



# MASTERTRUST

Independent Board of Trustees



Legal & General WorkSave Mastertrust  
Legal & General WorkSave (RAS) Mastertrust

## Sole Governance Default Strategies Document

October 2023

## Introduction

The Sole Governance Default Strategies Document provides details on the investment strategies and funds that the Legal & General WorkSave Mastertrust and Legal & General WorkSave (RAS) Mastertrust currently have in place for employers choosing the sole governance model. The Sole Governance Default Strategies Document will be updated when any changes are made to our investment funds or strategies.

As well as this document, we've produced a Statement of Investment Principles which sets out what we aim to achieve with the investment options we offer and shows how our investment policies guide the way in which members' money is invested.

[The Statement of Investment Principles can be found here.](#)

## Section 1 - Default arrangements – sole governance model

Employers under the sole governance model have a choice of four pre-approved default arrangements that they can choose from. These are:

- the Target Date Funds
- the Multi-Asset Fund
- the Future World Multi-Asset Fund
- the Drawdown Lifestyle

In addition to the above four default arrangements, the Cash (Suspensions) 3 Fund is also a sole governance default fund. This fund is used to accept member contributions intended for suspended funds. The contributions are held in the Cash Fund until the money can be moved back into the suspended funds when they begin to operate normally again.

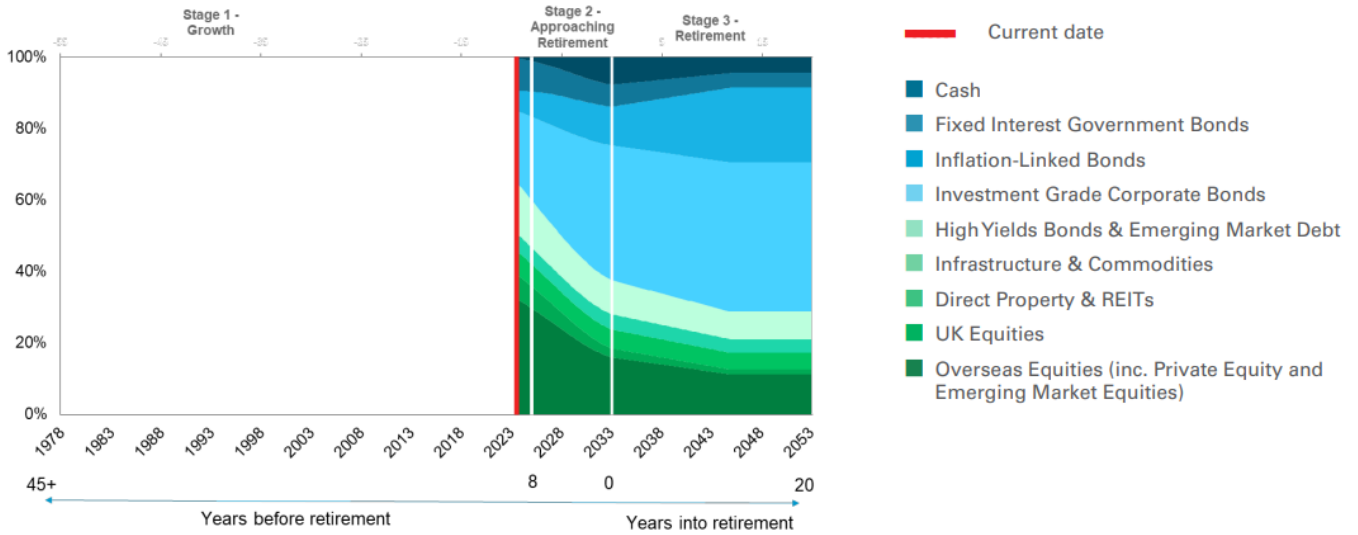
### Target Date Funds

These funds are designed to manage a member's investment risk through their membership of the Mastertrust. The Target Date Funds invest in a range of Legal & General's PMC underlying funds with the level of expected risk and return varying depending on how far a member is from their selected retirement date. The funds are constructed in five-year vintages with a member selecting (or being defaulted into) the fund which most closely matches their selected retirement date. Therefore, for example, a member with a target retirement date of 2048 will be defaulted into the 2045-2050 Target Date Fund.

The funds which underlie the Target Date Funds invest in the following asset types:

- UK equities
- Overseas equities (including emerging markets and listed private equity)
- Cash
- Fixed interest government bonds
- Inflation-linked government bonds
- Investment grade corporate bonds
- High yield and Emerging Market debt
- Infrastructure and commodities
- Direct property and real estate investment trusts

The chart below shows the asset mix of one of the Target Date Funds (2030-35) to illustrate how the asset mix changes over time. The asset mix of each fund will depend on the date of the fund.



Source: Legal & General Investment Management

## Rebalancing

As members are invested in a single fund throughout their membership, any rebalancing takes place within the fund with no direct impact on the member’s holding of the fund. Members have the option to switch between the different phases of Target Date Funds and they will be moved to the appropriate fund if they change their target retirement date.

## Review

The Target Date Fund series was approved in September 2017. Reviews take place at least annually.

