

Waystone Management (UK) Limited

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PRIVATE & CONFIDENTIAL

Dear Member,

WS Stakeholder Pension Scheme – Information Required

This letter is being issued to you by Waystone Management (UK) Limited, as the Manager (the “**Manager**”) of the WS Stakeholder Pension Scheme (the “**Scheme**”), to inform you of an important change regarding the management and administration of your pension plan.

Please read this letter carefully, you will need to take further action if you wish to opt out of the proposed changes.

Proposed changes

You are currently a member of the Scheme. As the Manager, we have concluded that it is in your best interests to transfer your pension investments into a different pension product.

After careful due diligence, we have identified the Smart Pension Master Trust (“**SPMT**”), an authorised Master Trust, as a suitable option for all members, for the reasons set out below due to its enhanced benefits and support.

Your pension investments will be transferred to the SPMT automatically on or around 30 October 2025 unless you wish to inform us of your decision to transfer to an alternative provider by completing and returning the enclosed *Transfer Out and Discharge Form along with the other relevant materials*. Please note that the full transfer request must be with us by 3 October 2025.

What is a Master Trust?

A master trust is a pension scheme for multiple employers and is governed by an independent board of trustees who act in members’ best interests. Master trusts offer a range of investment options for members to select (from a default lifestyle option to a range of self-select funds) whilst building up their retirement funds and options on retirement. In addition, a master trust offers communication options such as online member portals and a mobile application.

Important information about changes to your Lifestyle investing

What is lifestyle investing?

Currently your pension is invested in a lifestyle profile within the Scheme.

Lifestyle investing is an investment strategy that automatically changes how your pension is invested as you get closer to your Selected Retirement Age ("**SRA**"). Early on, it focuses on growing your money by investing in assets designed to secure higher returns which generally carry greater risk such as owning shares in companies quoted on stock markets around the world. As you approach your SRA, the provider gradually increases the allocation to lower-risk investments, such as bonds issued by governments and companies from around the world, which are designed to help protect the value of your pension pot you've built up.

Your pension is currently invested in a lifestyle profile which is designed for members planning to take money out gradually throughout the rest of their life during retirement (this is called "**Drawdown**"). Your latest pension statement, which was issued to you on 30 June 2025, will show you the specific underlying funds your money is currently invested in.

After the transfer, your pension will be moved to a different pension scheme called the SPMT.

What happens next depends on how close you are to your SRA:

- **If you are more than 8 years away from your SRA:** You'll be moved into the "Growth Phase" of the new strategy, which means your pension will be mainly invested in higher-risk investments like shares (with the aim of increasing the value of your money over time). During this Growth Phase, all your money will be invested in a single fund called the **Sustainable Growth Core Fund**.
- **If you are 8 years or less from your SRA:** Your pension will be invested in a "Drawdown Lifestyle Strategy" that gradually moves your investments into lower-risk investments (like bonds) as you get closer to your SRA. This is similar to what is happening in your current plan.

The risk profile of your existing arrangement under the Scheme is likely to be different to the lifestyle profile within SPMT. Generally, the investment risks will be higher within SPMT than under the existing arrangement if you are currently within 15 years of your SRA.

Your options after the transfer

Once the transfer to the SPMT is complete, you'll have the option to:

- Choose a different lifestyle strategy, or
- Choose your own funds, or
- Choose to transfer your pension to another pension provider.

You'll receive full details about how to make changes from Smart Pension once the transfer is complete.

If you're unsure about what to do, it's a good idea to speak to a financial adviser. Contact details for advice are provided in the 'Get impartial information and advice' section towards the end of this letter.

What charges will I pay?

The charges you'll pay in the SPMT will be similar to what you pay now. The exact costs will depend on your personal situation—such as how far you are from your SRA, and the investment choices you make in the SPMT.

We believe the SPMT offers overall value for money for investors, based on the example charges shown below and the key benefits explained in the next section.

Current Scheme phase	Typical current charges in the Scheme	What you will pay in the SPMT
Investors in the 'Growth phase', i.e. those more than 15 years from their SRA	0.72%	0.57%
Investors entering the 'Consolidation phase', i.e. those at 10 years from their SRA	0.68%	0.57%
Investors entering the 'Drawdown phase', i.e. those 5 years or less from their SRA	0.55%	0.56%
Investors at their SRA	0.55%	0.56%

The amounts given for the Scheme in the table above relate to a typical member and charges may vary for you depending on your specific investment choices.

