



Smart Pension Master Trust Investment Policy Implementation Document

November 2023

Contents

Introduction

This is the Investment Policy Implementation Document (“IPID”) prepared by the Trustee of the Smart Pension Master Trust (the “Trust” / “Master Trust” / “Fund”). It sets out details of the Trust’s investment arrangements, based on the principles set out in its Statement of Investment Principles (“SIP”) dated September 2023. The Trustee is responsible for ensuring the IPID reflects the current investment arrangements, and it should be read in conjunction with the SIP.

The IPID is split into three sections covering:

1. Investment implementation for the default arrangement
2. Investment implementation for investment options outside the default arrangement
3. Investment implementation for the decumulation solution – Smart Retire (outside the default arrangement)

Approved by the Trustee of Smart Pension Master Trust

December 2023

1. Investment implementation for the default arrangement

Main default arrangement

The default arrangement is a lifestyle strategy which targets drawdown at retirement.

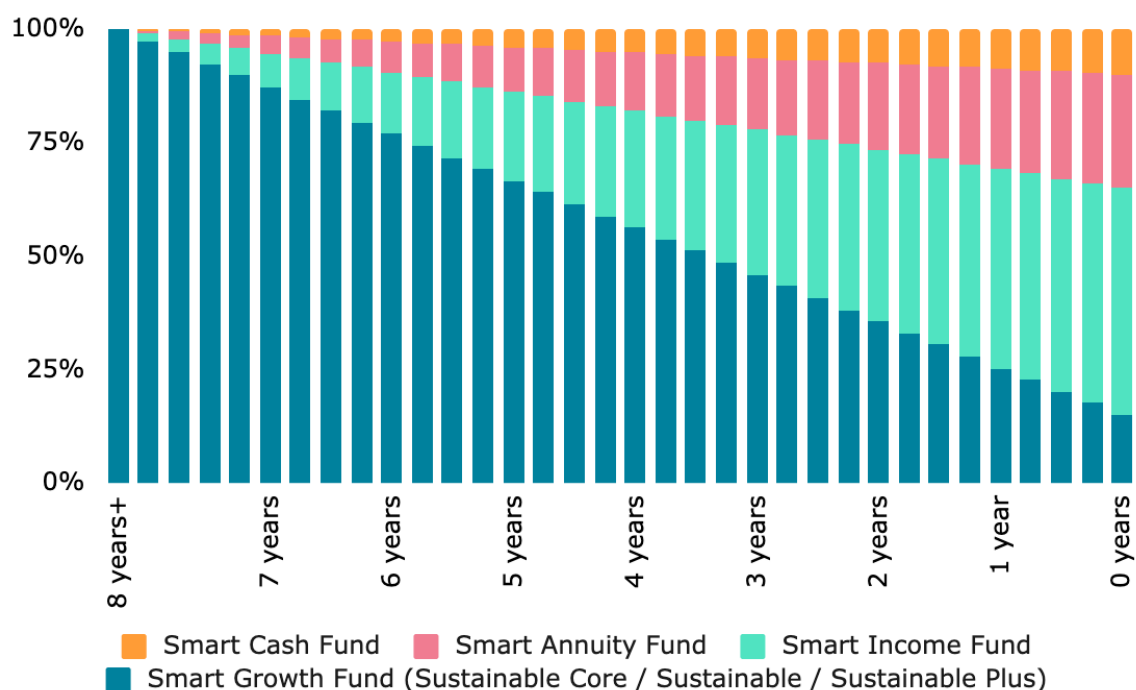
Members are invested in funds expected to give higher returns relative to inflation up to eight years before their selected retirement date.

Members are gradually switched into funds which are expected to give good returns relative to inflation while consolidating past investment gains from eight years before their selected retirement date.

Finally, as members reach retirement, members' pots are invested into funds aligned to their expected benefit choices at retirement. The Trustee, taking advice from its investment consultant, believes the retirement asset allocation to be suitable for members in the default arrangement.

Fund allocation

The allocation to each fund in the default arrangement at yearly intervals up to a member's selected retirement date is pictured below:



Funds

The funds used by the default arrangement are:

Platform fund	Underlying funds
Smart Sustainable Growth Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund JP Morgan Carbon Transition Global Equity Fund AMX-DWS Global Low Carbon Stewardship Fund MV Dual Credit Fund Mirova Green Bond Fund
Smart Annuity Fund	LGIM Pre-Retirement Fund
Smart Cash Fund	LGIM Cash Fund
Smart Income Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund

Investment costs

Fund charges

The investment platform provider's and fund managers' charges for the investment options are borne by the members. In addition to these charges, members also pay an administration fee. This will depend on the fee negotiated by the participating employer.

The Trustee has negotiated fee arrangements with the investment managers for the management of the Trust's investments.

As well as the annual management charges, additional fund expenses will apply (covering legal, accounting and auditing fees for each fund). The additional fund expenses may vary from quarter to quarter.

