



# Acorn Life Master Trust

Smarter Pension Solutions  
for Irish Employers





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# A Message from the CEO

At Acorn Life, we've proudly supported individuals, families, and Irish businesses in planning for their financial futures for over 35 years. As a 100% Irish-owned life assurance company, we remain committed to working closely with Ask Acorn Financial Advisors nationwide to deliver clear, trusted financial guidance.

We're pleased to introduce our Acorn Life Master Trust pension solution – a simple, compliant, and cost-effective way for employers to support every member of their team, from senior management to staff at all levels, in building a secure retirement.

This structure simplifies pension provision while meeting modern regulatory requirements, including IORP II and Auto Enrolment. It offers flexibility, governance, and access to expert investment managers – all designed with the needs of Irish employers and employees in mind.

While Acorn Life provides the strength and regulatory framework behind the product, it's your Ask Acorn Financial Advisor who delivers the personal, practical support to help tailor the solution to your business.

Thank you for partnering with us to support the long-term financial wellbeing of your entire team.

Warm regards,



**Gerard Ryan**  
Chief Executive Officer  
Acorn Life DAC



# Who is Acorn Life?



Acorn Life DAC is a fully Irish-owned life assurance company that's been supporting people and businesses across Ireland since 1989. Based in Galway, we've been helping customers for over 35 years with pensions, protection, savings, and investment plans – all designed specifically for the Irish market.

We're proud to be a multi-award-winning company. We've been recognised as one of Ireland's Best Managed Companies by Deloitte, received the Business All-Star accreditation, and we're a Guaranteed Irish member – a mark of trust, local commitment, and job support.

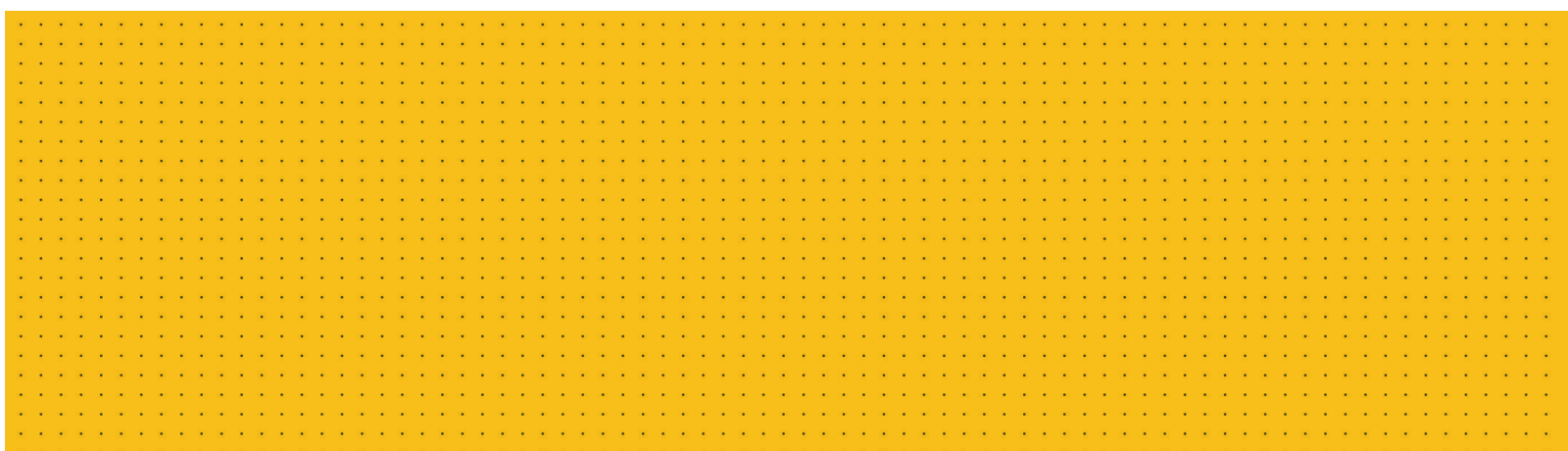
At Acorn Life, we are always working to deliver high-quality products, and reliable customer support – helping Irish businesses and families plan for a more secure future.

## Why plan for your employees' retirement?

Your employees are important to you. Providing access to a pension is a highly rewarding incentive for employees.

A pension plan helps provide employees with an income in retirement and can contribute to better overall retirement outcomes.

Contributing to a pension plan is a tax efficient way to save for retirement.





# What is a Master Trust?

A Master Trust is a multi-employer occupational pension scheme governed by a single legal trust and overseen by an independent board of trustees. It is designed to streamline pension provision for employers by pooling resources, expertise, and governance under one umbrella structure.

