



## WS Stakeholder Pension Scheme

# Guide to WS Investment Funds

This is an important document. Please read it and keep for future reference.

## WS Investment Funds

### INTRODUCTION

Waystone Management (UK) Limited (WMUK) manages a range of core pension funds designed to meet different investment needs and covering a range of asset classes, geographical locations and lifestyle profiles.

We regularly monitor and review the performance of our full fund range, to ensure each fund is meeting its investment objective. Each of the WS funds invests in a fund managed by Legal & General Investment Management.

In this brief guide we aim to help you understand the investment choices available in the WS Stakeholder Pension Scheme, to enable you to invest your pension savings to your particular requirements. It should be read in conjunction with the **Key Features** and **Guide to Investment Risk** before making an investment decision. We are unable to provide you with advice in respect of your investment choice. We therefore recommend that you contact a Financial Adviser regarding this important decision.

### WS STAKEHOLDER PENSION FUNDS

The full range of funds is listed below along with a summary of investment objectives and policy. If you do not choose an investment fund or lifestyle profile, we will automatically choose a 'medium-risk' profile, Lifestyle Profile 1 on your behalf. For more detailed information on the fund objectives please refer to the **Prospectus** of the WS Stakeholder Pension Scheme, available at: [pensions.fundsolutions.net](https://pensions.fundsolutions.net). Our website gives details of the third party funds in which our WS funds invest.

	Investment objective and policy The fund aims to provide long-term capital growth by investing in a single authorised collective investment scheme which:	Annual Management Charge (AMC) (%) As at 14.10.22
<b>Cash Funds</b>		
WS Cash Pension Fund	invests predominantly in money market instruments with the aim of providing a high level of capital security.	0.33
<b>Bond Funds</b>		
WS UK Gilt Index Pension Fund	invests predominantly in UK gilts and debt instruments relating to the public finance sector in the UK.	0.45
WS Sterling Corporate Bond Index Pension Fund	invests in corporate bonds denominated in British Pounds	1.00
<b>Mixed Asset Funds</b>		
WS Global Multi Index Pension Fund	invests in a diverse portfolio, with up to 85% in global equities in all economic sectors	0.75
<b>Equity Funds</b>		
WS Global Developed Index Pension Fund	invests predominantly in global equities and other financial instruments with the aim of providing long-term return.	1.00
WS Global Emerging Markets Index Pension Fund	invests in emerging markets equities with the aim of providing long-term returns.	0.75
	The funds may also invest in cash should continued investment in the chosen authorised collective investment scheme become impracticable.	

## Lifestyle Profiles

As an alternative to putting money into one of our individual funds, you can spread your pension savings across a range of assets through one of our Lifestyle Profiles.

Lifestyle is a free optional service. You can switch in and out of the service at any time. The Lifestyle service is not guaranteed to produce the maximum return on any investment or guaranteed to be less risky than alternative investment strategies. Lifestyle is not a substitute for seeking financial advice.

The WS Stakeholder Pension Scheme offers three lifestyle profiles.

The profiles are designed to provide you with one of three outcomes when you reach your Selected Retirement Age (“SRA”). The new lifestyle profiles gradually reduce the risk profile of your investment as you get closer to your SRA.

They are split into three phases, Growth, Consolidation and Pre-retirement. During the Growth phase of your pension a greater portion of your assets are invested in higher risk funds with the intention of providing greater returns. The Consolidation phase is designed to have a medium level of risk still aimed at providing growth but also an element of capital preservation. During final Pre-retirement phase a greater portion of your pension will be invested in lower risk funds with the emphasise on preserving capital prior to retirement. Whilst the Growth and Consolidation phases will be the same for all lifestyle profiles, depending on what you plan to do with you pension when you retire, they will invest in a different mixture of the Funds when you reach the Pre-retirement phase, which is five years from their SRA.

Details of the three profiles including how they are invested and how lifestyling works are explained further below.