The Trust is a 'qualifying scheme' for auto-enrolment purposes, which means that the Default Option is subject to the charge cap introduced by the Government from April 2015.

Transaction costs

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds' unit prices and members' fund values. The Trustee monitors the overall level of costs periodically to ensure members are receiving good value for money including transaction costs.

Review

The Trustee reviews the appropriateness of the Trust's investment options on an ongoing basis. This review includes consideration of the continued competence of the investment manager with respect to performance within any guidelines set.

The performance of the investment manager will be monitored as frequently as the Trustee considers appropriate in light of the prevailing circumstances. The monitoring takes into account both short-term and long-term performance.

Implementation statement

The Trustee included an implementation statement as part of the 30 June 2022 Financial Report and Accounts.

The implementation statement included, but was not be limited to, discussion on items including:

- Policies and objectives
- Investment
 1. Investment Strategy
 2. Investment beliefs
 3. Security of assets
 4. Conflicts of interest
 5. Manager incentives
- Member engagement
- Governance

Ex-Tesco Default Arrangement

The Ex-Tesco Default Arrangement is a lifestyle strategy which is designed for members who intend to take all of their retirement savings as cash quite soon after retiring (for example: within three years).

Members remain in the LGIM Smart Pension (former Tesco MPS) Growth Fund until 20 years prior to their selected retirement age, at which point their assets begin to be de-risked in a multi-phased approach.

Platform fund	Underlying funds
LGIM Smart Pension (former Tesco MPS) Growth Fund	LGIM Tesco Equity Fund LGIM Tesco Diversified Fund

The first phase operates up until 10 years prior to retirement, gradually de-risking and reallocating a 20% portion of a member's assets across from the LGIM Smart Pension (former Tesco MPS) Equity Fund into the LGIM Smart Pension (former Tesco MPS) Corporate Bond Fund.

The member's 30% exposure to the Smart Pension (former Tesco MPS) Diversified Fund is maintained through the period, giving an allocation split at year 10 of 50:30:20 between the LGIM Smart Pension (former Tesco MPS) Equity Fund, the LGIM Smart Pension (former Tesco MPS) Diversified Fund and the LGIM Smart Pension (former Tesco MPS) Corporate Bond Fund.

This same lower risk allocation is then maintained up until four years prior to retirement, at which point a member's assets are once again further de-risked, with exposures to the LGIM Smart Pension (former Tesco MPS) Diversified Fund and the LGIM Smart Pension (former Tesco MPS) Corporate Bond Fund both removed, and exposure to the LGIM Smart Pension (former Tesco MPS) Equity Fund dramatically reduced to an at retirement allocation of 15% of total assets. The balance of assets is split 60% in the LGIM Smart Pension (former Tesco MPS) Nearly There Bond Fund and 25% in the LGIM Smart Pension (former Tesco MPS) Cash Fund. This enables members easy access to withdraw their tax-free lump sums on retirement.

Platform fund	Underlying funds
LGIM Smart Pension (former Tesco MPS) Equity Fund	Solactive TRSP L&G Targeted SDG Enhancement Developed Equity Fund LGIM Low Carbon Transition Emerging Markets Equity Index Fund (OFC) LGIM UK Smaller Companies Index Fund Baillie Gifford Positive Change Fund
LGIM Smart Pension (former Tesco MPS) Nearly There Bond Fund	LGIM Under 5 Year Index-linked Gilts Fund LGIM Short Dated Corporate Bonds Index Fund LGIM Absolute Return Bond Fund
LGIM Smart Pension (former Tesco MPS) Diversified Fund	LGIM Global Listed Private Equity Passive Fund LGIM FTSE Developed Core Infrastructure Index Fund LGIM Global Real Estate Equity Index Fund LGIM Managed Property Fund Patrizia Low Carbon Core Listed Infrastructure Fund Ninety One Global Target Return Credit Fund
LGIM Smart Pension (former Tesco MPS) Corporate Bond Fund	LGIM Future World GBP Corporate Bond Index Fund LGIM Future World USD Corporate Bond Index Fund LGIM Future World EUR Corporate Bond Index Fund
LGIM Smart Pension (former	LGIM Cash Fund