## Funds and charges

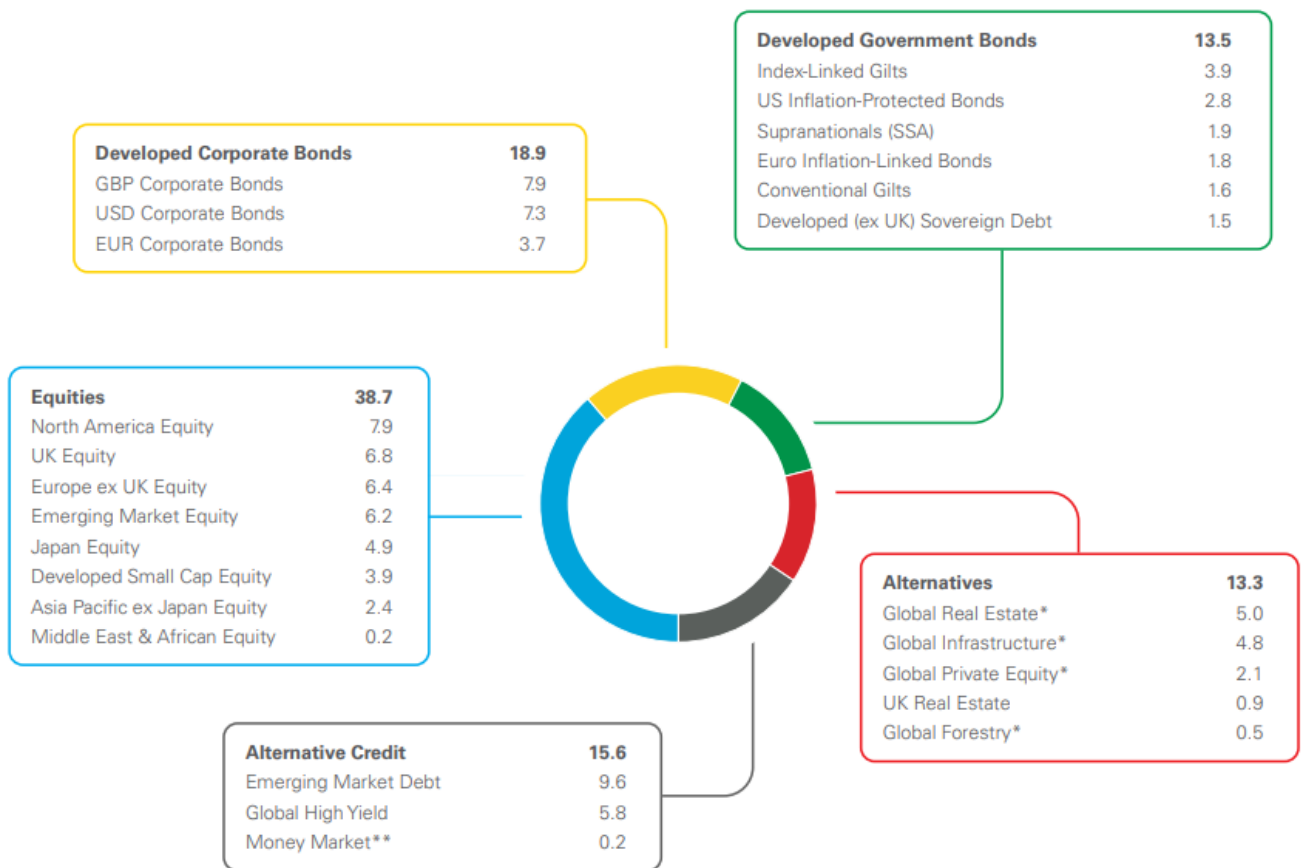
The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 30 June 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Target Date Funds	0.15	0.00	0.15

## Multi-Asset Fund

We have selected a multi-asset fund as a default arrangement because it invests in a wide range of asset classes. Through its diversified approach it aims to achieve an effective balance between risk and long-term investment returns. It is called the Legal & General Pensions Management Company (PMC) Multi-Asset Fund.

The aim of the Multi-Asset Fund is to provide long-term investment growth through exposure to a diversified range of asset classes. The underlying assets of the Fund are passively managed (index tracking) unless unfeasible. The Fund incorporates environmental, social and corporate governance (ESG) considerations through strong stewardship and active engagement with the investee companies. The diversified nature of the Fund means that it is expected to have less exposure than an equity-only fund to adverse equity market conditions. However, the Fund may perform less strongly than an equity-only fund in benign or positive market conditions. The asset allocation of the Multi-Asset Fund at 31 August 2023 was as follows



Source – Legal & General Investment Management

## Review

The Multi-Asset Fund was introduced in April 2015. Reviews take place at least annually.

