

Preparing your clients for retirement.

Transact - BlackRock Model Portfolio Service (MPS)



74%

Of UK participants feel like they are **not on track** to have a reasonable standard of living in retirement¹

Retirement regulation continues to evolve, while the proportion of the population approaching retirement is increasing. To capture this opportunity, advisers need solutions that help clients in the post-work phase of their investment journey.

The Transact - BlackRock MPS is here to help.

FOR PROFESSIONAL CLIENTS ONLY

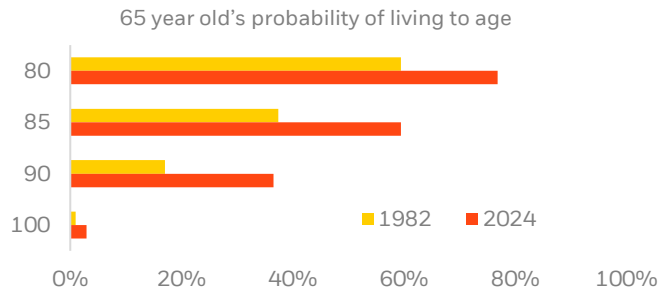
¹Blackrock Read on Retirement survey, December 2025

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Considerations in retirement

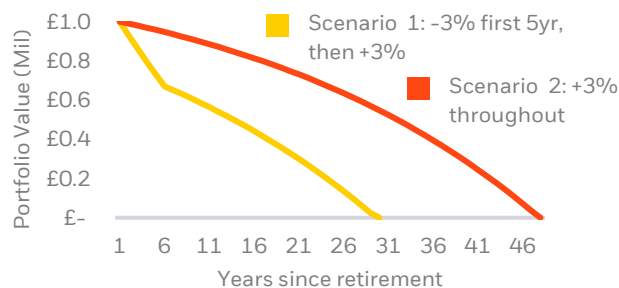
Longevity drift

Lifespans are increasing, retirement portfolios must be built to last



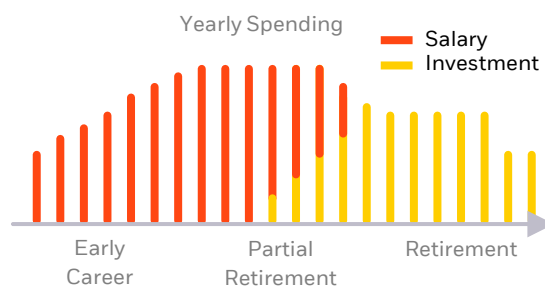
Sequencing risk

Early falls in portfolios can damage returns if clients are in drawdown



Income generation

In retirement clients increasingly use investments to fund spending



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For illustrative purposes only. Source: BlackRock, 31/05/2026. Lifespan from ONS Life Tables. See ONS website for methodology

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Managing longevity risk

Set Clear Retirement Objectives. Establish the client's income needs, time horizons, attitude to risk and capacity for loss, recognising that retirement portfolios must support spending over an uncertain lifespan.

Select the appropriate model portfolio. We offer seven portfolios across different volatility targets, for clients with different risk profiles and life stages



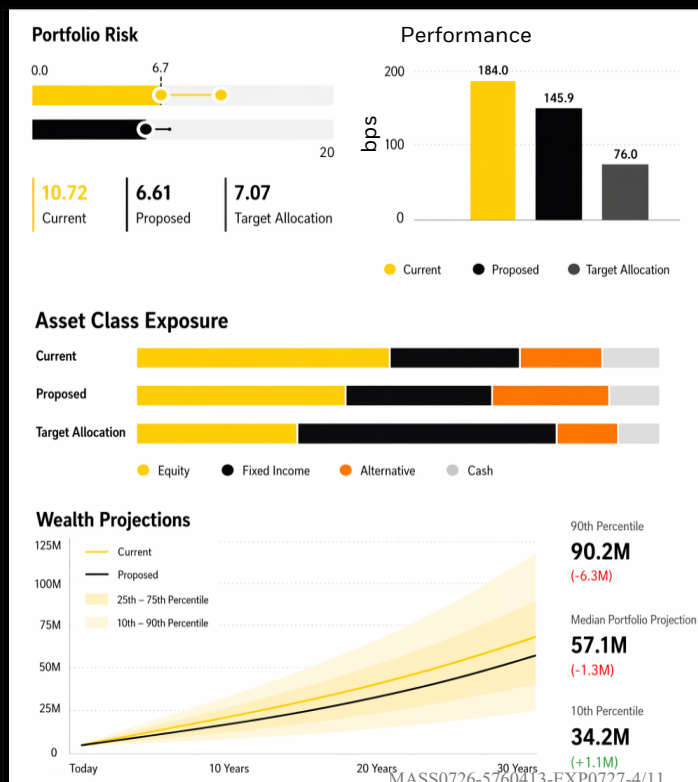
Test Sustainability with Cash-Flow Modelling

