

# Statement of Investment Principles for the Societe Generale UK Group Money Purchase Scheme

## 1. Introduction

This Statement of Investment Principles (“SIP”) sets out the policy of SG UK MP Trustee Company Limited as trustee of the Societe Generale UK Group Money Purchase Pension Scheme (the “Trustee”; and the “Scheme”) on various matters governing decisions about the investments of the Scheme.

The SIP is designed to meet the requirements of Section 35 (as amended) of the Pensions Act 1995 (the “Act”), the Occupational Pension Schemes (Investment) Regulations 2005 (as amended), and the Occupational Pension Schemes (Charges and Governance) Regulations 2015.

This SIP has been prepared after obtaining and considering written professional advice from Lane Clark & Peacock (“LCP”), the Scheme’s investment consultant, whom the Trustee believes to be suitably qualified and experienced to provide such advice. The advice takes into account the suitability of investments and the need for diversification, given the circumstances of the Scheme and the principles contained in this SIP. The Trustee has consulted with the relevant employer in producing this SIP.

The Trustee will review this SIP from time to time and, with the help of their advisers, amend it as appropriate. These reviews will take place as soon as practicable after any significant change in investment policy, and at least once every three years.

Appendix 1 contains brief details of the respective responsibilities of the Trustee, investment advisers, investment managers and platform provider. It also contains a description of the basis of remuneration for these service providers.

Appendix 2 sets out the Trustee’s policy towards risk appetite, capacity, measurement and management.

## 2. Investment objectives

The Trustee’s primary objectives are to provide members with access to:

- an appropriate choice of investments, reflecting the membership profile and the range of ways that members can draw their benefits in retirement; and
- a default investment approach that the Trustee believes to be reasonable for those members that do not wish to make their own investment decisions.

## 3. Investment strategy

The Trustee, with the help of its advisers and in consultation with the employer, last undertook a review of investment strategy in August 2018, taking into account the objectives described in Section 2 above.

The Trustee offers members an investment range including Self-Select funds and Pre-Select strategies. Each member is responsible for specifying one or more Self-Select funds or a single Pre-Select strategy for the investment of their account, having regard to their attitude to the risks involved and how they

wish to draw their benefits in retirement. If a member does not choose an investment option, their account will be invested into the default option, which is managed as a Pre-Select strategy (ie it automatically combines investments in pre-defined proportions according to the proximity to retirement age).

The default was designed in the best interests of the majority of the members based on the demographics of the Scheme's membership, and allocates assets to provide benefits to the individuals on whose behalf the contributions were paid. The default targets income drawdown at retirement, since the Trustee believes that most members will wish to take their benefits in this form. Therefore, it is initially invested in assets that have a relatively high expected return aiming for growth, and then as the member approaches retirement, it gradually switches into less risky assets, with the asset allocation at retirement being designed to be appropriate for members taking an income drawdown option.

The objective for the default option is to provide a long-term return in excess of inflation while displaying less volatility than a pure equity approach in the middle growth phase, and reducing volatility for members approaching retirement age.

The Trustee will review the default strategy and investment options at least every three years and as soon as practicable after any significant change in legislation, investment policy, or the demographic profile of relevant members. The Trustee will also monitor the relevant members' behaviour to check whether assumptions made about how members will access their benefits are borne out in practice.

One of the self-select options the Trustee offers to members is the L&G Managed Property Fund. In March 2020, the Fund was suspended as valuers were unable to accurately value the underlying properties of the portfolio. Following the Fund's suspension, member contributions were redirected into the M&G Cash Fund. As contributions have been redirected without members making an active selection, the M&G Cash Fund will be treated as a default for the purpose of fulfilling legislative requirements and will be captured as a default in the Scheme's Chair's Statement.

#### **4. Considerations made in determining the investment arrangements**

When deciding how to invest the Scheme's assets, the Trustee considers a number of risks, including, but not limited to, those set out in Appendix 2. Some of these risks are more quantifiable than others, but the Trustee has tried to allow for the relative importance and magnitude of each risk.

The Trustee considered a wide range of asset classes for investment, and the expected returns and risks associated with those asset classes.

In determining the investment arrangements the Trustee also considered:

- the best interests of members and beneficiaries;
- the profile of the membership and what this implies for the choices members might make upon reaching retirement;
- the risks and rewards of a number of different Pre-Select strategies; and
- the need for appropriate diversification within the default strategy and between the other investment options offered to members.