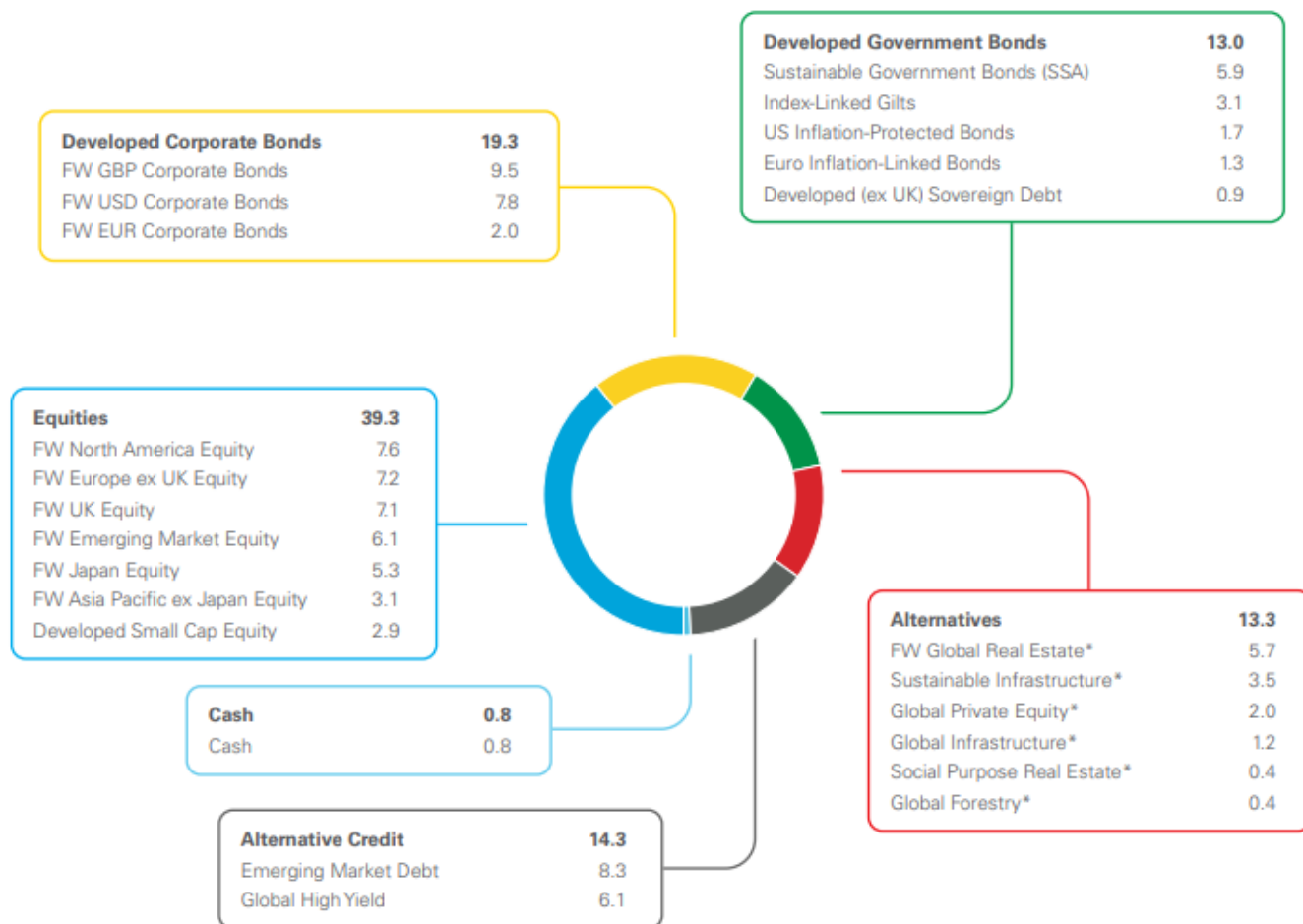
## Funds and charges

The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Legal & General (PMC) Multi-Asset Fund	0.13	0.00	0.13

## Future World Multi-Asset Fund

As a further option, employers can select the Legal & General PMC Future World Multi-Asset Fund as their default arrangement. The investment objective of the Fund is to provide long-term investment growth through exposure to a diversified range of asset classes while reflecting significant environmental, social and corporate governance (ESG) issues into the Fund's investment strategy. The Fund will invest in a range of assets which may include equities, bonds, cash and listed infrastructure, listed private equity and global real estate investment companies. Exposure to each asset class will primarily be through investing in passively managed (index tracking) funds with the ESG exposure being provided through investments in a range of Future World equity and bond index funds. These funds are constructed and weighted by the index provider based on the market capitalisation adjusted by ESG scoring of eligible constituents. Where an ESG approach is not likely to be feasible or meaningful, the Fund will use standard index funds to gain exposure to the asset class. The asset allocation of the Future World Multi-Asset Fund as at 31 August 2023 was as follows:



Source – Legal & General Investment Management

## Funds and charges

The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Legal & General (PMC) Future World Multi-Asset Fund	0.16	0.00	0.16

## Review

The Future World Multi-Asset Fund was approved in January 2019. Reviews take place at least annually.

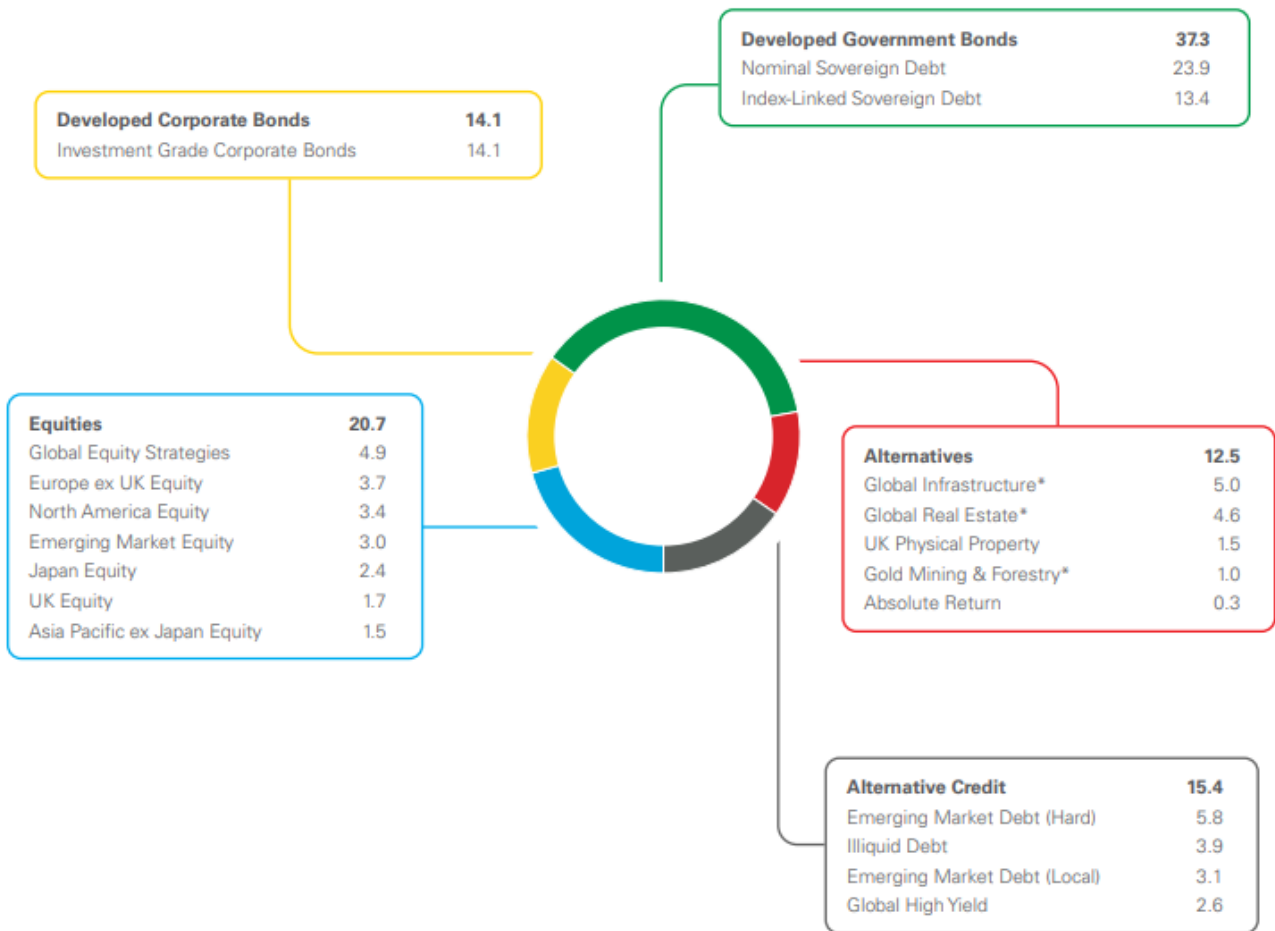
## Drawdown Lifestyle

The Drawdown Lifestyle invests members' pension assets in the Legal & General PMC Multi-Asset Fund until they are three years before their selected retirement date. Assets are then switched gradually over three years into the Legal & General PMC Retirement Income Multi-Asset Fund.