## LIFESTYLE PROFILES

**Profile 1** – This profile is designed for members who plan to open a pension drawdown product when they reach their SRA. Whilst this profile is designed to be lower risk than both the Growth and Consolidation phases, it has a slightly higher exposure to funds that invest in riskier assets such as equities than Profiles 2 or 3.

**Profile 2** – This option is designed for members who plan to purchase an annuity product when they reach their SRA. It has a greater exposure to lower risk funds than Profile 1.

**Profile 3** – This option is designed for members who plan to withdraw cash from their pension when they reach their SRA. This profile is invested primarily in lower risk funds with greater exposure to bonds and cash.

Further information on the risks associated with the funds in the WS Stakeholder Pension Scheme are detailed in our Guide to Investment Risks document which is available at [pensions.fundsolutions.net](https://pensions.fundsolutions.net).

## HOW LIFESTYLING WORKS

The tables below detail how your pension would be invested if you invest in one of the lifestyle options, depending on a) how many years you are from your SRA and b) which of the three profiles you select. These allocations are the starting points for each phase. For the Growth to Consolidation phase and the Consolidation to Pre-retirement phase the monthly rebalancing process will move the allocation from the start point of one phase to the start point of the next. When you reach the Pre-retirement phase, the asset allocation for each of the profiles will only change if WMUK believes the current asset allocation will not provide the outcome expected when you reach your SRA.

Investors who decide to invest in a lifestyle option should be aware that the asset allocation they receive may differ to that shown in the asset allocation in the tables, depending on how many years they are from their SRA when they invest. If you are more than 15 years from your SRA when you invest in a lifestyle option, you will go into the Growth phase and your allocation will remain static until you are 15 years from your SRA at which point the monthly rebalancing process will start.

Table 1 – Asset Allocation at Start of Growth and Consolidation Phases

Risk Profile	Lifestyle Profile 1, 2, and 3	
	Growth Phase (10 years + from SRA) Asset Allocation (%)	Consolidation Phase (10–5 years from SRA) Asset Allocation (%)
	Higher	Medium
<b>Equity</b>	<b>65</b>	<b>39</b>
WS Global Developed Index Pension Fund	58.2	34.9
WS Global Emerging Markets Index Pension Fund	6.8	4.1
<b>Multi-Asset</b>	<b>25</b>	<b>32.5</b>
WS Global Multi Index Pension Fund	25	32.5
<b>Fixed Income</b>	<b>10</b>	<b>28.5</b>
WS Sterling Corporate Bond Index Pension Fund	10	15.5
WS UK Gilt Pension Fund	0	13
<b>Cash</b>	<b>0</b>	<b>0</b>
WS Cash Pension Fund	0	0
<b>Total</b>	<b>100</b>	<b>100</b>

Table 2 – Pre-retirement Asset Allocation

Risk Profile	Pre-Retirement		
	Lifestyle Profile 1 – Drawdown	Lifestyle Profile 2 – Annuity	Lifestyle Profile 3 – Cash
	5-0 years to SRA Asset Allocation (%)	-0 years to SRA Asset Allocation (%)	5-0 years to SRA Asset Allocation (%)
	Lower	Lower	Lower
<b>Equity</b>	<b>16</b>	<b>11</b>	<b>4</b>
WS Global Developed Index Pension Fund	16	11	4
WS Global Emerging Markets Index Pension Fund	0	0	0
<b>Multi-Asset</b>	<b>11</b>	<b>7</b>	<b>4</b>
WS Global Multi Index Pension Fund	11	7	4
<b>Fixed Income</b>	<b>56</b>	<b>60</b>	<b>64</b>
WS Sterling Corporate Bond Index Pension Fund	37	44	46
WS UK Gilt Index Pension Fund	19	16	18
<b>Cash</b>	<b>17</b>	<b>22</b>	<b>28</b>
WS Cash Pension Fund	17	22	28
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

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