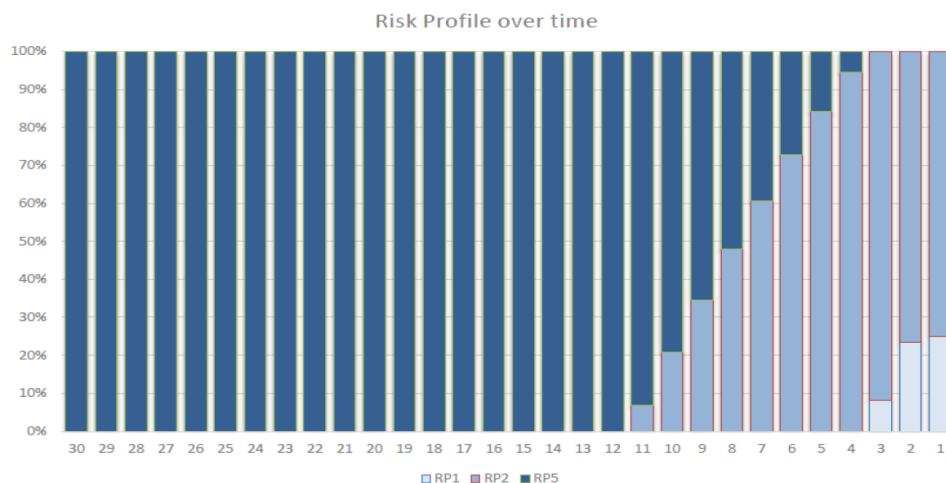
Barclays Default Arrangement

The Barclays Default Arrangement is a lifestyle strategy designed for members targeting to withdraw 25% cash at the point of retirement and access pension freedoms. The expectation is that members will flexibly use their pot to provide income in retirement.

Members' assets are invested in a single investment strategy – the Global Markets Investment Strategy. This strategy invests in a range of funds with different risk profiles – the funds in this strategy are called the Barclays Wealth Global Markets Funds and are numbered 1-5 (the strategy currently makes use of three of these funds).

These funds in turn invest in a range of underlying investment funds in proportions determined by Barclays Investment Solutions Limited ("BISL"). The underlying investment funds are managed by BlackRock via their iShares series of funds. The range of risk profiles reflect different levels of return targeted for each fund, with commensurate levels of risk. When members are within 12 years of their selected retirement date, their assets will move gradually to a lower risk profile, with a final reduction in risk implemented in the final three years, as shown in the chart below.

Funds currently used in the Global Markets Investment Strategy:

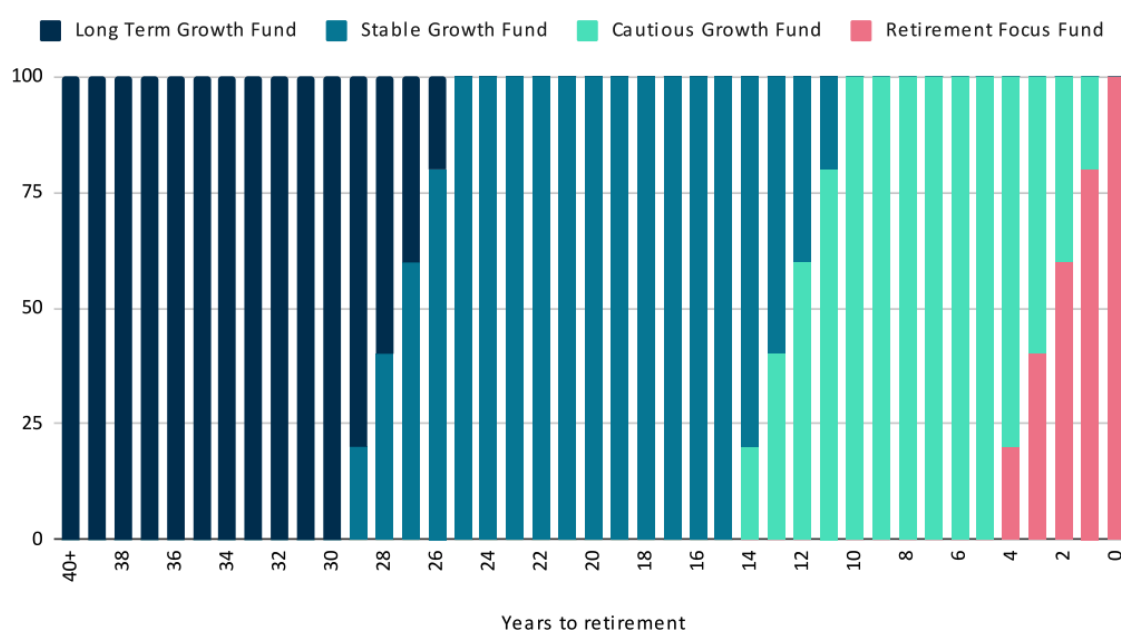


BISL fund	Target return	Underlying BlackRock iShares funds
Barclays Wealth Global Markets 1 Fund (RP1)	CPI + 1% per annum	UK Equity Index World ex-UK Equity Index Emerging Market Equity Index
Barclays Wealth Global Markets 2 Fund (RP2)	CPI + 2% per annum	Over 15 Years Gilt Index Over 5 Years Index-linked Gilt Index All Stocks Corporate Bond Cash

BISL fund	Target return	Underlying BlackRock iShares funds
Barclays Wealth Global Markets 5 Fund (RP5)	CPI + 5% per annum	Other BlackRock iShares funds may be held from time to time to support the delivery of the overall objectives of the blended fund.