The aims and asset allocation of the Multi-Asset Fund can be found in the section above.

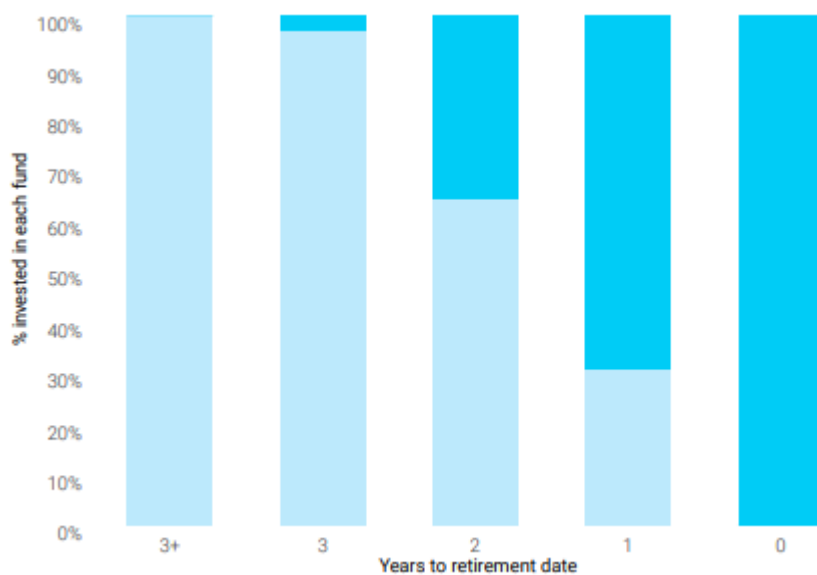
The investment objective of the Retirement Income Multi-Asset Fund is to provide long-term investment growth up to and during retirement, and to facilitate the drawdown of retirement income. The Fund invests globally in a range of different asset classes. The Fund invests in both index tracking and actively managed funds.

The chart below shows the asset mix at 31 August 2023 of the Retirement Income Multi-Asset Fund.



Source – Legal & General Investment Management

The chart below shows the fund mix of the Drawdown Lifestyle over the three years before a member's selected retirement date.



The way your savings are invested can be divided into 3 separate phases:

### 1. Growth Phase

Initially, your savings are invested with the aim of increasing the value of your pension pot, in the following funds:

- 100% in the L&G PMC Multi-Asset 3 (NTW3)

### 2. Switching Phase

When you're three years from your selected retirement date, we'll start to gradually move your savings into the following funds on a monthly basis, as shown in the table above.

- L&G PMC Multi-Asset 3 (NTW3)
- L&G PMC Retirement Income Multi-Asset 3 (NWD3)

### 3. At retirement

When you reach your selected retirement date, automatic switching will stop and your pension savings will be invested in:

- 100% in the L&G PMC Retirement Income Multi-Asset 3 (NWD3)

Source – Legal & General

## Rebalancing

Where the Drawdown Lifestyle is selected as the default option, rebalancing between the underlying funds takes place on a monthly basis. In the event of marked relative movements between funds, causing an overshoot of the target asset allocation, 'reverse switching' will be undertaken. If a member changes their selected retirement date, their asset mix will be changed to reflect the number of years to the new selected date.

## Review

The Drawdown Lifestyle was approved in September 2018. Reviews take place at least annually.



## Funds and charges

The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Legal & General (PMC) Multi-Asset Fund	0.13	0.00	0.13
Legal & General (PMC) Retirement Income Multi-Asset Fund	0.28	0.03	0.31

## Cash (Suspensions) 3 Fund

Occasionally, investment funds can become suspended, meaning that on a temporary basis they can no longer accept money in or out. As a result, Legal & General created a new fund, named the Cash (Suspensions) 3 Fund, to accept member contributions intended for the suspended funds. When they begin to operate normally again the money can be moved back into the intended fund. Because member contributions into this fund were directed there without specific instructions from each member, the Cash (Suspensions) 3 Fund must be declared as a default arrangement.

## Fund Manager

The Multi-Asset Fund, Target Date Funds, Retirement Income Multi-Asset Fund, Future World Multi-Asset Fund, and Cash (Suspensions) Fund are all managed by Legal & General Investment Management (LGIM). They provide investment expertise across a full spectrum of asset classes including equities, fixed income, commercial property and cash.

## Investment costs

### Fund charges

In addition to the FMC, members pay an administration fee (up to a maximum of 0.37% p.a.). This will depend on the fee negotiated by the participating employer. In some cases, the participating employer may choose to cover the administration charge.

The Mastertrust is a 'qualifying scheme' for auto-enrolment purposes, which means that all the default arrangements are subject to a regulatory charge cap (currently 0.75% p.a.) introduced by the government. We monitor compliance against the charge cap through regular management information that allows us to track the charges applied to all participant employers of the Mastertrust.

### 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 and are, in effect, borne by members.

## Section 2 - Default arrangements - pre-retirement investments

The Drawdown Lifestyle and Target Date Funds are already designed with pre-retirement in mind, where they de-risk in the period before retirement into more income generating and less risky assets. The Multi-Asset Fund and Future World Multi-Asset Fund do not de-risk before retirement unless one of the below pre-retirement strategies have been selected.

When members invested in the Multi-Asset Fund are ten and four years from their selected retirement age, they are contacted by the Mastertrust's administrator to allow them to choose the path to retirement that they believe is most appropriate to them. Whilst the administrator prompts members to choose a path to retirement, members are able to elect their path to retirement at any point and are not required to wait until the administrator contacts them. There are three pre-retirement options for both the Multi-Asset Fund and Future World Multi-Asset Fund:

- 1) One suitable for members who wish to access all of their pension pot as cash at the point of retirement – the Cash Lifestyle
- 2) One suitable for members who wish to access their pension pots flexibly during their retirement – the Drawdown Lifestyle
- 3) One suitable for members who wish to buy a guaranteed income for life and take their maximum allowable tax-free cash lump sum at the point of retirement – the Annuity Lifestyle

If a member does not make an active decision on their path to retirement, they will remain invested in their current fund. They can change to an alternative Lifestyle at any point.