Use cash-flow modelling to assess how sustainable retirement income is likely to be over time.

Stochastic modelling can illustrate how outcomes may vary across different market conditions, supporting realistic expectations and more resilient retirement planning.

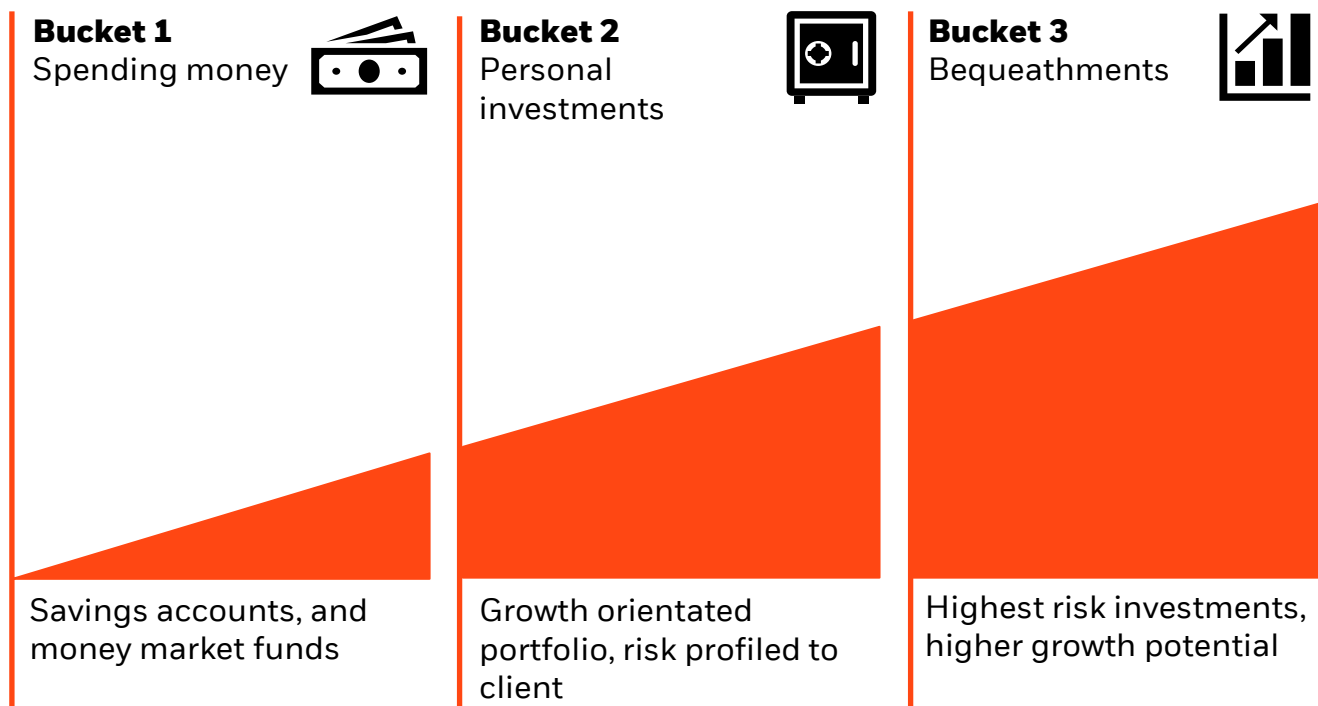
For illustrative purposes only and subject to change.
Source: BlackRock, 31/05/2026

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Managing sequencing risk

Sequencing risk can be managed by implementing a bucket-based structure



Example strategy, for illustrative purposes only

Sub-wrappers can be used to support a 'bucket investment approach', segmenting assets to align with different goals and time horizons in retirement.