Schroders Default Arrangement

Schroders is a fiduciary investment manager, who selects underlying managers and funds and asset allocation decisions. The Schroders default arrangement is a lifestyle strategy designed for members targeting a flexible income in retirement. The expectation is that members will flexibly use their pot to provide income in retirement.



The following funds and their objectives are used in the lifestyle strategy.

Schroders Smart Long Term Growth Fund – The fund invests 100% of assets in global equity markets. The fund targets CPI + 4-5% p.a.

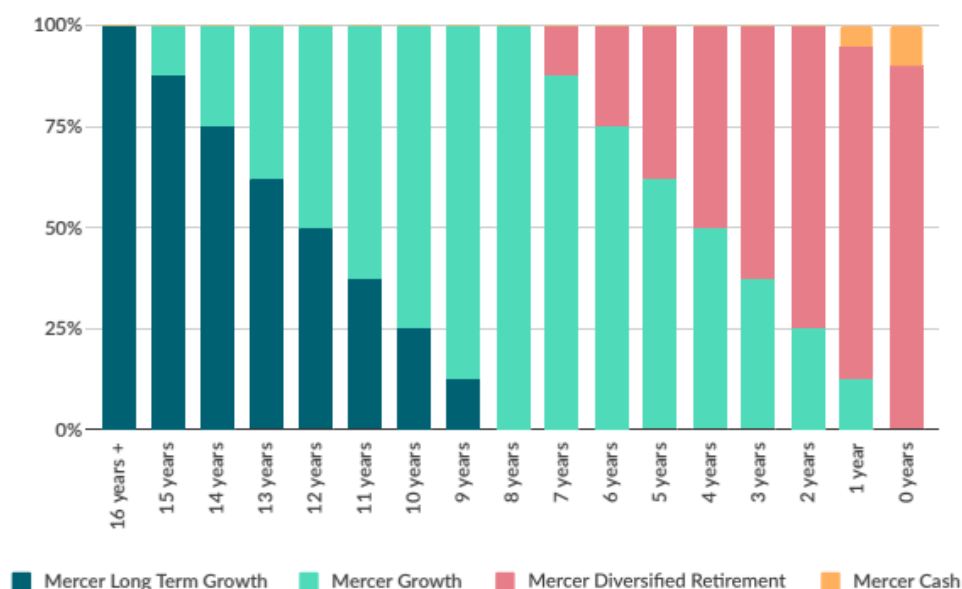
Schroders Smart Stable Growth Fund – The fund will invest around 85% of assets in global equity markets, with the remainder split between credit, defensive assets and alternatives. The fund targets CPI + 3-4% p.a.

Schroders Smart Cautious Growth Fund – The fund will invest around 60-65% of assets in global equity markets, with the remainder split between credit, defensive assets and alternatives. The fund targets CPI + 2-3% p.a.

Schroders Smart Retirement Focus Fund (Default) – asset allocation for members who will flexibly use their pot to provide income in retirement. The fund invests in 25.0% Schroders Smart Annuity Focus Fund, 10.0% Smart Schroders Stable Growth Fund, 50.0% Smart Schroders Cautious Growth Fund and 15.0% Smart Schroders Cash Fund. The fund targets a composite benchmark.

Mercer Default Arrangement

Mercer is a fiduciary investment manager, who selects underlying managers and funds and makes asset allocation decisions. The default arrangement is a lifestyle strategy designed for members targeting a flexible income in retirement, named “drawdown”. The expectation is that members will flexibly use their pot to provide income in retirement.



The following funds and their objectives are used in the lifestyle strategy.

The Mercer Long Term Growth Fund – this is a diversified, growth-oriented fund aiming to increase expected return and allow investments in less liquid opportunities. The fund targets FTSE GBP 1 Month Eurodeposit + 4.0% p.a.

The Mercer Growth Fund – this is a diversified, growth-oriented fund. The fund targets FTSE GBP 1 Month Eurodeposit + 4.0% p.a.

The Mercer Diversified Retirement Fund – this is a mixed portfolio of growth and defensive assets to be appropriate for a typical member aiming to take their benefits in retirement as income drawdown. The fund targets FTSE GBP 1 Month Eurodeposit + 2.5% p.a.

The Mercer Cash Fund – this is invested in money market securities. The fund targets SONIA.