In Ireland, Master Trusts have become the preferred vehicle for Defined Contribution (DC) pension schemes, especially following the implementation of the IORP II Directive, which sets higher standards for pension scheme governance, risk management, and member communications. By joining a Master Trust, employers delegate complex trustee responsibilities - such as compliance, investment oversight, and regulatory reporting - to a professional trustee board. This not only reduces administrative burden and cost but also enhances scheme governance and member outcomes.

## Key benefits of a Master Trust include:



**Simplified Pension Management:** Administration, compliance, and governance are handled by professional trustees – freeing up your time and resources.



**Strong Governance & Oversight:** Acorn Master Trustee DAC oversee investments and regulatory compliance, helping ensure your employees' pensions are well managed and secure.



**Cost Efficiency:** Shared services and scale help keep running costs competitive compared to setting up your own standalone scheme.

# Benefits and Tax Advantages for Employers

## Benefits for Employers:

### 1. Auto Enrolment Ready

By offering immediate access to a pension scheme, you can opt employees in before Auto Enrolment begins – avoiding the need to manage two sets of pension payments and staying ahead of upcoming rules.

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### 2. Refund Option for Early Leavers

If an employee leaves within two years of joining the scheme, there's an option to claim back employer contributions, helping you manage pension costs fairly and efficiently.

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### 3. Reduced Pension Administration

Governance and compliance are managed by a professional, independent trustee board – reducing your administration obligations.

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### 4. IORP II Compliance

Master Trusts are fully compliant with the IORP II Directive, helping employers meet evolving regulatory requirements without needing to maintain their own occupational pension scheme infrastructure.

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### 5. Competitive Costs

As multi-employer schemes, Master Trusts benefit from scale – helping to keep administration and investment fees competitive for members, even as regulatory demands grow.

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### 6. Improve Recruitment & Retention

A strong pension helps attract talent, improve morale, and show you're a responsible employer.



## Tax Advantages for Employers:

### 1. Tax Efficient Contributions

Employer pension contributions are tax-deductible as a business expense, reducing your corporation tax liability (subject to Revenue rules on reasonableness and funding limits).

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### 2. No Employer PRSI on Contributions

Unlike salary, pension contributions made by the employer are not subject to Employer PRSI, making them a more cost-effective way to reward staff.

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### 3. No Benefit-in-Kind (BIK) for Employees

Employer contributions within Revenue limits are not treated as a taxable benefit for the employee, making pensions a tax-efficient form of remuneration.

### Contribution and Scheme Limits

- While there's flexibility, employer contributions must be reasonable and consistent with Revenue limits and not exceed the €2 million Standard Fund Threshold per member without special approval.
- There are no statutory minimum contribution levels for employers, but many choose to match or exceed employee contributions to strengthen retention.

# Benefits and Tax Advantages for Employees

## Benefits for Employees:

### 1. Professional Governance

A Master Trust is managed by independent, professional trustees, ensuring strong governance, compliance, and regulatory oversight on behalf of all members.

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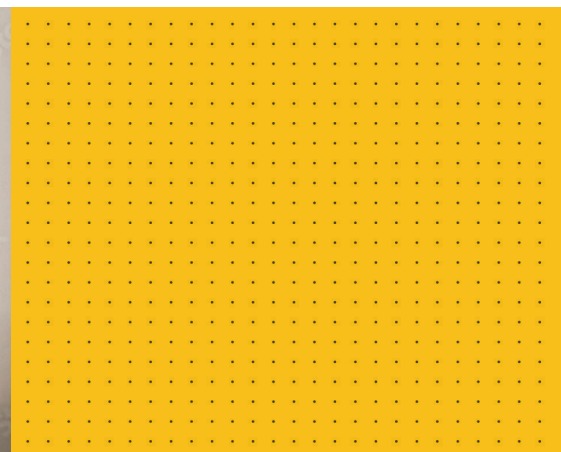
### 2. Lower Costs

Because Master Trusts are multi-employer schemes, they can leverage economies of scale to reduce administration and investment fees for members.

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### 3. Access to High-Quality Investments

Employees benefit from professionally managed investment funds that align with different risk profiles and retirement goals — all accessed at institutional rates. Because Acorn Life can invest at scale, charges are lower than those typically available to individual investors with providers like Mercer or HSBC.