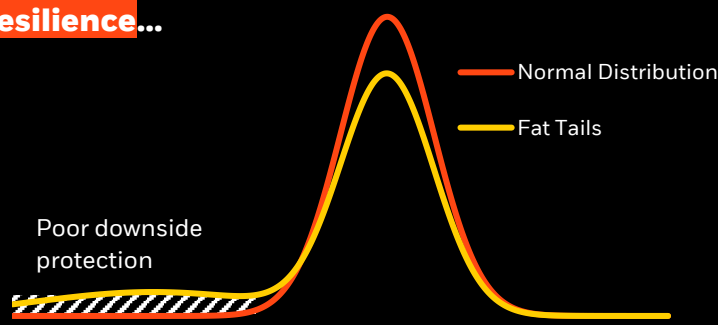
The Transact cash facility can be used as part of a bucketing strategy in retirement, setting aside a low-risk cash allocation to help protect against market falls at the point of withdrawal. This can provide greater peace of mind as clients approach and move through retirement. More information on Transact's cash facility can be found at transact-online.co.uk

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Managing sequencing risk

Our dynamic approach to asset allocation is used to help control portfolio volatility, keep the models in line with their risk targets, and ensure they remain consistent with clients' long-term goals and capacity for loss. This dynamic approach can help reduce short term falls, mitigating sequencing risks. Additionally, thoughtful asset allocation decisions, can help to protect the MPS during choppy markets

Within the MPS, we aim to incorporate investments that provide **downside resilience**...



...while limiting exposure to investments with **fat tails**. This helps to reduce sequencing risk



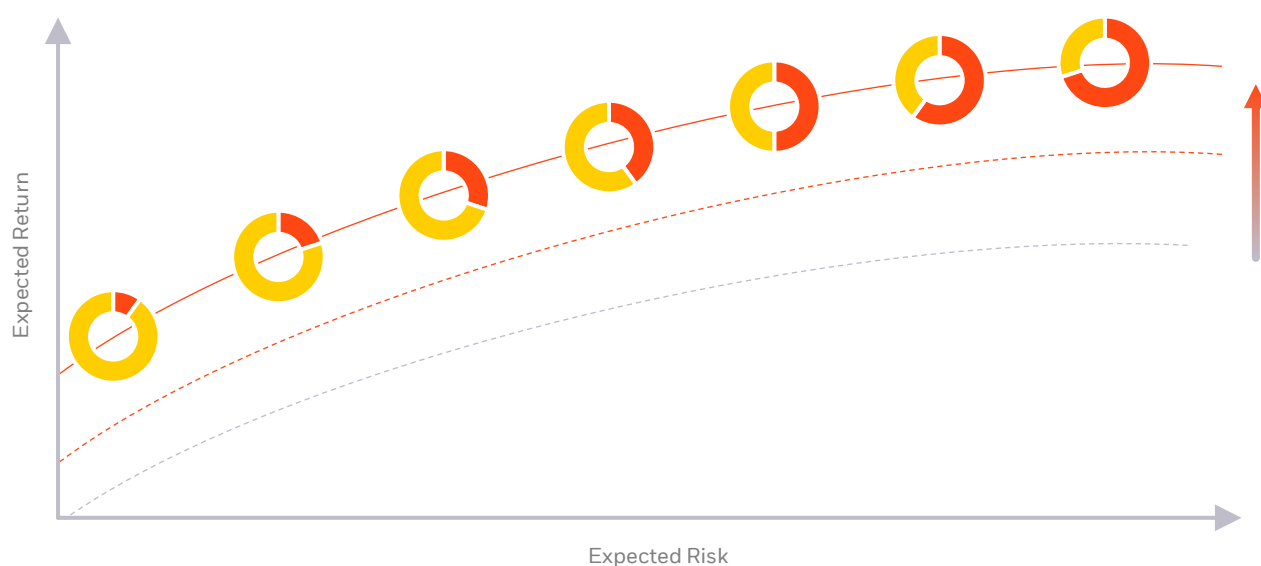
Risk management cannot fully eliminate the risk of investment loss.
Source: BlackRock, 31/05/2026.