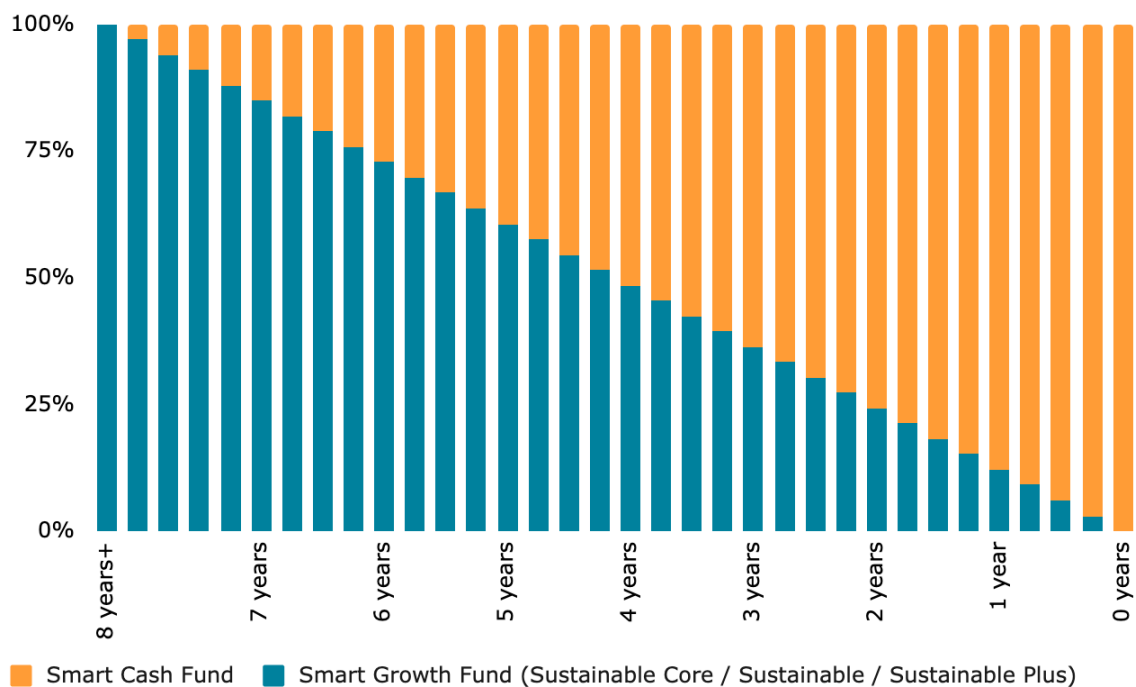
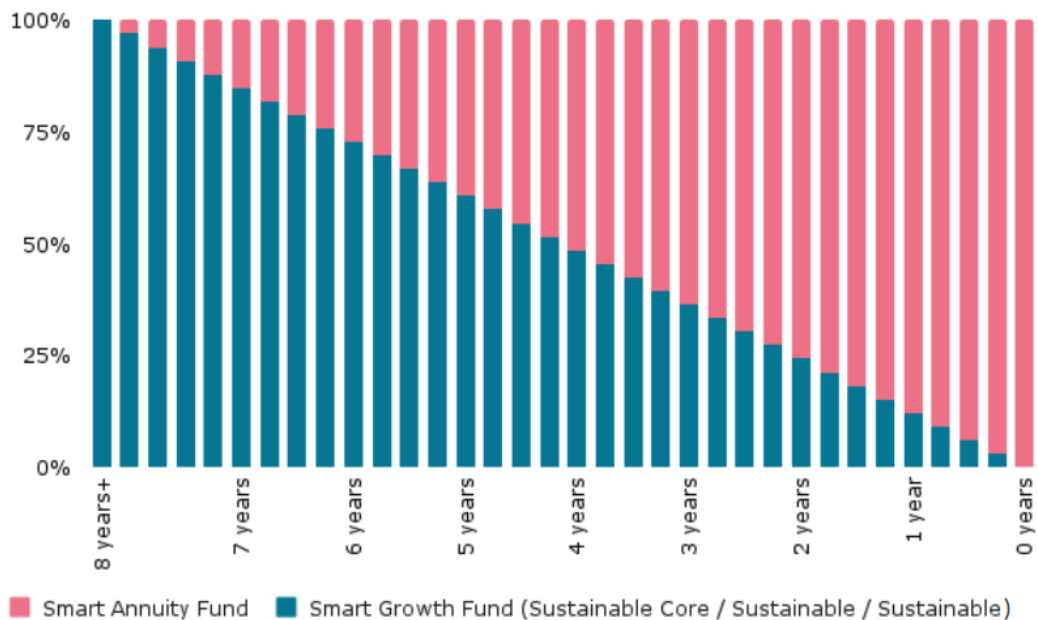
2. Investment implementation for investment options outside the default arrangement

Lifestyle options

The Trust offers members a choice of alternative lifestyle options as an alternative to the default arrangement.

Objective

Members in the default arrangement can also choose a lifestyle strategy targeting annuity or cash at retirement. If they do so, investments will be switched gradually from Smart Growth to Smart Annuity or Smart Cash respectively. This de-risking will start eight years prior to the selected retirement date. The fund allocations are shown below for the annuity and cash lifestyles respectively.



Approach for lower and higher sustainability integration

There are two alternative lifestyle options which offer the same three targeted outcomes at retirement, but with alternative growth fund options.

The alternative growth fund options are the Smart Sustainable Growth Core and Smart Sustainable Growth Plus. These offer lower and higher sustainability integration versus the main default growth fund (the Smart Sustainable Growth fund), respectively. The other funds used in the lifestyle strategies remain the same.