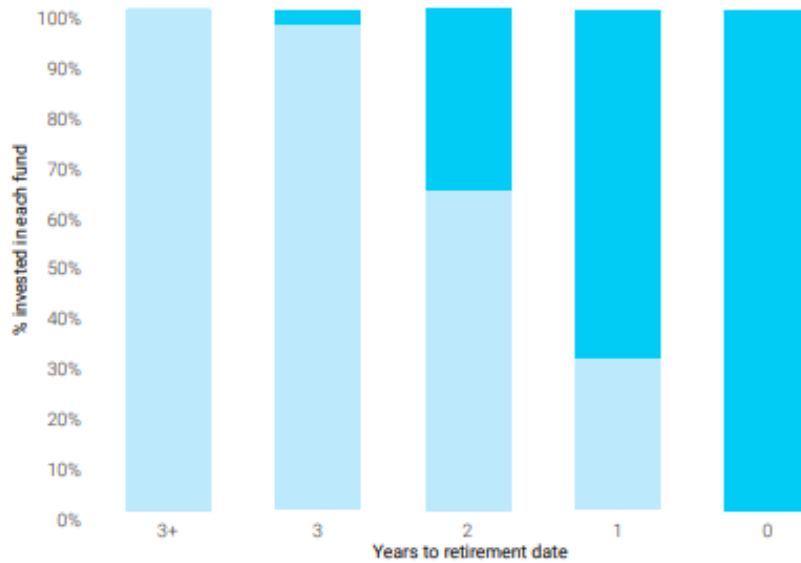
If a member opts for the Cash Lifestyle, their pension pot will be de-risked gradually over the three-year period before their selected retirement date to a position of 100% in the Legal & General PMC Cash Fund.

If a member opts for the Drawdown Lifestyle, their pension pot will be de-risked gradually over the three-year period before their selected retirement date to a position of 100% in the Legal & General PMC Retirement Income Multi-Asset Fund.

If a member opts for the Annuity Lifestyle, their pension pot will be de-risked gradually over the three-year period before their selected retirement date to a position of 75% in the Legal & General PMC Pre-Retirement Fund and 25% in the Legal & General PMC Cash Fund.

We show below the paths for members who select from one of the three different Lifestyle options in the run up to retirement. Whilst the Future World Multi-Asset Fund is not shown in the charts, it follows the same de-risking profile as the Multi-Asset Fund.

## Cash Lifestyle



The way your savings are invested can be divided into 3 separate phases:

### 1. Growth Phase

Initially, your savings are invested with the aim of increasing the value of your pension pot, in the following funds:

- 100% in the L&G PMC Multi-Asset 3 (NTW3)

### 2. Switching Phase

When you're three years from your selected retirement date, we'll start to gradually move your savings into the following funds on a monthly basis, as shown in the table above.

- L&G PMC Multi-Asset 3 (NTW3)
- L&G PMC Cash 3 (EAB3)

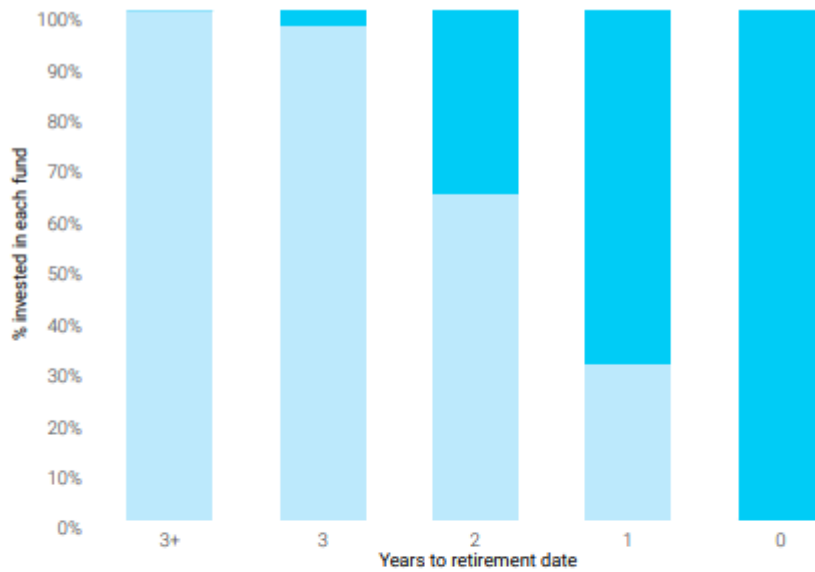
### 3. At retirement

When you reach your selected retirement date, automatic switching will stop and your pension savings will be invested in:

- 100% in the L&G PMC Cash 3 (EAB3)

Source – Legal & General

## Drawdown Lifestyle



The way your savings are invested can be divided into 3 separate phases:

### 1. Growth Phase

Initially, your savings are invested with the aim of increasing the value of your pension pot, in the following funds:

- 100% in the L&G PMC Multi-Asset 3 (NTW3)

### 2. Switching Phase

When you're three years from your selected retirement date, we'll start to gradually move your savings into the following funds on a monthly basis, as shown in the table above.

- L&G PMC Multi-Asset 3 (NTW3)
- L&G PMC Retirement Income Multi-Asset 3 (NWD3)

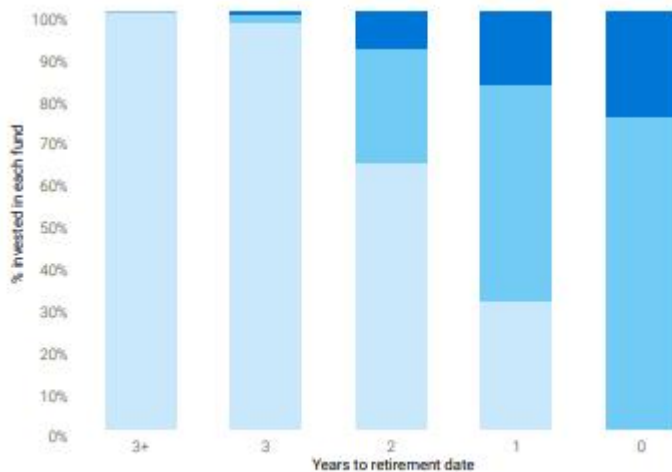
### 3. At retirement

When you reach your selected retirement date, automatic switching will stop and your pension savings will be invested in:

- 100% in the L&G PMC Retirement Income Multi-Asset 3 (NWD3)

Source – Legal & General

## Annuity Lifestyle



The way your savings are invested can be divided into 3 separate phases:

### 1. Growth Phase

Initially, your savings are invested with the aim of increasing the value of your pension pot, in the following funds:

- 100% in the L&G PMC Multi-Asset 3 (NTW3)

### 2. Switching Phase

When you're three years from your selected retirement date, we'll start to gradually move your savings into the following funds on a monthly basis, as shown in the table above.