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Seeking to generate stable **income**

Optimise tax wrapper and withdrawal sequencing

The Transact - BlackRock MPS is built with a single, simple objective: deliver your clients the greatest possible return, for a given level of risk.

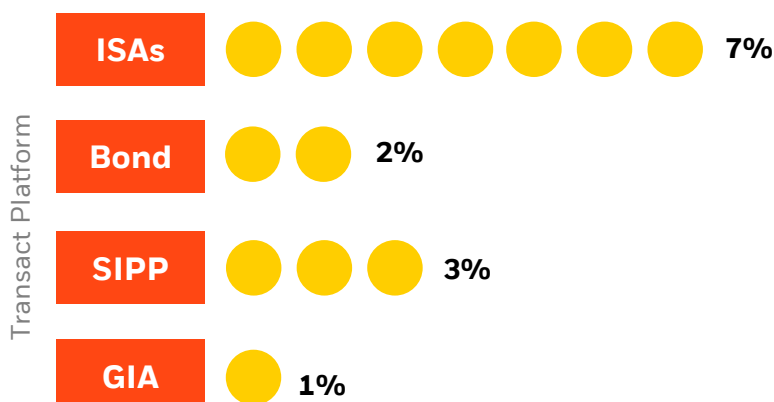


Rather than relying on natural income, withdrawals are taken through controlled unit encashment, allowing the investment strategy to remain focused on total return and risk management.

Automated withdrawals can be set up on the Transact platform, in line with your clients' needs.

A comprehensive range of tax wrappers can then be used to optimise withdrawals and manage tax efficiency as their needs change over time.

Select the ideal pay-out level for each of the client's tax wrapper¹



For illustrative purposes only. Source: BlackRock, 31/05/2026. ¹Percentages are illustrative withdrawals across available tax wrappers.

A **Framework** for building your CRP*

1. Set clear retirement objectives

Establish the client's income needs, time horizons, attitude to volatility and capacity for loss, recognising that retirement portfolios must support spending over an uncertain lifespan.

2. Select the appropriate model portfolio

Position clients in a model aligned to their risk profile and life stage, with volatility controls designed to help manage sequencing risk and smooth the journey through retirement.

3. Test sustainability with cash-flow modelling

Use cash-flow modelling to assess how long client assets are expected to last under a wide range of market conditions, supporting informed conversations around risk, flexibility and resilience.

4. Optimise tax wrapper and withdrawal sequencing

Coordinate withdrawals across pensions, ISAs and other wrappers to improve tax efficiency, adapt to changing client circumstances and support consistent net income over time.

5. Document and conduct regular reviews

As clients move through the different phases of their retirement their spending needs are likely to change, regular reviews are important to ensure that their investment strategy remains appropriate

For illustrative purposes only and subject to change. Source: BlackRock, 31/05/2026. *CRP = Centralised Retirement Proposition.

The Transact – BlackRock MPS

We have built an investment solution that can sit across your centralised investment and retirement propositions. Seeking to provide consistent investment outcomes across your clients.

Our MPS in numbers:



Models across **seven different risk levels**, providing options aligned to clients' life stages and goals



Investment fees are capped at just **0.26% OCF**, ensuring your clients keep more of their returns



Simple, clearly articulated investment approach, with **12+ client friendly** investment updates p.a.



Asset allocation **updated quarterly**, to help control volatility, smooth returns, and limit sequencing risk



Risk Warnings

Investors should refer to the prospectus or offering documentation for the funds full list of risks.

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

Counterparty Risk

The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

Credit Risk

The issuer of a financial asset held within the Fund may not pay income or repay capital to the Fund when due.

Currency Risk

The Fund invests in other currencies. Changes in exchange rates will therefore affect the value of the investment.

Equity Risk

The value of equities and equity-related securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.

Liquidity Risk

The Fund's investments may have low liquidity which often causes the value of these investments to be less predictable. In extreme cases, the Fund may not be able to realise the investment at the latest market price or at a price considered fair.

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