



# Smart Pension Investment Report

Quarter 4 2025 (Halal Workplace Pension)

[smarpension.co.uk](https://smarpension.co.uk)

# Welcome to your investment report

This report is for members of the Wahed section of the Smart Pension Master Trust. If you did not make an active choice, your money is invested in the Wahed default investment strategy. This has been designed to be suitable for most members and uses a combination of investment funds depending on how close you are to your target retirement age.



Pensions are an investment. As a pension saver, your savings will be affected by a whole host of factors that influence the returns of, for example, stocks and shares over the lifetime of your savings. The first section of this report gives an overview of events in the financial markets and the economy over the last three months, and why you may have seen the value of your pension savings grow or shrink.

Remember, markets can go up and down quite a lot over the short term. Pensions are a long-term investment and, as our funds are invested for the long term, this report should not be used to make investment decisions. This report gives a generalised perspective and is not specifically focused on any single fund option.

Our investment strategies are made up of multiple different funds that react differently to market events. That's why, in the second section of this report, we have included the most recent performance data for all our funds. This shows you how they have been performing over the past three months. Performance over one year, three years and five years will be shown when the funds have been in existence for those time periods, at Smart Pension. How your own savings are doing will relate to these performance figures.


**We have included a glossary at the end to help you with any jargon that may be unfamiliar to you.**

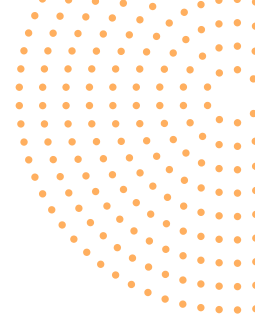




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# What's been happening in the markets?

The fourth quarter saw investment markets return broadly positive. Equities returned positively due to easing inflation and continued positive sentiment of Artificial Intelligence (AI). US equities (US S&P 500 2.7%), which had led global markets earlier in the year, lagged behind other regions. The UK market rose by 6.4% (UK FTSE All-Share), Japan by 8.8% (Japan TOPIX 8.8%) and Emerging Markets by 4.8% (MSCI EM).

US stocks underperformed as they became expensive making investors more cautious. There was also growing concern of the concentration of the US stock market in AI and technology, particularly the “Magnificent Seven” stocks. As a result, there was more diversification away from US stocks.

Sukuk Bonds, which are Shariah-compliant fixed income instruments, performed positively over the fourth quarter. Moreover, over 2025, there was a significant increase in Sukuk issuance, driven by Saudi Arabia's need to finance their sovereign budget. Although some emerging market Sukuk issuers like Indonesia and Malaysia had steady prices, investor sentiment in these countries remained strong which led to a positive performance.

Commodities such as gold and silver continued their rally in the fourth quarter of 2025, and proved to be one of the best performing assets over the year.

All funds performed positively over the quarter and ended the year strongly as performance was driven by the funds' large exposures to US technology stocks, particularly the Wahed Growth+ Fund. The Growth and Balance Funds have some exposure to emerging market debt, which outperformed developed market debt over 2025; falling interest rates across major economies boosted the fixed-income allocation of the funds in general. Gold, which was a top performing commodity over 2025, contributed to the positive performance of the Balanced Fund.

# How have our funds performed?

## This quarter's performance tables

These tables show you the returns for each of our funds over different time periods. All performance is up to 31 December 2025.

All values are shown net of charges. You can learn more about the charges applicable to you in your online account.

## Fund performance

Funds	3m	1y	3y	5y
Smart Wahed Growth+	6.7%	15%	Fund has been in existence for less than three years.	
Smart Wahed Growth	6.2%	15%		
Smart Wahed Balance	4.1%	9.5%		

The funds' performance is shown for the time that they have been on the Smart Pension platform. Net of fees performance, sourced by Mobius Life and Smart Pension.

# How do we manage your money?

Your pension scheme is managed by a group of independent and non-affiliated trustees. They look after your interests and work for you. Your relationship is with the trustees, not Smart Pension Limited.