## Tax Advantages for Employees:

### 1. Tax Relief on Contributions

Employee contributions to a Master Trust pension plan qualify for income tax relief, at source through payroll deduction, at their individual standard marginal rate (20% or 40%), subject to age-related limits and an earnings cap (currently €115,000). For example:

<b>Age under 30:</b>	15% of earnings	<b>Age 50–54:</b>	30% of earnings
<b>Age 30–39:</b>	20% of earnings	<b>Age 55–59:</b>	35% of earnings
<b>Age 40–49:</b>	25% of earnings	<b>Age 60+:</b>	40% of earnings

### 2. Employer Contributions

Subject to Revenue Maximum Funding rules, employers can make significant contributions on behalf of employees and are not considered a benefit-in-kind (BIK), so no tax is due by the employee on them. These contributions also do not affect the employee's own tax relief limits.

### 3. Tax-Free Investment Growth

Any investment growth within the pension fund is exempt from income tax, capital gains tax, or DIRT, which significantly enhances long-term retirement savings.

### 4. Tax-Free Lump Sum at Retirement

When you retire, you may be able to take up to €200,000 tax-free. This could be 25% of your fund, or in some cases, up to 1.5 times your final salary, depending on your service.

### 5. Approved Retirement Options

You have flexibility when taking your retirement benefits. After taking your lump sum, the rest of your fund can be used to purchase an annuity. If you take a lump sum based on 25% of the fund, the remainder of your fund can be transferred to an Approved Retirement Fund (ARF).

### Revenue Limits to Keep in Mind

There is a €2 million Standard Fund Threshold (SFT) for pensions. Benefits accrued in excess of the SFT are subject to an additional tax charge when crystallised, eg, upon retirement. The SFT is increasing on a phased basis up to €2.8 million by 2029.

Total contributions payable by both the employer and employee are subject to maximum funding limits set by the Revenue Commissioners.

Personal contributions to all pensions products combined are subject to age related limits (shown above)

**Warning: The value of your investment may go down as well as up.**

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**Warning: If you invest in this product, you will not have access to your money until age 60 and/or you retire.**







# Retirement Options

## with the Acorn Life Master Trust

Anyone retiring from the Acorn Life Master Trust will have a range of flexible options to access their pension savings. These options are designed to give members control over how and when they draw down their benefits, helping them tailor their retirement income to suit their lifestyle, financial goals, and risk appetite.

Upon retirement, a member can typically take a portion of their fund as a tax-free lump sum, subject to Revenue limits. The remaining balance can then be used to provide a regular income for life through an annuity, or it can be invested in an Approved Retirement Fund (ARF), giving the member the freedom to make withdrawals as needed. In many cases, a combination of both options may be chosen, depending on the individual's needs and preferences.

The Acorn Life Master Trust offers a structured, Revenue-compliant framework to support these choices, with guidance available through Ask Acorn Financial Advisors to help members make informed decisions about their retirement journey.

### 1. Tax-Free Lump Sum

Upon retirement, you can typically withdraw up to 25% of your pension fund as a tax-free lump sum, subject to a lifetime limit of €200,000. Any amount between €200,001 and €500,000 is taxed at the standard rate of 20%, and amounts above €500,000 are taxed at your marginal rate plus PRSI and USC

### 2. Approved Retirement Fund (ARF)

After taking your lump sum (25% of the fund option), you may choose to invest the remaining balance into an Approved Retirement Fund (ARF). An ARF allows your pension savings to continue growing tax-free, with the flexibility to make withdrawals as needed. However, you must withdraw a minimum amount annually, typically 4% from age 61, increasing to 5% from age 71. Funds remaining in an ARF can be passed on to your estate upon death.

### 3. Annuity Purchase

Alternatively, you can use the remaining pension fund to purchase an annuity, which provides a guaranteed income for life.

### 4. Combination of Options

You may also opt for a combination of the above options. For instance, you could take a portion of your fund as a tax-free lump sum, allocate some to an ARF, and use the remainder to purchase an annuity.

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# ESG & Responsible Investing

## Aligning Financial Goals with Ethical Values

At Acorn Life, we understand that responsible investing is no longer optional - it's essential. That's why we partner with investment managers who embed Environmental, Social and Governance (ESG) principles into their processes, helping you make informed decisions that support a sustainable future.

## What Is ESG Investing?

### ESG investing considers:

- **Environmental:** How a company's operations impact the planet.
- **Social:** How it manages relationships with employees, suppliers, customers, and communities.
- **Governance:** How it's governed - including leadership, audits, internal controls, and shareholder rights.

## Our Commitment

**Through our collaboration with global investment leaders like Mercer and HSBC Global Asset Management, we ensure your pension and investment funds are managed with rigorous ESG standards in mind.**

- Mercer provides strategic investment advice and governance support, integrating ESG factors into portfolio construction and fund selection.
- HSBC Global Asset Management is a global leader in sustainable finance, delivering funds with robust ESG credentials and active stewardship.

