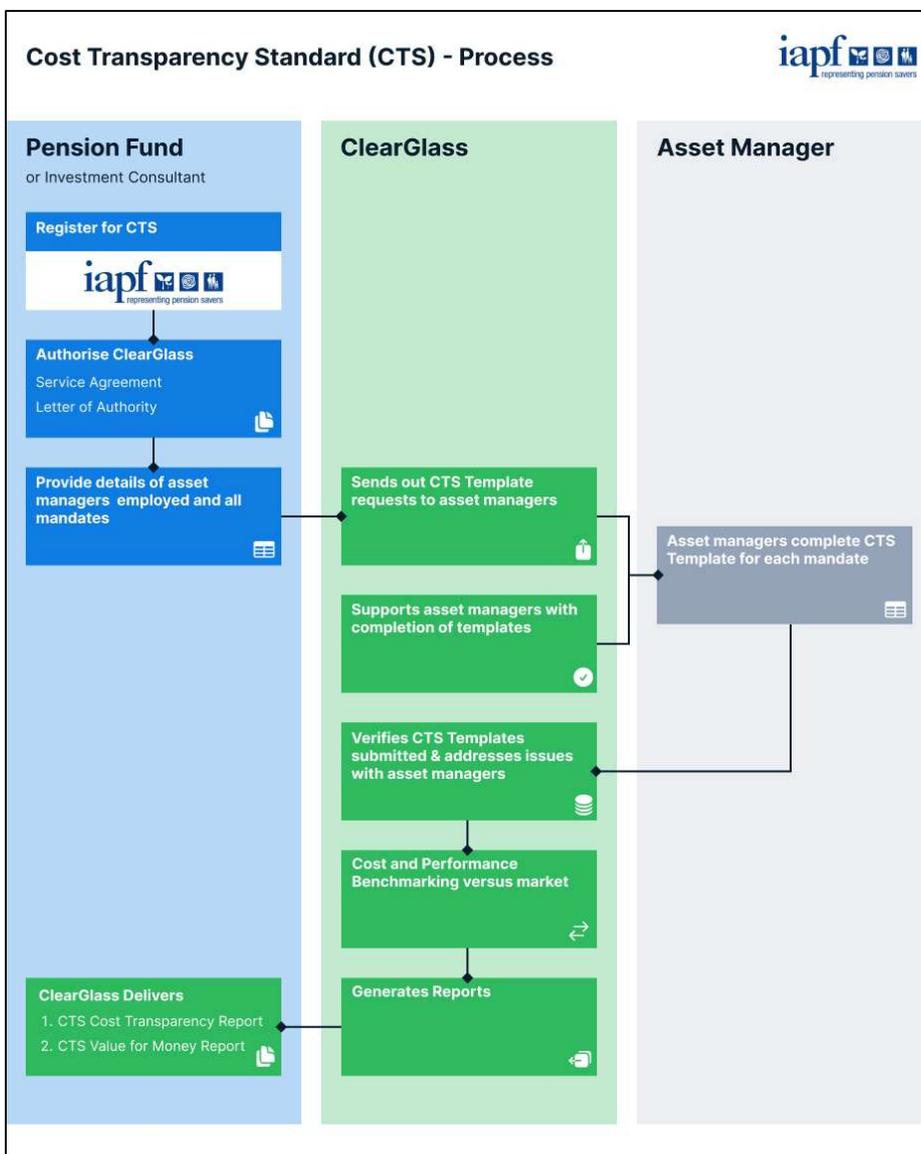
Pension Fund Trustees (or their advisors) simply provide details of mandates held by asset managers employed. No other work is involved.

ClearGlass Ireland asks the asset managers involved to complete CTS templates for each of the mandates.

ClearGlass Ireland provides asset managers with very clear guidelines for CTS template completion, supports them with completion of CTS templates, processes and verifies the data provided.

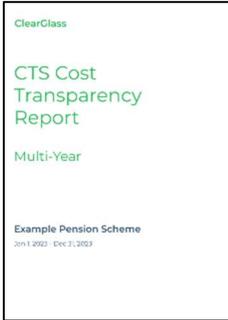
ClearGlass Ireland generates **CTS Cost Transparency Reports** including full details of actual costs and performance for all mandates placed with all managers in a single report, and in a standardised format.

ClearGlass Ireland generates **CTS Value for Money Reports** for all mandates in each investment strategy.

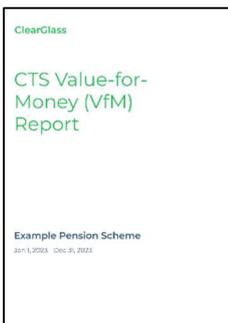


What is Delivered for Trustees

ClearGlass Ireland generates **CTS Cost Transparency Reports** confirming full details of costs and performance (and all associated costs) for each mandate.

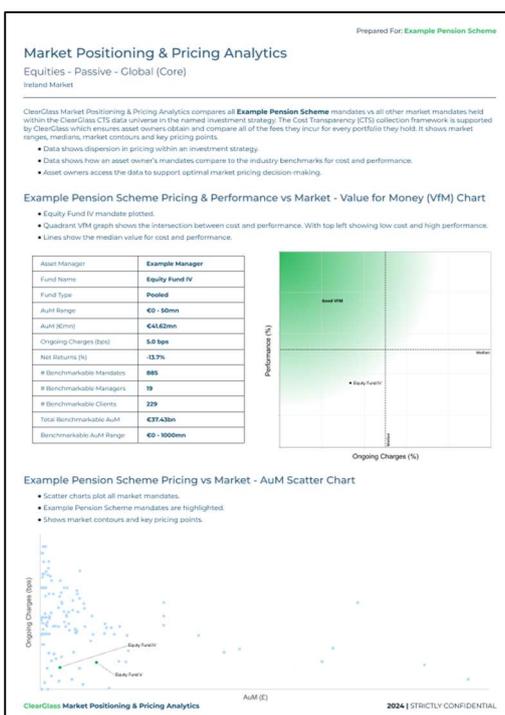



ClearGlass Ireland generates enhanced **CTS Value for Money Reports** for each mandate by investment strategy showing the outcome delivered by the asset manager relative to outcomes delivered for all other mandates in the market for which data is held.



Included in the CTS Value for Money Report are individual **CTS Market Positioning & Pricing Analytics Reports** for each mandate for which data has been collected.

These Reports show **actual value for money delivered** on individual mandates in the context of the wider market and provide Trustees with all of the data needed to optimise outcomes.



Accessible Cost

For each **CTS Template** collected from an asset manager, processed and verified, the cost is €200.

This includes the generation of a **CTS Cost Transparency Report** which includes full data on all mandates for which **CTS Templates** have been collected and processed.

For a **CTS Value for Money Report** the cost for each mandate is €500 (where a group of mandates are in the same investment strategy with a manager this is treated as one mandate).

The **CTS Value for Money Report** includes individual **CTS Market Positioning & Pricing Analytics Reports** for each mandate for which data has been collected.