The amount shown as chargeable in the SPMT may change after the transfer date if you decide to make changes to your investments or if changes are made by Smart Pension after the transfer in accordance with the SPMT Trust Deed and Rules.

Key Differences between the Scheme and SPMT

The following table provides the key details of the Scheme and SPMT:

	Current position (the Scheme)	Post Transfer (SPMT)
Scheme Name	WS Stakeholder Pension Scheme	Smart Pension Master Trust
Product type	Stakeholder Pension Scheme	Defined Contribution Master Trust
Manager	Waystone Management (UK) Limited	Smart Pension Limited (scheme funder)
Trustee	The Bank of New York Mellon (International) Limited	EC2 Master Limited
Investment Solution	Lifestyle Profile 1 – Drawdown	Smart Drawdown Lifestyle Strategy
Lifestyling De-risking Commencement	15 Years from SRA	8 Years from SRA
Lifestyling de-risking Completion	5 Years from SRA	At SRA
Underlying funds in which the Scheme invests	<ul style="list-style-type: none"> • WS Global Developed Index Pension Fund • WS Sterling Corporate Bond Index Pension Fund • WS Cash Pension Fund • WS Global Multi Index Pension Fund • WS UK Gilt Index Pension Fund • WS Global Emerging Markets Index Pension Fund 	<p>8 years or more from SRA:</p> <ul style="list-style-type: none"> • Smart Sustainable Growth Core Fund <p>Less than 8 years:</p> <ul style="list-style-type: none"> • Smart Sustainable Growth Core Fund • Smart Cash Fund • Smart Annuity Fund • Smart Income Fund

	Current position (the Scheme)	Post Transfer (SPMT)
Accepts contributions from third party Benefactors	Yes	No

The Rules of the SPMT only permit contributions from members and their employers. The existing Scheme can accept contributions from other third parties on behalf of members (referred to as "**Benefactors**"). Unfortunately, Benefactors will be unable to contribute directly into SPMT on your behalf after the transfer to Smart Pension. If you have this arrangement in place, we suggest you discuss this with your Benefactors.

Why have we chosen Smart Pension

Smart Pension has over 1.5 million members and £6 billion in assets under management. They offer an improved member experience relative to the existing arrangements through their customer service, a mobile application and online processes. Find out more below.

Key benefits of Smart Pension

1. A full range of retirement options

This includes taking your pension savings as cash, a flexible income, mixing your retirement options or buying an annuity through their annuity finder service.

They also offer Smart Retire, that gives you the flexibility to plan for your retirement income in a way that suits you after your SRA. This includes managing your money just like you would in your bank account.

These retirement options are not available in the current Scheme.

You can find out more about how Smart Retire works at www.smartretire.uk.

2. Value for money

Smart Pension offers overall value for money for investors, both in the run-up to your retirement and when taking your pension savings using their comprehensive retirement choices.

The assessment of value for money is based upon charges, investment choice, customer service, stewardship and retirement planning options. We believe the transfer of your pension plan from the Scheme to SPMT will give you better value for money.

Smart Pension will be able to provide you with the full breakdown of applicable charges following transfer.

3. Sustainable investment options

Smart Pension offers a wider range of investment options than the current Scheme that are designed to help your pension savings grow. The focus of the sustainability option is to reduce the greenhouse gas emissions over time, to benefit society and to enhance corporate governance through engagement with the underlying companies. Find out more at www.smartpension.co.uk/sustainability.

4. Excellent customer service

Smart Pension have been [rated Excellent on Trustpilot](#), so you can be assured that when you need support, their administration team will be there to listen and assist you.

5. Strong pension governance

Smart Pension is authorised and regulated by The Pensions Regulator. [Independent Trustees also oversee the](#) Master Trust, and their systems and governance meet the highest standards of regulatory compliance and ensure that the products continue to deliver value for members. See the Smart Pensions website for more information:

www.smartpension.co.uk/governance/trustees.

You can find out about the benefits and support available by visiting

www.smartpension.co.uk/members/deferred-members.

Vulnerable Persons

At any one moment 50% of us could show one or more of the characteristics that are deemed to make a person 'vulnerable'. These characteristics fall under four headings: health, life events, resilience and capability.