- any other considerations which the Trustee considers financially material over the periods until members' retirement, or any other timeframe which the Trustee believes to be appropriate; and
- the Trustee's investment beliefs about how investment markets work and which factors are most likely to impact investment outcomes.

With respect to the last point, the Trustee's key investment beliefs, which influenced the setting of the investment arrangements, are as follows:

- asset allocation is the primary driver of long-term returns;
- risk-taking is necessary to achieve return, but not all risks are rewarded;
- equity, credit and illiquidity are the primary rewarded risks;
- risks that do not have an expected reward should generally be avoided, hedged or diversified;
- investment markets are not always efficient and there may be opportunities for good active managers to add value;
- environmental, social and governance (ESG) factors are likely to be one area of market inefficiency and so managers may be able to improve risk-adjusted returns by taking account of ESG factors;
- investment managers who can consistently spot and profitably exploit market opportunities are difficult to find and therefore passive management, where available, is usually better value;
- long-term environmental, social and economic sustainability is one factor that trustees should consider when making investment decisions; and
- costs have a significant impact on long-term performance and therefore obtaining value for members from the investments is important.

The Trustee's key investment beliefs and understanding of the Scheme's membership are reflected in the design of the default and other Pre-Select options, and in the range of Self-Select funds made available to members.

## **5. Implementation of the investment arrangements**

Before investing in any manner, the Trustee obtains and considers proper written advice from its investment consultant on the question of whether the investment is satisfactory, having regard to the need for suitable and appropriately diversified investments.

Details of the investment managers and their objectives are set out in the separate Investment Policy Implementation Document.

There is no direct relationship between the Scheme and the underlying investment managers.

The Trustee has signed agreements with a platform provider, who makes available a range of investment options to members. These agreements set out in detail the terms on which the investments are managed. The investment managers' primary role is the day-to-day investment management of the Scheme's investments.

The Trustee and investment managers to whom discretion has been delegated exercise their powers to give effect to the principles in this Statement of Investment Principles, so far as is reasonably practicable.

The Trustee has limited influence over managers' investment practices because all the Scheme's assets are held in pooled funds, but it encourages its managers to improve their practices where appropriate.

The Trustee's view is that the fees paid to the investment managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high quality service that meets the stated objectives, guidelines and restrictions of the fund. However, in practice managers cannot fully align their strategy and decisions to the (potentially conflicting) policies of all their pooled fund investors in relation to strategy, long-term performance of debt/equity issuers, engagement and portfolio turnover.

It is the Trustee's responsibility to ensure that the managers' investment approaches are consistent with its policies before any new appointment, and to monitor and consider terminating any existing arrangements that appear to be investing contrary to those policies. The Trustee expects investment managers, where appropriate, to make decisions based on assessments of the longer term financial and non-financial performance of debt/equity issuers, and to engage with issuers to improve their performance. It assesses this when selecting and monitoring managers.

The Trustee evaluates investment manager performance by considering performance over both shorter and longer-term periods as available. The duration of a manager's appointment will depend on strategic considerations and the outlook for future performance. Generally, the Trustee would be unlikely to terminate a mandate on short-term performance grounds alone.

The Trustee's policy is to evaluate each of its investment managers by reference to the manager's individual performance as well the role it plays in helping the Scheme meet its overall long-term objectives, taking account of risk, the need for diversification and liquidity. Each manager's remuneration, and the value for members it provides, is assessed in light of these considerations.

The Trustee recognises that portfolio turnover and associated transaction costs are a necessary part of investment management and that the impact of portfolio turnover costs is reflected in performance figures provided by the investment managers. The Trustee expects its investment consultant to incorporate portfolio turnover and resulting transaction costs as appropriate in its advice on the Scheme's investment mandates.

## **6. Realisation of investments**

The investment managers have discretion over the timing of realisation of investments of the Scheme within the portfolios that they manage and in considerations relating to the liquidity of investments. The Trustee's policy is generally to invest in funds that offer daily dealing to enable members to readily realise and change their investments. In the rare instances where liquidity is more variable (for example in property funds within Self-Select) the Trustee ensures that members are aware of this feature.