Platform fund	Underlying funds
Smart Sustainable Growth Core Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart Sustainable Growth Plus Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund

Alternative lifestyle strategies for ex-Tesco members

Ex-Tesco members have the option to invest in two alternative lifestyle options as well as the ex-Tesco default.

One option, the Tesco Drawdown Lifestyle Option, is intended for members utilising drawdown at retirement and taking 25% as a tax-free lump sum. The glidepath is identical to the ex-Tesco default up until four years before retirement. From four years from retirement, the glidepath gradually transitions to the following balance of assets: 25% in the LGIM Smart Pension (former MPS) Cash Fund, 25% in the LGIM Smart Pension (former MPS) Equity Fund, 30% in the LGIM Smart Pension (former MPS) Diversified Fund and 20% in the LGIM Smart Pension (former MPS) Corporate Bond Fund.

The other option is the Tesco Regular Income Lifestyle Option, which is intended for those purchasing an annuity at retirement and taking 25% as a tax-free lump sum. It is identical to the ex-Tesco members default fund up until four years before retirement. From four years from retirement, the glidepath gradually transitions to 25% in the LGIM Smart Pension (former MPS) Cash Fund and 75% in the LGIM Smart Pension (former MPS) Pre-Retirement Fund.

Alternative lifestyle strategies for Schroders members

Schroders members will also have the option to invest in two alternative lifestyles targeting annuity and cash, with these lifestyle options switching to 100% Schroders Smart Annuity Focus and 100% Schroders Smart Cash Funds respectively.

The option which targets 100% Schroders Smart Retirement Annuity Focus Fund and is intended for members purchasing an annuity at retirement and taking 25% as a tax-free lump sum while the option targeting 100% in the Schroders Smart Cash Fund is intended for those who wish to take their pension as a cash lump sum.

Alternative lifestyle strategies for Mercer members

Mercer members will also have the option to invest in two alternative lifestyles targeting annuity and cash, with the same growth funds used in the lifestyle strategy.

The annuity lifestyle switches from the Mercer Growth Fund towards 25% Mercer Cash Fund and 75% Mercer Annuity Aware Fund at retirement.

The cash lifestyle switches from the Mercer Growth Fund partially into the Mercer Diversified Retirement Fund before switching to 100% Mercer Cash Fund at retirement.

Self-select fund range

The Trust offers members a choice of self-select funds options as an alternative to the default option and alternative lifestyle options.

Main arrangement members

The choice of self-select funds are:

Platform fund	Underlying funds
Smart Sustainable Growth Core Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund LGIM Future World GBP Corporate Bond LGIM Future World USD Corporate Bond (Hedged) LGIM Future World EUR Corporate Bond (Hedged)
Smart Sustainable Growth Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund

	LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund JP Morgan Carbon Transition Global Equity Fund AMX-DWS Global Low Carbon Stewardship Fund MV Dual Credit Fund Mirova Green Bond Fund
Smart Sustainable Growth Plus Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund
Smart Growth Fund – Lower Risk	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart Growth Fund – Higher Risk	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund
Smart UK Equity Index Fund	LGIM Future World UK Equity Index Fund
Smart World (ex UK) Developed Equity Index Fund	LGIM Future World Developed (ex UK) Equity Index Fund
Smart All Stocks Index Linked Gilts Fund	LGIM All Stock Index Linked Gilts Fund
Smart North America Equity Index Fund	LGIM Future World North America Equity Index Fund
Smart Cash Fund	LGIM Cash Fund
Smart Global Bond Index Fund	LGIM Future World GBP Corporate Bond Fund

	LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart Income Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart World Emerging Markets Equity Index Fund	LGIM Future World Emerging Markets Equity Index Fund
Smart Ethical and Climate Fund	LGIM FTSE TPI Global ex-Fossil Fuels Equity Index Fund
Smart Sharia Fund	HSBC Islamic Global Equity Index Fund
Smart Annuity Fund	LGIM Future World Annuity Aware Fund
Smart Active Impact Equity Fund	AXA People & Planet Equity Fund
Smart Active Impact Bond Fund	Mirova Green Bond Fund

Ex Tesco members

Platform fund	Underlying funds
LGIM Smart Pension (former Tesco MPS) Equity Fund	Solactive TRSP L&G Targeted SDG Enhancement Developed Equity Fund LGIM Low Carbon Transition Emerging Markets Equity Index Fund (OFC) LGIM UK Smaller Companies Index Fund Baillie Gifford Positive Change Fund
LGIM Smart Pension (former Tesco MPS) Nearly There Bond Fund	LGIM Under 5 Year Index-linked Gilts Fund LGIM Short Dated Corporate Bonds Index Fund LGIM Absolute Return Bond Fund
LGIM Smart Pension (former Tesco MPS) Diversified Fund	LGIM Global Listed Private Equity Passive Fund LGIM FTSE Developed Core Infrastructure Index Fund LGIM Global Real Estate Equity Index Fund LGIM Managed Property Fund Patrizia Low Carbon Core Listed Infrastructure Fund Ninety One Global Target Return Credit Fund
LGIM Smart Pension (former	LGIM Smart Pension (former Tesco MPS) Equity Fund