- L&G PMC Multi-Asset 3 (NTW3)
- L&G PMC Future World Annuity Aware Fund 3 (NEN3)
- L&G PMC Cash 3 (EAB3)

### 3. At retirement

When you reach your selected retirement date, automatic switching will stop and your pension savings will be invested in:

- 75% in the L&G PMC Future World Annuity Aware Fund 3 (NEN3)
- 25% in the L&G PMC Cash 3 (EAB3)

Source – Legal & General

The aims and asset allocation of the Retirement Income Multi-Asset Fund can be found in the Drawdown Lifestyle section of this document. The asset allocation of the Future World Annuity Aware Fund at 31 August 2023 was as follows:



#### SECTOR (%)

■ Gilts	34.7
■ Core Financials	14.8
■ Utilities	10.3
■ Housing Associations	6.3
■ Consumer Services	6.1
■ Consumer Goods	5.3
■ Health Care	5.0
■ Telecommunications	4.1
■ Industrials	3.2
■ Other	10.2

Source – Legal & General Investment Management

The asset allocation of the Cash Fund is 100% cash. The fund invests in short term money markets such as bank deposits and Treasury Bills.

## Fund Manager

All of the funds are managed by Legal & General Investment Management (LGIM). They provide investment expertise across a full spectrum of asset classes including equities, fixed income, commercial property and cash.

## Re-balancing

Where members select their own path in the run up to retirement, as described above, rebalancing between the funds takes place on a monthly basis. In the event of marked relative movements between funds, causing an overshoot of the target asset allocation, 'reverse switching' will be undertaken. If a member changes their selected retirement date, their asset mix will be changed to reflect the number of years to the new selected date.

## Funds and charges

The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Legal & General (PMC) Multi-Asset Fund	0.13	0.00	0.13
Legal & General (PMC) Future World Multi-Asset Fund	0.16	0.00	0.16
Legal & General (PMC) Retirement Income Multi-Asset Fund	0.28	0.03	0.31
Legal & General (PMC) Future World Annuity Aware Fund	0.12	0.00	0.12
Legal & General (PMC) Cash	0.09	0.00	0.09

In addition to these charges, members pay a charge for administration (up to a maximum of 0.37% p.a.). This will depend on the fee negotiated with the participating employer. In some cases, the participating employer may choose to cover the administration charge.

The Mastertrust is a 'qualifying scheme' for auto-enrolment purposes, which means that all the default arrangements are subject to a regulatory charge cap (currently 0.75% p.a.) introduced by the government. We monitor compliance against the charge cap through regular management information that allows us to track the charges applied to all participant employers of the Mastertrust.

## 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 reflected when calculating the funds' unit prices and members' fund values and are, in effect, borne by members.

## Review

The default lifestyle arrangements are reviewed at least triennially.

## Section 3 - Default arrangement – at-retirement

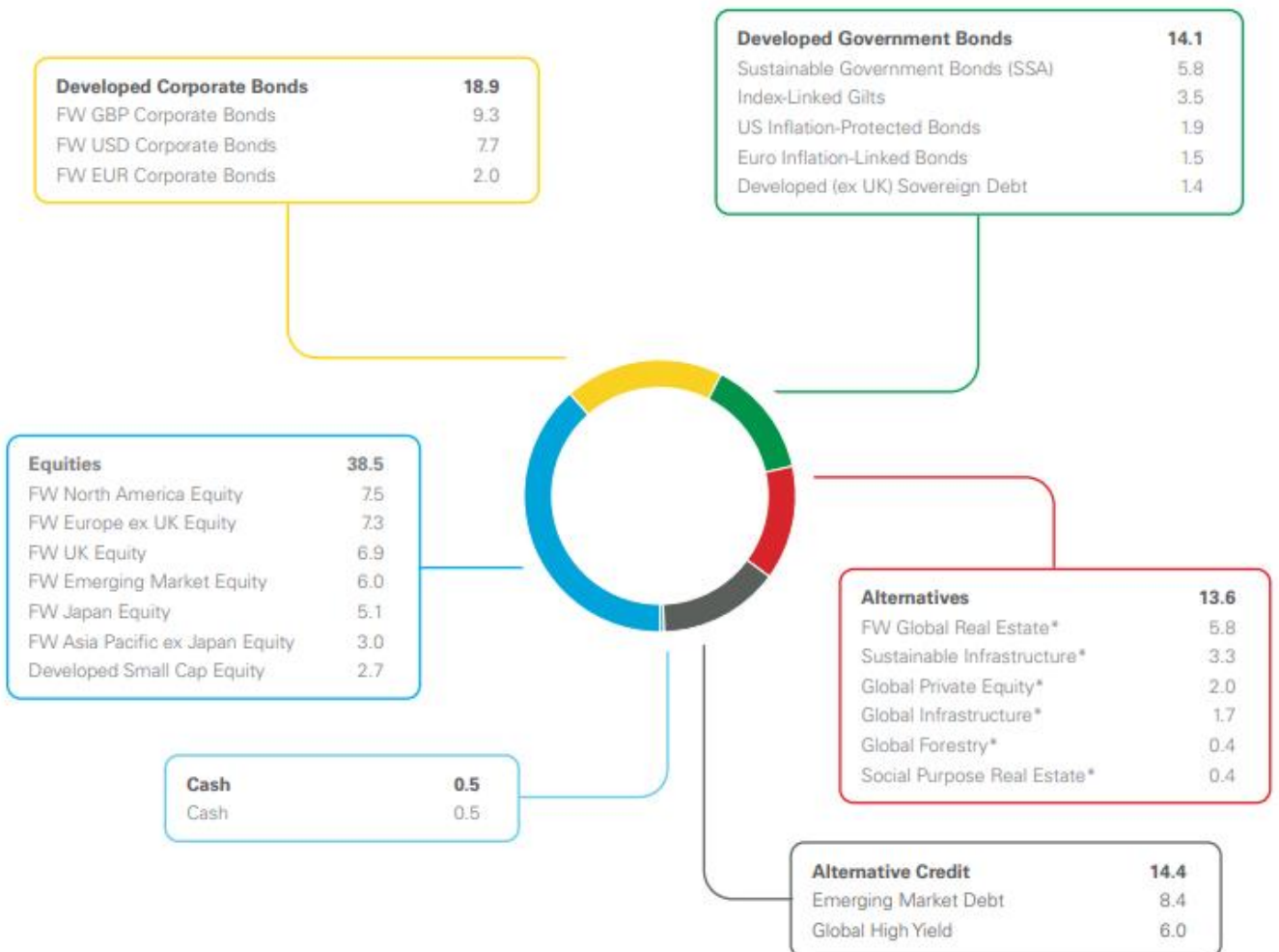
The at-retirement section of the Mastertrust offers an appropriate vehicle for members to invest into at the point of, and following, their retirement. It's also available to members of other occupational pension schemes which offer their members a suitable post-retirement vehicle.