## **7. Financially material considerations and non-financial matters**

The Trustee has considered how environmental, social, governance ("ESG") and ethical factors should be taken into account in the selection, retention and realisation of investments, given the time horizon of the Scheme and its members.

The Trustee expects its investment managers to take account of financially material considerations (including climate change and other ESG considerations). The Trustee has a preference for managers

that take these issues into account, however it will ultimately choose a manager on the basis of all financially material factors. From time to time the Trustee reviews how its managers are taking account of these issues in practice.

The Trustee has limited influence over managers' investment practices where assets are held in pooled funds, but it encourages its managers to improve their practices where appropriate.

During 2019, the Trustee conducted a member survey regarding non-financial matters (ie matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments. The Trustee recognises that some members may wish to invest specifically in ethical or Shariah compliant funds and has therefore made available appropriate funds for members to achieve this.

## 8. Voting and engagement

The Trustee recognises its responsibilities as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. The Trustee has delegated to its investment managers the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG considerations.

The Trustee does not monitor or engage directly with issuers or other holders of debt or equity. It expects the investment managers to exercise ownership rights and undertake monitoring and engagement in line with the managers' general policies on stewardship, as provided to the Trustee from time to time, considering the long-term financial interests of the beneficiaries. The Trustee seeks to appoint managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code issued by the Financial Reporting Council, and from time to time the Trustee reviews how these are implemented in practice.

**For and on behalf of SG UK MP Trustee Company Limited as trustee of the Societe Generale UK Group Money Purchase Scheme:**

**Signed:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## *Responsibilities, decision-making and fees*

In broad terms the Trustee has decided on the following division of responsibilities and decision-making for the Scheme. This division is based upon the Trustee's understanding of the various legal requirements placed upon it, and its view that this division allows for efficient operation of the Scheme overall, with access to an appropriate level of expert advice and service. The Trustee's investment powers are set out within the Scheme's governing documentation.

### **1. Trustee**

The Trustee is responsible in respect of investment matters for:

- setting the investment strategy, in consultation with the employer;
- reviewing the investment policy as part of any review of the investment strategy;
- setting the policy for rebalancing between asset classes in the Pre-Select strategies and any blended funds;
- appointing, monitoring, reviewing and dismissing investment managers, platform providers, investment consultants and other advisors;
- monitoring the exercise of the investment powers that they have delegated to the investment managers and monitoring compliance with Section 36 of the Act;
- formulating a policy in relation to financially material considerations, such as those relating to ESG considerations (including but not limited to climate change);
- setting a policy on the exercise of rights (including voting rights) and undertaking engagement activities in respect of the investments;
- putting effective governance arrangements in place and documenting these arrangements in a suitable form;
- communicating with members as appropriate on investment matters, such as the Trustee's assessment of its effectiveness as a decision-making body, the policies regarding responsible ownership and how such responsibilities have been discharged;
- reviewing the content of this SIP from time to time and modifying it if deemed appropriate; and
- consulting with the employer when reviewing the SIP.

### **2. Investment platform provider**

The investment platform provider will be responsible for:

- providing access to a range of funds managed by various investment managers;
- ensuring that funds are priced correctly;
- providing the Trustee with regular information concerning the management and performance of the assets; and
- having regard to the provisions of Section 36 of the Act insofar as it is necessary to do so.

### 3. Investment managers and custodians

The investment managers will be responsible for:

- managing the portfolios of assets according to their stated objectives, and within the guidelines and restrictions set out in their respective investment manager agreements and/or other relevant governing documentation;
- taking account of financially material considerations (including climate change and other ESG considerations as appropriate when managing the portfolios of assets);
- exercising rights (including voting rights) attaching to investments and undertaking engagement activities in respect of investments;
- providing the Trustee with regular information concerning the management and performance of their respective portfolios; and having regard to the provisions of Section 36 of the Act insofar as it is necessary to do so.

The custodians of the portfolios (whether there is a direct relationship between the custodian and the Trustee or not) are responsible for safe keeping of the assets and facilitating all transactions within the portfolios.

### 4. Investment consultant

The investment consultant will be responsible, in respect of investment matters, as requested by the Trustee, for:

- advising on a suitable fund range and default strategy for the Scheme, and how material changes to legislation, custom or practice, or changes within the Scheme's benefits and membership may impact this;
- advising on the selection, and review, of the investment managers, incorporating its assessment of the nature and effectiveness of the managers' approaches to financially material considerations (including climate change and other ESG considerations); and
- participating with the Trustee in reviews of this SIP.