Tesco MPS) Growth Fund	LGIM Smart Pension (former Tesco MPS) Diversified Fund
LGIM Smart Pension (former Tesco MPS) Cash Fund	LGIM Sterling Liquidity Fund
LGIM Smart Pension (former Tesco MPS) Corporate Bond Fund	LGIM Future World GBP Corporate Bond Index Fund LGIM Future World USD Corporate Bond Index Fund LGIM Future World EUR Corporate Bond Index Fund
LGIM Smart Pension (former Tesco MPS) Pre-Retirement Fund	LGIM Pre-Retirement Fund
LGIM Smart Pension (former Tesco MPS) Shariah Fund	HSBC Islamic Global Equity Fund
LGIM Smart Pension (former Tesco MPS) Ethical Fund	LGIM Ethical Fund
LGIM Smart Pension (former Tesco MPS) Index Linked Gilts Fund	LGIM Index-Linked Gilts Fund

Barclays members

Platform fund	Underlying funds
Barclays Wealth Global Markets 1 Fund (RP1)	BlackRock iShares UK Equity Index Fund
Barclays Wealth Global Markets 2 Fund (RP2)	BlackRock iSharesWorld ex-UK Equity Index Fund
Barclays Wealth Global Markets 3 Fund (RP3)	BlackRock iShares Emerging Market Equity Index Fund
Barclays Wealth Global Markets 4 Fund (RP4)	BlackRock iShares Over 15 Years Gilt Index Fund BlackRock iShares Over 5 Years Index-linked Gilt Index Fund
Barclays Wealth Global Markets 5 Fund (RP5)	BlackRock iShares All Stocks Corporate Bond Fund BlackRock iShares Cash Fund Other BlackRock iShares funds may be held from time to time to support the delivery of the overall objectives of the blended fund
Smart UK Equity Index Fund	LGIM Future World UK Equity Index Fund
Smart World (ex UK) Developed Equity Index Fund	LGIM Future World Developed (ex UK) Equity Index Fund
Smart All Stocks Index Linked Gilts Fund	LGIM All Stock Index Linked Gilts Fund
Smart North America Equity Index Fund	LGIM Future World North America Equity Index Fund
Smart Cash Fund	LGIM Cash Fund

Smart Global Bond Index Fund	LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart Income Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Smart World Emerging Markets Equity Index Fund	LGIM Future World Emerging Markets Equity Index Fund
Smart Ethical Global Index Fund	LGIM FTSE TPI Global ex-Fossil Fuels Equity Index Fund
Smart Sharia Fund	HSBC Islamic Global Equity Index Fund
Smart Annuity Fund	LGIM Future World Annuity Aware Fund
Smart Active Impact Equity Fund	AXA People & Planet Equity Fund
Smart Active Impact Bond Fund	Mirova Green Bond Fund

Schroders members

Platform fund	Underlying funds
Schroders Smart Long Term Growth Fund	Schroders Long Term Growth Fund
Schroders Smart Stable Growth Fund	Schroders Stable Growth Fund
Schroders Smart Cautious Growth Fund	Schroders Cautious Growth Fund
Schroders Smart Retirement Focus (Default) Fund	Schroders Annuity Focus Fund Schroders Cautious Growth Fund Schroders Cash Fund Schroders Stable Growth
Schroders Smart Retirement Focus (Annuity) Fund	Schroders Annuity Focus Fund Schroders Cash Fund

Schroders Smart Retirement Focus (Cash) Fund	Schroders Cash Fund
Schroders Smart Global Equity Fund	BlackRock Aquila Life 30:70 Currency Hedged Global Equity Fund Legal & General World Equity Index Fund – GBP Currency Hedged Legal & General World Equity Index Fund
Schroders Smart Corporate Bond Fund	BlackRock Aquila Life Corporate Bond Index Fund
Schroders Smart Fixed Annuity Focus Fund	LGIM Future World Annuity Aware Fund
Schroders Smart Inflation-Linked Annuity Focus Fund	LGIM Future World Inflation Linked Annuity Aware Fund
Schroders Smart Cash Fund	LGIM Sterling Liquidity Fund
Schroders Smart ESG Fund	LGIM Future World Fund (50% GBP Currency Hedged)
Schroders Smart Islamic Global Equity Fund	HSBC Islamic Global Equity Index Fund