The at-retirement section of the Mastertrust does not have a regulatory default but instead offers:

- Investment pathways as the initial investment option for taking drawdown, there is also the self-select fund range for members who do not wish to use these.
- Retirement Income Multi-Asset Fund (RIMA) as the default fund for members taking partial uncrystallised funds pension lump sums (UFPLS).

The split of assets within the investment pathways as at 30 June 2023 is shown below:

### Investment Pathway Option 1 Invest A3



Source – Legal & General Investment Management

## Investment Pathway Option 2 Annuity A3

### CAPITAL ALLOCATION (%)



Future World Multi-Asset	50.1
Future World Inflation Sensitive Annuity Aware	49.9

### FUTURE WORLD MULTI-ASSET FUND

Fund code: MAGJ

#### ASSET ALLOCATION (%)



Equities	38.5
Developed Corporate Bonds	18.9
Alternative Credit	14.4
Developed Government Bonds	14.1
Alternatives	13.6
Cash	0.5

### FUTURE WORLD INFLATION SENSITIVE ANNUITY AWARE FUND

Fund code: CYAB



AAA	1.4
AA	47.2
A	34.8
BBB	16.6
Other	0.0

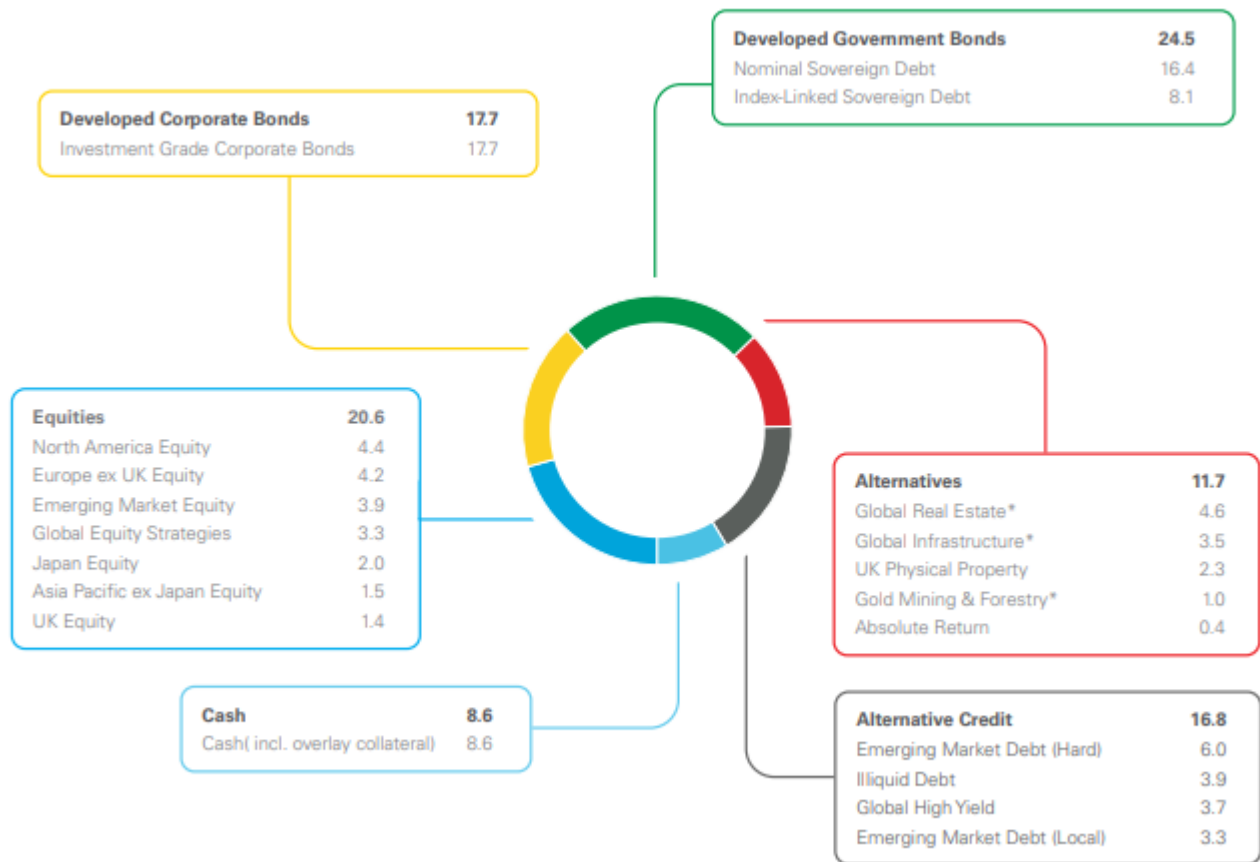
#### TOP 10 HOLDINGS (%)

UK IL Gilt 0.625% 22 Mar 40	12.2
UK IL Gilt 1.25% 22 Nov 32	7.9
UK IL Gilt 0.125% 10 Aug 28	5.7
UK IL Gilt 0.5% 22 Mar 50	4.7
UK IL Gilt 1.25% 22 Nov 27	2.5
UK Inf-Linked Gilt 0.125% 22 Mar 51	1.7
UK IL Gilt 0.75% 22 Mar 34	1.5
Pfizer 2.735% 15 Jun 43	1.5
UK IL Gilt 1.125% 22 Nov 37	1.5
UK IL Gilt 0.75% 22 Nov 47	1.3