Examples of these include poor mental health, long-term illness, bereavement, caring responsibilities, erratic income, low savings, poor numeracy or poor financial knowledge.

If these apply to you, or you think that they apply to you, please make us aware of your specific circumstances, so we can support you during the transfer.

What happens next

If you are happy for your pension plan to be transferred to Smart Pension, no further action is required at this stage, and you will be deemed to agree to the transfer.

If you would like to opt out of the proposed transfer to Smart Pension, you must complete and return the necessary documents to us by 3 October 2025 nominating an alternative pension plan to transfer your investment to. If we do not receive a fully completed set of documents by this date your pension benefits will be transferred to Smart Pension. We expect the transfer to Smart Pension to take place on or around 30 October 2025.

You should always compare what's available before deciding to switch pension providers.

What you need to know about the transfer

If we do not receive a fully completed set of documents by 3 October 2025 your pension benefits will be transferred to Smart Pension on or around 30 October 2025.

This is because we plan to close the Scheme after the transfer, and we'll be applying to the Financial Conduct Authority (FCA) to formally wind it up.

As part of the transfer of your pension investments to Smart Pension (or other pension product provider of your choice), certain costs may be incurred in relation to the sale and purchase of underlying investments. These transaction costs could have an impact on the value of your investment and will vary depending on how your investments are currently made. It is not possible to advise on the actual quantum of these costs as they may vary for a number of reasons, and in some cases may not be incurred, however, in normal market conditions, we anticipate the costs of the transfer to Smart Pension to fall within the range of 0.15% to 0.25% of the value of your investment.

As part of the proposed Scheme wind up, we also intend to update the Scheme rules and terms and conditions to clarify that we can move your pension to any new plan if we consider it in your interests, unless you tell us you'd prefer to transfer to a different provider.

Requests for administration

If you make an enquiry, choose to take your benefits or transfer them elsewhere (instead of transferring to Smart Pension) there are some key dates and information you need to be aware of:

- **3 October 2025** – if you do not wish to transfer to Smart Pension, this is the date by which we must receive all fully completed documents to process your transfer to another pension provider you have chosen. Any forms received after this date will not be processed by the Scheme and you will have to contact Smart Pension after your pension benefits have transferred to Smart Pension to make your transfer request from Smart Pension.
- **30 September 2025** – this is the final date that we can accept any contributions via Direct Debits or lump sums from you or make payments out to you.
- **10 October 2025** – this is the cut-off date for all non-transfer related administration requests (for example retirements, change of address) that your current Scheme administrators can accept. After this date your request cannot be processed within the current Scheme and will be passed to Smart Pension who will contact you in relation to your request after the transfer.
- **November 2025** – Once the transfer has completed, Smart Pension can commence making any payments out. During November, Smart pension will advise you of your new membership details and you will be able to access information from Smart Pension in relation to your account.

Get impartial information and advice

If you require advice as to your options, you can seek this through several ways:

- By visiting **MoneyHelper** (www.moneyhelper.org.uk) – a service which provides free independent and impartial information and guidance.
- **Pension Wise** – if you are over 50 and have a defined contribution (DC) pension, Pension Wise offers pre-booked appointments to talk through your retirement options at www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise.
- **Financial advisers** – It is important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial

adviser. If you do opt for an adviser, be sure to use one that is regulated by the Financial Conduct Authority. See: www.unbiased.co.uk.

Please rest assured that your pension savings will remain safe and secure throughout the process.

If you have any specific needs or circumstances that you believe we or Smart Pension should be aware of during the transfer, please don't hesitate to get in touch using the contact details below. This will help us ensure the best possible experience as we manage the transition of your investments.

Please note that after the transfer, you can review the full investment range and select a different investment option if you wish.

Contact us

Please review the information set out above carefully. For further information about Smart Pension, please visit www.smartpension.co.uk/member.

We understand that changes such as the one we have explained here can raise questions. If you would like to speak with someone about this transfer, please contact us:

Up until 17 October 2025:

Waystone Management (UK) Limited Customer Service team on 0371 384 2591 Monday to Friday between 8:30am and 5:30pm. Alternatively, you can email us at SHPAdmin@equiniti.com.

On or after 18 October 2025:

Smart Pension Limited

Email: member@smartpension.co.uk

Telephone: 0333 666 26 26

Website: www.SmartPension.co.uk

Yours sincerely,

Waystone Administration Team

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