### 5. Fee structures

The Trustee recognises that the provision of investment management to the Scheme results in a range of charges to be met, directly or indirectly, by deduction from the Scheme's assets. The costs for the provision of advisory services to the Scheme are met by the Bank.

The Trustee has agreed Terms of Business with the Scheme's investment advisers, under which work undertaken is charged for by an agreed fixed fee or on a "time-cost" basis by the Bank.

The investment managers and platform provider receive fees calculated by reference to the market value of assets under management. The fee rates are believed to be consistent with the managers' general terms for institutional clients and are considered by the Trustee to be reasonable when compared with those of other similar providers.

The fee structure used in each case has been selected with regard to existing custom and practice, and the Trustee's view as to the most appropriate arrangements for the Scheme. However, the Trustee will consider revising any given structure if and when it is considered appropriate to do so.

## **6. Performance assessment**

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The Trustee is satisfied, taking into account the external expertise available, that there are sufficient resources to support its investment responsibilities. The Trustee believes that it has sufficient expertise and appropriate training to carry out its role effectively.

It is the Trustee's policy to assess the performance of the Scheme's investments, investment providers and professional advisers from time to time. The Trustee will also carry out periodically an assessment of its own effectiveness as a decision-making body and will decide how this may then be reported to members.



## *Policy towards risk, risk measurement and risk management*

The Trustee considers that there are a number of different types of investment risk that are important for the Scheme. These include, but are not limited to:

### **1. Risk of inadequate returns**

As members' benefits are dependent on the investment returns achieved, it is important that investment options are available which can be expected to produce adequate real returns over the longer term. Accordingly, equity funds, which are expected to provide positive returns above inflation over the long term, have been made available to members and feature in the growth phase of the default strategy. To reduce the chance of a sharp deterioration in members' benefits close to retirement, the Trustee has made the default a Pre-Select strategy which automatically combines investments in pre-defined proportions that vary, and aim to decrease the level of expected investment risk, towards a member's retirement age.

### **2. Risk from lack of diversification**

This is the risk that failure of a particular investment, or the general poor performance of a given investment type, could materially adversely affect the Scheme's assets. The Trustee believes that the Scheme's default strategy is adequately diversified between different asset classes and within each asset class, and the Self-Select options provide a suitably diversified range for members to choose from. This was a key consideration when determining the Scheme's investment arrangements.

### **3. Investment manager risk**

This is the risk that an investment manager fails to meet its investment objectives. Prior to appointing an investment manager, the Trustee receives written advice from a suitably qualified individual, and will typically undertake an investment manager selection exercise. The Trustee monitors the investment managers on a regular basis.

### **4. Liquidity/marketability risk**

This is the risk that core financial transactions, such as investing members' contributions, are not processed promptly due to lack of liquidity in the investments. The Trustee manage this risk by only using pooled funds with daily dealing within the default strategy and diversifying the default strategy across different types of investment.

Within the self-select range there is one investment choice that is prone to periods of illiquidity – Property. Members are warned within Trustee communications that the asset class can experience illiquidity. On the occasions when the property funds do suspend trading, members are advised of the situation and a temporary redirection of contributions is put in place.

### **5. Risk from excessive charges**

If the investment management charges together with other charges (for example, platform services, transition costs and additional expenses) are excessive then the value of a member's account will be

reduced unnecessarily. The Trustee is comfortable that the charges applicable to the Scheme are in line with market practice and it regularly assesses whether these represent good value for members.

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#### **6. Environmental, social and governance (ESG) risks**

Environmental, social and corporate governance (ESG) factors are sources of risk to the Scheme's investments, some of which could be financially material, over both the short and longer term. These potentially include risks relating to factors such as climate change, unsustainable business practices, and unsound corporate governance. The Trustee seeks to appoint investment managers who will manage these risks appropriately on their behalf and from time to time reviews how these risks are being managed in practice.

#### **7. Credit risk**

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Scheme is subject to credit risk because it invests in bonds via pooled funds. The Trustee manages its exposure to credit risk by only investing in pooled funds that have a diversified exposure to different credit issuers. The Scheme invests in some funds which invest in bonds that are classified as both "investment grade" and "non-investment grade" – the latter carrying greater credit risk but having a higher yield to compensate investors.

