

METTLER TOLEDO PENSION SCHEME – TRANSACTIONS COSTS DISCLOSURES FOR THE 12 MONTHS TO 31 DECEMBER 2020

CHARGES AND TRANSACTION COSTS DISCLOSURES

The following table sets out the headline total expense ratios (“TER”) applying to each of the funds available to members and the transactions costs incurred by the funds during the year, including those making up the Scheme default investment arrangement for the DC section.

SCHEME FUNDS	TER* (% P.A.)	AGGREGATE TRANSACTION COSTS (% P.A.)
FUNDS WITHIN THE DEFAULT		
Mercer Growth	0.44	0.079
Mercer Diversified Retirement Fund	0.45 – 0.49	0.08 - 0.10
Mercer Cash (including Mercer Target Cash Retirement Funds)	0.37 – 0.43	0.03 - 0.06
SELF-SELECT FUNDS		
Mercer Passive Global Equity	0.27	0.02
Mercer Passive Over 15 Year Gilt	0.27	0.00
Mercer Passive Over 5 Year Index Linked Gilt	0.27	0.00
Mercer Passive Corporate Bond	0.27	0.00
Mercer Active UK Property Fund	0.92	**
Mercer Cash	0.27	0.00

Source: MWS, Aviva as at 31 December 2020

* Total Expense Ratio - the measure of the total cost of investing in a fund, which may include various fees and other expenses and may vary from time to time.

** Data unavailable as no members have invested in the Fund since inception. For the purposes of the costs and charges illustrations, we have included the deductions reflected in the TER.

Using the charges and transaction cost data provided by Aviva and in accordance with regulation 23(1)(ca) of the Administration Regulations, the Trustees have prepared an illustration detailing the impact of the costs and charges typically paid by a member of the Scheme on their retirement savings pot. The statutory guidance has been considered when providing these examples.

The funds we are required to illustrate represent the fund range (with the specific fund within the Scheme in brackets) are:



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- The fund or strategy with the most members invested (Mercer SmartPath – Target Drawdown)
- The most expensive fund (Mercer Property)
- The least expensive fund (Mercer Cash)
- The fund with the highest expected return (Mercer Passive Global Equity)
- The fund with the lowest expected return (Mercer Cash)

The illustrations that follow take into account the following elements:

- Initial savings pot size;
- Contributions, where applicable;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time.

Illustrations of effect of cost and charges for typical funds

	(Default Option - Growth Phase) Av MyM Mercer Growth / Balanced		(Default Option - De-risking Phase) Av MyM Mercer Target Drawdown		(Lowest Expected Return) Av MyM Mercer Target Cash 2021		(Lowest Cost Option) Av MyM Mercer Passive Over 15 Year Gilt		(Highest Cost Option) Av MyM Mercer Active UK Property Fund ¹		(Highest Expected Return) Av MyM Mercer Passive Global Equity	
	Risk		2028									
	Assumed growth rate 3.6%		Assumed growth rate 3.4%		Assumed growth rate 0.5%		Assumed growth rate 1.5%		Assumed growth rate 4.25%		Assumed growth rate 4.5%	
Assumed costs and charges 0.52%		Assumed costs and charges 0.53%		Assumed costs and charges 0.35%		Assumed costs and charges 0.27%		Assumed costs and charges 0.92%		Assumed costs and charges 0.29%		
At the end of the year	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
1	£1,190	£1,190	£1,190	£1,190	£1,170	£1,170	£1,180	£1,180	£1,200	£1,189	£1,200	£1,200
2	£2,400	£2,390	£2,390	£2,380	£2,320	£2,320	£2,350	£2,340	£2,421	£2,388	£2,420	£2,410
3	£3,620	£3,590	£3,610	£3,580	£3,450	£3,430	£3,510	£3,490	£3,663	£3,596	£3,670	£3,650
4	£4,850	£4,800	£4,830	£4,780	£4,560	£4,530	£4,650	£4,630	£4,927	£4,814	£4,940	£4,910
5	£6,100	£6,020	£6,070	£5,980	£5,640	£5,600	£5,790	£5,750	£6,214	£6,042	£6,230	£6,190
10	£12,500	£12,200	£12,400	£12,100	£10,800	£10,600	£11,300	£11,100	£12,990	£12,335	£13,100	£12,900
15	£19,300	£18,600	£19,000	£18,300	£15,400	£15,000	£16,500	£16,200	£20,381	£18,887	£20,700	£20,200
20	£26,500	£25,100	£25,900	£24,600	£19,600	£19,000	£21,500	£21,000	£28,442	£25,711	£29,000	£28,100
25	£34,000	£31,800	£33,200	£31,000	£23,400	£22,500	£26,300	£25,500	£37,233	£32,817	£38,200	£36,700
30	£42,000	£38,700	£40,700	£37,500	£26,900	£25,600	£30,800	£29,700	£46,821	£40,216	£48,300	£46,000
35	£50,400	£45,800	£48,600	£44,100	£30,000	£28,400	£35,100	£33,600	£57,277	£47,922	£59,400	£56,200
40	£59,200	£53,100	£56,800	£50,900	£32,800	£30,900	£39,200	£37,300	£68,681	£55,947	£71,700	£67,200
45	£68,600	£60,600	£65,400	£57,700	£35,400	£33,100	£43,200	£40,800	£81,118	£64,303	£85,200	£79,100
50	£78,400	£68,300	£74,400	£64,700	£37,700	£35,100	£46,900	£44,100	£94,683	£73,005	£100,000	£92,100

The following assumptions have been used to compute the illustrations above:

- Assumed someone does not have anything in their pension pot when they start saving;
- Contributions are assumed to be £100 monthly increasing in line with assumed earnings inflation of 2.5% each year;
- Figures illustrate the pension pot value in today's money which means they take the inflation into account by discounting values at 2.5% a year.
- Transaction costs have not been included where data was not available from fund managers.

A typical deferred member's pot within the Scottish Widows With Profits Fund

By the nature of With-Profits funds the charging structure of these policies is not transparent, and so comparisons to other funds (to ascertain the greatest/lowest return or most/least expensive fund) cannot be drawn. Consequently we have elected to illustrate the Scottish Widows With Profits fund based on the information we have been provided by Scottish Widows.

We have illustrated investment in the fund based on the limited information provided by Scottish Widows in their member illustrations. The assumption of growth is based on their intermediate growth estimate of 3.5% p.a. before inflation; the illustration then uses Mercer's estimate of inflation at 2.5% p.a. As no charge information has been provided we have been unable to illustrate asset growth without charges.

Scottish Widows With Profits Fund	
Age	Pot Size
44	£20,000
45	£20,200
:::	
50	£21,230
:::	
55	£22,313
:::	
60	£23,452
61	£23,686
62	£23,923
63	£24,162
64	£24,404
65	£24,648

1. Values shown are estimates at end of each year and are not guaranteed.
2. Projected pension pot values are shown in today's terms.
3. Age and fund size assumptions are based on membership data relating to the DC section of the Scheme, as at 31 December 2020.
4. The starting fund size is assumed to be £20,000, and this person is 44 years old. This member is assumed to retire at 65.
5. The transactions cost applied have been provided by Scottish Widows. This member makes no further contributions to the Scheme.
6. Growth rate assumption based on data provided by Scottish Widows, as at 7 May 2021.
7. Inflation is assumed to be 2.5% per annum.