## Why It Matters

### By choosing ESG-aligned investment solutions:

- Support climate resilience and ethical business practices.
- Savings are better positioned for long-term sustainable growth.
- Contribute to a positive impact without compromising on performance.

## Trusted Global Partnerships

### Acorn Life collaborates with:

- Mercer, a leading global consultant in responsible investment strategy and ESG integration.
- HSBC Global Asset Management, offering strong credentials in sustainable investment and climate-aware fund management.

**Together, we offer you peace of mind - knowing your investments are not only financially sound but ethically responsible.**



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# Frequently Asked Questions

This section covers some of the most asked questions about the Acorn Life Master Trust – but it may not cover everything specific to your situation. Whether you're an employer or an employee, we recommend speaking with an Ask Acorn Financial Advisor to get personalised guidance tailored to your needs.

## 1. What is a Master Trust and how is it different?

A Master Trust is a type of pension scheme used by multiple employers. It offers:

- Independent experts to oversee it
- Compliance with pension rules
- Potential to lower costs by sharing services
- An extensive range of investment options
- Clear communication and online access for members

It's a modern solution that helps employers manage pensions efficiently and gives employees a clear, flexible, and portable way to save for retirement.

## 2. Who Governs the Acorn Life Master Trust?

An independent trustee company oversees governance, compliance, investment, and member protection - ensuring impartiality and oversight.

## 3. Is It IORP II Compliant?

Yes - the Acorn Life Master Trust fully complies with IORP II regulations, helping employers meet governance and communication standards without maintaining their own scheme.

## 4. What Investment Options Are Offered?

Members can choose from a range of professionally managed funds, including Default Investment Strategy and self-select options to suit various goals and risk profiles.

## 5. Can It Be Tailored to My Business?

Yes - we offer flexible contribution options, onboarding support, and engagement tools to align with your company's needs.

## 6. What Are the Charges?

Fees include investment management, governance, and administration - often lower than single-employer schemes. Full fee details are provided upfront.

## 7. What happens if one of my employees leaves?

If an employee leaves your company, their pension savings remain in the Master Trust. They can choose to leave the fund invested, transfer it to another approved pension scheme, or access it when eligible, depending on their personal circumstances and service history.

## 8. What if an employee dies before retirement?

If an employee dies before retirement, the value of their pension fund is typically paid as a lump sum to their estate or nominated beneficiary. This ensures their savings can support loved ones, subject to Revenue limits.

## 9. Can an employee access their fund before aged 60?

If an employee dies before retirement, the value of their pension fund is typically paid as a lump sum to their estate or nominated beneficiary, subject to Revenue limits.



# Acorn Life Awards & Accreditations

Industry recognition offers valuable reassurance of a company's performance and reliability. The Business All-Star Accreditation from the All-Ireland Business Foundation highlights excellence in customer trust, performance, and service. The Deloitte Best Managed Companies award recognises strong strategy, operational excellence, and effective leadership. The Guaranteed Irish symbol identifies businesses that support local communities, provide quality employment, and commit to Irish provenance. Together, these awards signal the strength and integrity clients should expect from a trusted pension provider.



## Investment Management Partners

Our Investment Management Approach is based on a clear vision that the best talent is not confined to one firm or location. We wanted the freedom and flexibility to access the skills of the some of the best fund managers around the globe to help our customers achieve their financial goals. For that reason, we do not employ in-house fund managers. Instead, we carefully select and contract a number of external fund managers to manage our range of funds.



# Ready to Take the Next Step?



Part of the Acorn Life Group, 100% Irish-owned and with a nationwide network of professional, friendly, local financial advisors nationwide, Ask Acorn is the one-stop shop for essential personal and business finance needs. Ask Acorn offers genuine personal service, tailored solutions and expert answers to your personal financial questions. Acorn Brokerage Limited, trading as Ask Acorn, is regulated by the Central Bank of Ireland and is an authorised intermediary.

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To learn more about the Acorn Life Master Trust  
speak with your local Ask Acorn Advisor today.

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- All information provided in this document including pension (Revenue) rules and tax related amounts, rates and limits is based on our understanding of current legislation and Revenue practice as at June 2025.
- This document is intended for information purposes only and does not constitute an offer or recommendation/advice to buy/sell/hold any investment products.
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Acorn Master Trustee DAC NZI Plaza, St Augustine Street, Galway. Registered in Ireland No. 731271. Acorn Master Trustee DAC was established as part of the Acorn Life Group for the sole purpose of providing trustee services to the Acorn Life Master Trust.

Acorn Master Trustee DAC is authorised by the Department of Justice to operate as a Trust Service Provider in accordance with the provisions of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended.

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