Source – Legal & General Investment Management



## Investment Pathway Option 3 Income A3



Source – Legal & General Investment Management

## Investment Pathway Option 4 Take Money A3



### SECTOR (%)

Core Financials	59.8
Consumer Goods	9.9
Utilities	8.2
Industrials	5.1
Consumer Services	4.4
Real Estate	4.1
Telecommunications	2.7
Energy	2.3
Financial Services	1.8
Other	1.8



### YEARS TO MATURITY (%)

0- 5 Years	99.2
5- 10 Years	0.8



Top 10 holdings 7.6%  
Rest of portfolio 92.4%

No. of issuers in fund 178  
No. of issuers in index 187

### TOP 10 HOLDINGS (%)

BP Capital Markets	4.25%	31 Dec 99	0.9
Nationwide	6.178%	07 Dec 27	0.9
Barclays	3.25%	12 Feb 27	0.8
Ing Groep	3%	18 Feb 26	0.8
Hsbc Holdings	1.75%	24 Jul 27	0.7
Wells Fargo & Co	2%	28 Jul 25	0.7
Natwest Group	2.105%	28 Nov 31	0.7
Hsbc Holdings	3%	22 Jul 28	0.7
Lloyds Banking Group	1.875%	15 Jan 26	0.7
Morgan Stanley	2.625%	09 Mar 27	0.7

### CREDIT RATING (%)

AAA	1.2
AA	8.3
A	45.3
BBB	45.2
Other	0.0

### COUNTRY (%)

United Kingdom	42.0
United States	15.5
France	9.5
Germany	7.3
Canada	4.1
Netherlands	3.6
Spain	3.6
Australia	2.8
Switzerland	2.3
Other	9.2

Source – Legal & General Investment Management

## Retirement Income Multi-Asset Fund (RIMA)

The aims and asset allocation of the Retirement Income Multi-Asset Fund can be found in the Drawdown Lifestyle section of this document.

### Fund Manager

The Retirement Income Multi-Asset Fund is managed by Legal & General Investment Management (LGIM). They provide investment expertise across a full spectrum of asset classes including equities, fixed income, commercial property and cash.

### Funds and charges

The funds used by this default arrangement are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 were:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
Legal & General (PMC) Retirement Income Multi-Asset Fund	0.28	0.03	0.31

In addition to the FMC, members pay an administration fee. This will depend on the fee negotiated by the participating employer. In some cases, the participating employer may choose to cover the administration charge.

### 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 and, in effect, borne by members.

### Review

The Retirement Income Multi-Asset Fund was introduced in November 2018. Reviews take place at least annually.

## Section 4 - Investment options outside the default arrangement

### Self-select fund range

The Mastertrust offers members a choice of self-select funds as an alternative to the default arrangement within the sole governance model.

The funds are largely managed by Legal & General Investment Management. However, there are also a number of actively managed funds of external fund managers. We believe that offering a range of active as well as index tracking funds will provide members with sufficient choice. In addition, we offer both a faith-based fund and several funds with responsible investing themes. More information about this can be found in our [Responsible Investing Guide](#).

Members can have investments in both a default arrangement and the self-select funds at the same time, unless they invest in a lifestyle as these require 100% investment.

### Fund range

The sole governance self-select funds which can be used as an alternative to the default arrangements are shown below, and their charges, expressed as a percentage investment management charge (IMC), additional expenses (AE) and total fund management charge (FMC), as at 31 August 2023 are:

Fund	IMC % p.a.	AE % p.a.	FMC % p.a.
L&G PMC Target Date Funds 3	0.15	0.00	0.15
L&G PMC Multi-Asset Fund 3	0.13	0.00	0.13
Legal & General Mastertrust Future World Multi-Asset Fund	0.16	0.00	0.16
Legal & General Mastertrust Active Diversified Growth Fund	0.80	0.04	0.84
Legal & General Mastertrust Emerging Markets Index Fund	0.25	0.00	0.25
Legal & General Mastertrust Global Developed Equity Index Fund	0.10	0.00	0.10
Legal & General Mastertrust Global Real Estate Equity Index Fund	0.19	0.00	0.19
Legal & General Mastertrust Impact Fund	0.50	0.03	0.53
Legal & General Mastertrust Short Dated Bond Index Fund	0.12	0.00	0.12
Legal & General Mastertrust Smaller Companies Index Fund	0.22	0.00	0.22
Legal & General Mastertrust UK Smaller Companies Fund	0.50	0.02	0.52
Legal & General MT Active Global Equity Fund	0.65	0.07	0.72
Legal & General MT Fossil Fuel Free Climate Equity Index Fund	0.12	0.05	0.17
L&G PMC AAA-AA-A Corporate Bond All Stocks Index Fund 3	0.12	0.00	0.12
L&G PMC Cash Fund 3	0.09	0.00	0.09
L&G PMC CT Managed Equity 3	0.40	0.09	0.49
L&G PMC Ethical Global Equity Index Fund 3	0.30	0.00	0.30
L&G PMC Future World Annuity Aware Fund 3	0.12	0.00	0.12
L&G PMC Future World Fund 3	0.24	0.00	0.24
L&G PMC Global Diversified Credit 3	0.30	0.03	0.33
L&G PMC HSBC Islamic Global Equity Index Fund 3	0.23	0.12	0.35
L&G PMC Janus Henderson Fixed Interest Monthly Income Fund 3	0.62	0.04	0.66
L&G PMC Retirement Income Multi-Asset Fund 3	0.28	0.03	0.31
L&G PMC Sustainable Property Fund 3	0.44	0.84	1.28
L&G PMC UK Equity Index Fund 3	0.10	0.00	0.10
L&G PMC World (ex UK) Equity Index Fund 3	0.12	0.00	0.12

## **Investment costs**

In addition to the FMC, members pay an administration fee. This will depend on the fee negotiated by the participating employer. In some cases, the participating employer may choose to cover the administration charge.

## **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 and are, in effect, borne by members.

## **Review**

The current self-select fund range was updated in March 2022. Reviews take place at least triennially. Subject to Trustee approval, funds can be added to the range between triennial reviews.