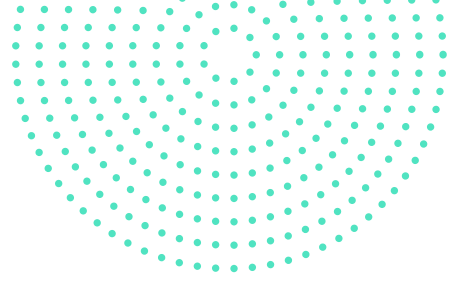
They keep an eye on:

- the investment strategy
- how your investments are performing
- value for money
- member communications
- member engagement

The trustees look after your money to ensure it is invested in line with the statement of investment principles.

The statement of investment principles is a trustee document that outlines the way trustees will invest the scheme assets. This also includes the trustees' policy on responsible investment (also known as Environmental, Social and Governance (ESG) issues).

The trustees work alongside fund managers and the scheme's investment manager to ensure performance is in line with the agreed benchmarks. You can view the [statement of investment principles](#) here. You can also view the trustees' [ESG policy](#) here.



## Trustees



### Raj Mody, Chair of Trustee

Raj Mody joined the Smart Pension Master Trust Board in 2025. He brings over 30 years of experience in the pensions industry, spanning Defined Contribution, Defined Benefit, technology, policy, and governance. He has held several senior executive and non-executive roles, with a portfolio of Board and Chair

### Anna Darnley, Trustee Director

Before joining the Trustee Board in September 2019, Anna was a trustee of the Accenture Retirement Savings Plan (UK). She previously worked as a digital strategy consultant with Oliver Wyman specialising in the design, build and launch of digital banks and retail investment apps in East Asia. She currently works as a Senior Product Manager for a leading payments app.



### David Brown, Trustee Director

David joined the Smart Pension Master Trust Board in October 2018. He is a Fully Accredited Professional Pension Trustee with a range of Board appointments. David has over 35 years' experience worldwide in the pension and investment industry, working as an operator and consultant. He has worked for two of the Big Four consulting firms and was the UK and ROI Pensions and Payroll Manager for Tesco.

### Nikesh Patel, Trustee Director

Nikesh Patel joined the board in 2021 and chairs our investment sub-committee. He has nearly two decades of experience in consulting trustees and employers on defined benefit (DB) and defined contribution (DC) pension schemes on all investment matters, including as an award-winning Chief Investment Officer for his role in managing the assets for a number of pension funds in the UK. He has a keen interest in responsible investment, alongside a deep expertise in both public and private markets. He is an actuary by training and is also a trustee director of the Church of England Pensions Board.



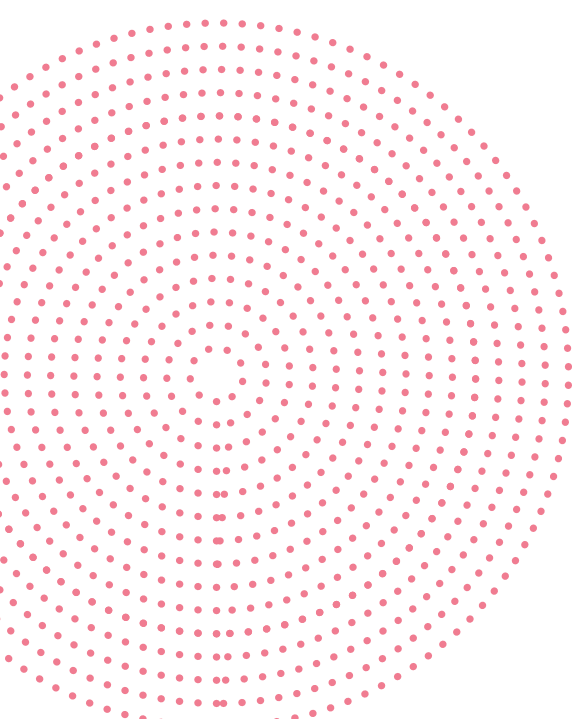


### **Kim Gubler, Trustee Director**

Kim Gubler joined the Smart Pension Master Trust Board in May 2024. Kim has over 30 years' experience in the pensions industry, including as a founding director of the Pensions Administration Standards Association (PASA) and has been its Chair since 2019. She is a Fellow of both the Pensions Management Institute (PMI) and the Pensions Advisory Service and was an independent Trustee Director of the Crystal Master Trust. Kim sits on the Pension Dashboards Programme Advisory Group and DWP's Default Consolidator Delivery Group and is the PMI's Principal Examiner for Professionalism and Governance.