#### **8. Currency risk**

Whilst the majority of the currency exposure of the Scheme's assets is to Sterling, the Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets.

The Trustee hedges a portion of the currency risk. The Trustee considers the overseas currency exposure in the context of the overall investment strategy, and believes that the unhedged currency exposure that remains acts to increase the diversification of the strategy.

#### **9. Other non-investment risks**

The Trustee recognises that there are other, non-investment, risks faced by the Scheme, and takes these into consideration as far as practical in setting the Scheme's investment arrangements.

# *Investment Policy Implementation Document for the Societe Generale UK Group Money Purchase Scheme*

## 1. Introduction

This Investment Policy Implementation Document (“IPID”) for the Societe Generale UK Group Money Purchase Scheme (the “Scheme”) sets out details of the Scheme’s investment arrangements, based on the principles set out in its Statement of Investment Principles (“SIP”) dated September 2020.

The IPID should be read in conjunction with the SIP.

The IPID has been prepared by the Trustee of the Scheme, and the Trustee is responsible for ensuring it reflects the current investment arrangements.

## 2. Investment strategy

The Trustee makes available a range of passively and actively managed Self-Select funds and three Pre-Select strategies, details of which are set out below. The default is a Pre-Select strategy: the Flexi-access investment strategy. The members are provided with clear information on the investment options and their characteristics that will allow the members to make an informed choice.

The fund options are provided to members via an investment-only platform with Fidelity Life Insurance Limited (“Fidelity”). Towers Watson provides the administrative services.

## 3. Self-Select fund options

The Trustee makes available the following white-labelled funds as Self-Select options but also as components of the Pre-Select strategies.

Fund name	Fund objective	Underlying funds
<b>Passive funds</b>		
Global Equity Tracker Fund	To perform in line with a mixed index consisting of: 30% FTSE All-Share Index, 60% Developed Equities invested at market capitalisation weights (with 50% of this currency exposure hedged back to sterling), and 10% Emerging Market Equities.	30% Aquila UK Equity Fund 30% Aquila World (ex-UK) Equity Fund 30% Aquila World (ex-UK) Equity Fund - Currency Hedged 10% Aquila Emerging Markets Fund
Global (ex UK) Equity Tracker Fund	To perform in line with the FTSE AW Developed ex UK Index	BlackRock Aquila Life World (ex UK) Equity Index Fund

UK Equity Tracker Fund	To perform in line with the FTSE All-Share Index	BlackRock Aquila Life UK Equity Index Fund
European (ex UK) Equity Tracker Fund	To perform in line with the FTSE All-World Developed Europe ex-UK Index	BlackRock Aquila Life (ex-UK) European Equity Index Fund
Japanese Equity Tracker Fund	To perform in line with the FTSE All-World Japan Index	BlackRock Aquila Life Japanese Equity Index Fund
Pacific Rim (ex Japan) Equity Tracker Fund	To perform in line with the FTSE All-World Developed Asia Pacific ex-Japan Index	BlackRock Aquila Life Pacific Rim Equity Index Fund
US Equity Tracker Fund	To perform in line with the FTSE All-World USA Index	BlackRock Aquila Life US Equity Index Fund
Emerging Markets Equity Tracker Fund	To perform in line with MSCI Global Emerging Markets Index	BlackRock Aquila Life Emerging Markets Equity Index Fund
Ethical Global Equity Tracker Fund	To perform in line with the FTSE AW - 4Good Global Equity Index	Legal & General Ethical Global Equity Index Fund
Shariah Fund	To achieve long term capital growth through investment in securities defined by the Dow Jones Islamic Titans Index	HSBC Life Amanah Fund
UK Gilt Tracker Fund	To perform in line with the FTSE-A UK Gilts Over 15 Years Index	BlackRock Aquila Life Over 15 Years UK Gilt Index Fund
UK Inflation Linked Gilts Tracker Fund	To perform in line with the FTSE-A UK Index-Linked Over 5 Years Index	BlackRock Aquila Life Over 5 Years UK Index-Linked Gilt Index Fund
Corporate Bond Tracker Fund	To perform in line with the iBoxx £ Non Gilts Over 15 Years Index	BlackRock Aquila Life Over 15 Years Corporate Bond Fund
<b>Active funds</b>		
Active Global Equity	To outperform the MSCI World Index (net dividends reinvested)	MFS Global Equity Fund
UK Special Situation Equity Fund	To provide long-term capital growth by exploiting special situations.	Artemis UK Special Situation Fund