Mercer members

Platform fund	Underlying funds
Mercer Growth	Mercer Multi Asset Growth
Mercer Diversified Retirement	Mercer Diversified Retirement
Mercer Defensive	MercerMulti Asset Defensive
Mercer Moderate Growth	Mercer Multi Asset Moderate Growth
Mercer High Growth	Mercer Multi Asset High Growth
Mercer Passive Global Equity	Mercer Passive Global Equity
Mercer Passive Low Volatility Equity	Mercer Passive Low Volatility Equity
Mercer Passive Emerging Markets Equity	Mercer Passive Emerging Markets Equity
Mercer Passive Sustainable Global Equity	Mercer Passive Sustainable Global Equity
Mercer Cash	BlackRock Sterling Government Liquidity Fund
Mercer Annuity Aware	LGIM Pre-Retirement Fund
Mercer Passive UK Corporate Bond	iShares Corporate Bond Index Fund

Mercer Inflation Linked Annuity Aware	LGIM Pre Retirement Inflation Linked Fund
Mercer Passive Over 15 Year Gilt	Aquila Connect Over 15y UK Gilt Index Fund
Mercer Passive Over 5 Year Index-Linked Gilt	Aquila Connect Over 5y Index Linked Gilt Fund
Mercer Passive Shariah	HSBC Islamic Global Equity Index Fund
Mercer Passive UK Equity	Aquila Connect UK Index Equity Fund

Investment costs

The investment platform provider's and fund managers' charges for the investment options are borne by the members.

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds' unit prices and members' fund values and are borne by members.

3. Investment implementation for the decumulation solution – Smart Retire (outside the default arrangement)

Smart Retire

The Trust offers members a decumulation solution, Smart Retire, which provides members with the ability to retain their pension savings within the Trust at retirement and make use of a choice of investment options for continued investment and flexible access to the monies.

Objectives

While the Trust is primarily used to provide an accumulation solution for members which targets drawdown at retirement, it also offers members a decumulation solution when they reach their selected retirement age. This decumulation solution offers members a range of four different investment funds, referred to as 'pots', to provide continued investment during the decumulation phase.

The 'pots' offer:

- 'Flexible Income' – the objective of this pot is to provide growth above inflation to meet regular income withdrawals, whilst maximising the time until depletion, across market cycles

- 'Later Life' – the objective of this pot is to grow the pot (ideally in line with inflation), whilst reducing the fluctuations in the amount of income that can be theoretically bought using an annuity (i.e. maintaining annuity purchasing power)
- 'Rainy Day' – the objective of this pot is to protect capital in all market environments, net of all fees
- 'Inheritance' – the objective of this pot is to provide growth above inflation over the long term to grow savings for inheritance or as a last resort to fund other pots

Members accessing the Smart Retire solution can choose from one or more of these retirement 'pots', to best suit their own income requirements during retirement.

Main arrangement – funds

For the main arrangement the funds used by the Smart Retire decumulation 'pots' are:

Smart Retire pot	Platform fund	Underlying fund
Flexible Income	Smart Income Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund MV Dual Credit Fund Mirova Green Bond Fund LGIM Future World GBP Corporate Bond Fund LGIM Future World USD Corporate Bond (Hedged) Fund LGIM Future World EUR Corporate Bond (Hedged) Fund
Later Life	Smart Annuity Fund	LGIM Future World Annuity Aware Fund
Rainy Day	Smart Cash Fund	LGIM Cash Fund
Inheritance	Smart Sustainable Growth Fund	LGIM Future World North America Equity Index Fund LGIM Future World UK Equity Index Fund LGIM Future World Europe (ex UK) Equity Index Fund LGIM Future World Japan Equity Index Fund LGIM Future World Asia (ex Japan) Equity Index Fund LGIM Future World Emerging Markets Equity Index Fund AXA Biodiversity Fund JP Morgan Carbon Transition Global Equity Fund AMX-DWS Global Low Carbon Stewardship Fund MV Dual Credit Fund Mirova Green Bond Fund

Schroders arrangement – funds

For the Schroders arrangement the funds used by the Smart Retire decumulation 'pots' are:

Smart Retire pot	Platform fund	Underlying fund
Flexible Income	Schroders Smart Cautious Growth Fund	Schroders Cautious Growth Fund
Later Life	Schroders Smart Fixed Annuity Focus Fund	LGIM Future World Annuity Aware Fund
Rainy Day	Schroders Smart Cash Fund	LGIM Sterling Liquidity Fund
Inheritance	Schroders Smart Stable Growth Fund	Schroders Stable Growth Fund

Mercer arrangement – funds

For the Mercer arrangement the funds used by the Smart Retire decumulation ‘pots’ are:

Smart Retire pot	Platform fund	Underlying fund
Flexible Income	Mercer Diversified Retirement Fund	Mercer Diversified Retirement Fund
Later Life	Mercer Annuity Aware Fund	LGIM Pre-Retirement Fund
Rainy Day	Mercer Cash Fund	BlackRock Sterling Government Liquidity Fund
Inheritance	Mercer Growth Fund	Mercer Multi Asset Growth



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Company registration number 09026697