### **Paul Bucksey, Trustee Director**

Paul joined the Smart Pension Master Trust Board in June 2025. He is passionate about helping individuals build wealth via the workplace and has spent more than 20 years working for some of the UK's leading workplace pension providers. Prior to joining the Board, up until December 2024, he served as Chief Investment Officer of the Smart Pension Master Trust, where he also chaired the Scheme Strategist. Before his time at Smart Pension, Paul was Managing Director at BlackRock and later Aegon, where he led their UK defined contribution workplace pension scheme. He is also an independent member of the Prudential Independent Governance Committee.



## The trustees would love to hear from you

The trustees are keen to get as much feedback as possible about how they can improve the pension scheme. If you have a suggestion, please do not hesitate to contact them at [trustees@smartpension.co.uk](mailto:trustees@smartpension.co.uk).

## Want to find out more?

For up to date information about the performance of your investments, you can download the Smart Pension app or sign in to [smartpension.co.uk/sign-in](https://smartpension.co.uk/sign-in).

You can also download the investment guide to find out more information about your investment strategy.

You can also contact us for any other information relating to your pension savings at [member@smartpension.co.uk](mailto:member@smartpension.co.uk).

# Glossary



## Central banks

Central banks around the world set the base interest rates of a country. The setting of these rates is part of something called monetary policy. For instance, increasing interest rates makes it more expensive to borrow and more profitable to save. In theory, this means people would spend less and save more, taking money out of circulation from the economy and reducing inflation rates. Reducing the interest rates level would have the opposite effects. Too high, very low or negative inflation rates can be bad for the economy.

## Equities

Shares in publicly-traded companies such as Apple, Facebook, BP or HSBC. They are grouped in major indices depending on the country in which they are traded. (for instance the FTSE in the UK, or the Dow Jones in the US).

## Equity index

An index is a number that represents the value of a group of stocks and shares, often combined by country and/or type of companies. For instance, the UK FTSE 100 is an index that represents the value of the largest 100 companies in the UK. Similarly, the Dow Jones Index is representative of the 50 largest companies in the United States.

## Inflation

Inflation is a measure of the rate at which the average price of a “basket” of goods and services in an economy increases over a period of time. As the cost of goods rises, a single unit of currency for example, (£1) buys fewer and fewer goods and services. This loss of purchasing power has an impact upon the general cost of living. Excessive inflation makes goods and services too expensive to buy and is bad for the economy.

## Investment strategy

Is a way of investing your money over time with the aim of growing your pension savings. As you get closer to your retirement age, we move your money into funds that are less likely to fall in value.

## Sukuk

The essence of Sukuk is to provide Ethical compliant instruments for investments which do not involve interest and excess uncertainty. It is a primacy of equity financing. The Sukuk holder has an ownership on the underlying asset which is entitled to revenues generated from the Sukuk asset, unlike the bondholder who is eligible to receive interest payments by the bond issuer.

The Sukuk limits the value of debt to that of the underlying asset. It must be asset-backed or asset-based and interest-free.

## The default fund

Unless you actively choose otherwise you will automatically be invested in our default fund during the growth phase, up to ten years before your selected retirement age.

## The default strategy

If you do not make an active investment choice, your savings will be invested according to the default strategy. It uses our default fund during the growth phase, and then switches to funds designed to protect your savings as you approach retirement. The full details of the default strategy can be found in our investment guide.

## Volatility

Volatility refers to the amount of risk or uncertainty due to the size of changes in value (of currencies or equities).

## ADDITIONAL DISCLOSURE

### Important Notices

Smart does not take any liability for the information provided. Please see official fund factsheets for further information. Where a date is not a dealing day, the previous dealing day has been used. Where data differs from factsheets, this may be due to differentials in fees, dealing and valuation dates.

## Legal disclaimer

The value of investments may go up or down due to fluctuations in currencies, financial markets and other risk factors. Default funds may not fulfil their objectives: performance is not guaranteed and future performance may not be in line with the past. This report has been created by Smart Pension and is valid at the date it is published. It has been created for general information only and does not constitute specific legal advice or opinion. You should not rely on any of the information contained within this report without seeking further advice from qualified investment advisers. The facts and data contained in this report shall not be copied, made available, reproduced, extracted or published within your business, for commercial purposes, or to the public or for any other purposes unless Smart Pension gives you consent.

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