Diversified Growth Fund	To achieve a return materially above cash over the long term by holding a variety of investments selected by the investment managers.	50% BlackRock Dynamic Diversified Growth Fund 50% L&G Diversified Fund
Lower Volatility Bond Fund	To achieve positive returns, over cash, irrespective of market conditions by investing in a range of fixed income instruments (such as bonds) and derivatives.	50% M&G Total Return Credit Investment Fund 50% Newton Global Dynamic Bond Fund
Property Fund	To outperform the AREF/IPD UK Property All Balanced Index over three and five year periods	Legal & General Managed Property Fund
Cash Fund	To outperform the London Interbank 7 Day Deposit Rate	M&G Cash Fund

Members' existing assets may also remain invested in the M&G Property Fund, which closed to new contributions in October 2015. The objective of this fund is to outperform the CAPS property pooled fund median by 0.5% per annum over rolling 3 year periods.

The Trustee replaced the 50% allocation to the Invesco Global Total Return Fund with the L&G Diversified Fund over three broadly equally weighted tranches towards the end of 2019.

#### 4. The default strategy

The Trustee has set a default for members who do not make an active choice regarding investment of their contributions. This is the Flexi-access investment strategy. The Pre-Select strategies, of which this is one, provide an automated investment switching facility following a pre-selected investment strategy, which automatically moves the funds from higher risk/return investments into lower risk/return investments as retirement approaches. The default strategy targets income drawdown at retirement and the table below outlines the asset allocation of the default Pre-Select strategy.

##### Flexi-access investment strategy

Years to selected retirement age	Global Equity Tracker Fund	Diversified Growth Fund	Lower Volatility Bond Fund	Cash Fund	Total
25+	100.00%	0.00%	0.00%	0.00%	100.0%
24	96.67%	3.33%	0.00%	0.00%	100.0%
23	93.33%	6.67%	0.00%	0.00%	100.0%
22	90.00%	10.00%	0.00%	0.00%	100.0%
21	86.67%	13.33%	0.00%	0.00%	100.0%
20	83.33%	16.67%	0.00%	0.00%	100.0%
19	80.00%	20.00%	0.00%	0.00%	100.0%
18	76.67%	23.33%	0.00%	0.00%	100.0%
17	73.33%	26.67%	0.00%	0.00%	100.0%
16	70.00%	30.00%	0.00%	0.00%	100.0%
15	66.67%	33.33%	0.00%	0.00%	100.0%
14	63.33%	36.67%	0.00%	0.00%	100.0%
13	60.00%	40.00%	0.00%	0.00%	100.0%
12	56.67%	43.33%	0.00%	0.00%	100.0%
11	53.33%	46.67%	0.00%	0.00%	100.0%
10	50.00%	50.00%	0.00%	0.00%	100.0%
9	45.00%	50.00%	5.00%	0.00%	100.0%
8	40.00%	50.00%	10.00%	0.00%	100.0%
7	35.00%	50.00%	15.00%	0.00%	100.0%
6	30.00%	50.00%	20.00%	0.00%	100.0%
5	25.00%	50.00%	25.00%	0.00%	100.0%
4	20.00%	50.00%	25.00%	5.00%	100.0%
3	15.00%	50.00%	25.00%	10.00%	100.0%
2	10.00%	50.00%	25.00%	15.00%	100.0%
1	5.00%	50.00%	25.00%	20.00%	100.0%
0	0.00%	50.00%	25.00%	25.00%	100.0%

## 5. Alternative Pre-Select strategies

In addition to the default strategy, the Scheme offers two other Pre-Select strategies targeting cash and the purchase of an annuity at retirement.

The All-cash investment strategy is designed for members targeting cash at retirement. For those members who expect to purchase an annuity at retirement, the Annuity investment strategy is available. The tables below outline the asset allocation for the alternative Pre-Select strategies.

### All-cash investment strategy

Years to selected retirement age	Global Equity Tracker Fund	Diversified Growth Fund	Lower Volatility Bond Fund	Cash Fund	Total
25+	100.00%	0.00%	0.00%	0.00%	100.0%
24	96.67%	3.33%	0.00%	0.00%	100.0%
23	93.33%	6.67%	0.00%	0.00%	100.0%
22	90.00%	10.00%	0.00%	0.00%	100.0%
21	86.67%	13.33%	0.00%	0.00%	100.0%
20	83.33%	16.67%	0.00%	0.00%	100.0%
19	80.00%	20.00%	0.00%	0.00%	100.0%
18	76.67%	23.33%	0.00%	0.00%	100.0%
17	73.33%	26.67%	0.00%	0.00%	100.0%
16	70.00%	30.00%	0.00%	0.00%	100.0%
15	66.67%	33.33%	0.00%	0.00%	100.0%
14	63.33%	36.67%	0.00%	0.00%	100.0%
13	60.00%	40.00%	0.00%	0.00%	100.0%
12	56.67%	43.33%	0.00%	0.00%	100.0%
11	53.33%	46.67%	0.00%	0.00%	100.0%
10	50.00%	50.00%	0.00%	0.00%	100.0%
9	45.00%	50.00%	5.00%	0.00%	100.0%
8	40.00%	50.00%	10.00%	0.00%	100.0%
7	35.00%	50.00%	15.00%	0.00%	100.0%
6	30.00%	50.00%	20.00%	0.00%	100.0%
5	25.00%	50.00%	25.00%	0.00%	100.0%
4	12.50%	40.00%	27.50%	20.00%	100.0%
3	0.00%	30.00%	30.00%	40.00%	100.0%
2	0.00%	20.00%	20.00%	60.00%	100.0%
1	0.00%	10.00%	10.00%	80.00%	100.0%
0	0.00%	0.00%	0.00%	100.00%	100.0%

Years to selected retirement age	Global Equity Tracker Fund	Diversified Growth Fund	Corporate Bond Tracker Fund	UK Inflation Linked Gilts Tracker Fund	UK Gilt Tracker Fund	Cash Fund	Total
25+	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.0%
24	96.67%	3.33%	0.00%	0.00%	0.00%	0.00%	100.0%
23	93.33%	6.67%	0.00%	0.00%	0.00%	0.00%	100.0%
22	90.00%	10.00%	0.00%	0.00%	0.00%	0.00%	100.0%
21	86.67%	13.33%	0.00%	0.00%	0.00%	0.00%	100.0%
20	83.33%	16.67%	0.00%	0.00%	0.00%	0.00%	100.0%
19	80.00%	20.00%	0.00%	0.00%	0.00%	0.00%	100.0%
18	76.67%	23.33%	0.00%	0.00%	0.00%	0.00%	100.0%
17	73.33%	26.67%	0.00%	0.00%	0.00%	0.00%	100.0%
16	70.00%	30.00%	0.00%	0.00%	0.00%	0.00%	100.0%
15	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%	100.0%
14	63.33%	36.67%	0.00%	0.00%	0.00%	0.00%	100.0%
13	60.00%	40.00%	0.00%	0.00%	0.00%	0.00%	100.0%
12	56.67%	43.33%	0.00%	0.00%	0.00%	0.00%	100.0%
11	53.33%	46.67%	0.00%	0.00%	0.00%	0.00%	100.0%
10	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	100.0%
9	45.00%	45.00%	3.33%	3.33%	3.33%	0.00%	100.0%
8	40.00%	40.00%	6.67%	6.67%	6.67%	0.00%	100.0%
7	35.00%	35.00%	10.00%	10.00%	10.00%	0.00%	100.0%
6	30.00%	30.00%	13.34%	13.34%	13.34%	0.00%	100.0%
5	25.00%	25.00%	16.67%	16.67%	16.67%	0.00%	100.0%
4	20.00%	20.00%	18.34%	18.34%	18.34%	5.00%	100.0%
3	15.00%	15.00%	20.00%	20.00%	20.00%	10.00%	100.0%
2	10.00%	10.00%	21.67%	21.67%	21.67%	15.00%	100.0%
1	5.00%	5.00%	23.33%	23.33%	23.33%	20.00%	100.0%
0	0.00%	0.00%	25.00%	25.00%	25.00%	25.00%	100.0%

**For and on behalf of SG UK MP Trustee Company Limited as trustee of the Societe Generale UK Group Money Purchase Scheme:**

**Signed:** \_\_\_\_\_

**Date:** \_\_\_\_\_