

UBS ValueFlex

Pension bytes

Module 2: your investment options

May 2024



Module 2: your investment options

Pension bytes are a series of online modules that support ValueFlex and ongoing pension decisions.

This module is a short overview for information and guidance purposes only and should not be treated as advice.

The information is based on current UK tax law and guidance published by HM Revenue & Customs as at 30 April 2024. Tax law and guidance may change.

The information provided is intended for educational and illustrative purposes. It does not constitute investment or any other advice, and it is intended to be a supplement to information and statements provided by the Trustee of the UBS (UK) Pension & Life Assurance Scheme.

It should not be solely relied on to make investment or other decisions. It is recommended that you seek independent financial advice before making any important decisions about your retirement savings.

Any examples shown are illustrative only and are not guaranteed.

For full details of the pension Scheme please refer to the formal Scheme documentation such as the Scheme Booklet, the DC Investment Guide and the Scheme FAQs, all of which are available on the pensions area of the UK Benefits Portal.



Investments

Your investment options

- You can decide how your pension pot is invested
- Investment returns (growth and falls in value) will affect your pension pot size
- As not every member feels confident managing investments or has the time or desire to do so, there are some pre-set approaches (Lifestyle)

The main questions to ask yourself are:

- Are you confident/interested in managing investments and making investment decisions?

Or

- Do you want to leave more of those decisions to a pre-set approach?



Which investment pathway suits you?

To help you get the level of involvement that suits you, there are two investment pathways:

1

Lifestyle

Want to make **a simple** investment choice?

This is a pre-set strategy for you.

The Trustee selects the funds on your behalf. When you're younger your pension pot is placed in funds that are higher risk with the aim of growing your savings. As you approach retirement, you're automatically placed in lower risk funds that aim to protect your savings.

2

Freestyle

Want to make **your own** investment decisions?

You set your strategy.

The Freestyle strategy is where you choose your investment funds.

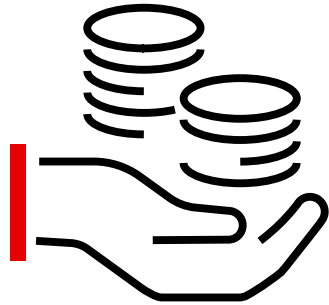
Remember, this means you need to be really on top of it and manage the risk and returns more closely than if your pension pot was in a Lifestyle strategy.

You can also choose a mix of Lifestyle and Freestyle investment strategies if you prefer.



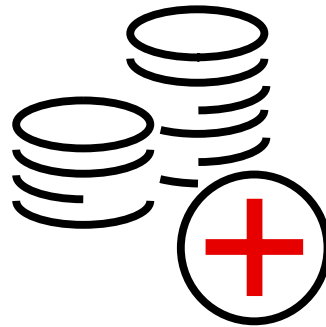
Understanding how Lifestyle targets your retirement options

Lifestyle Targeting Drawdown



You can use one or a mix of these options at retirement – or even start with Drawdown and set up an Annuity later.

Lifestyle Targeting Annuity



Lifestyle Targeting Cash



Don't forget

You can take up to 25% as tax-free cash with **all** options.



Lifestyle Targeting Drawdown (the default)



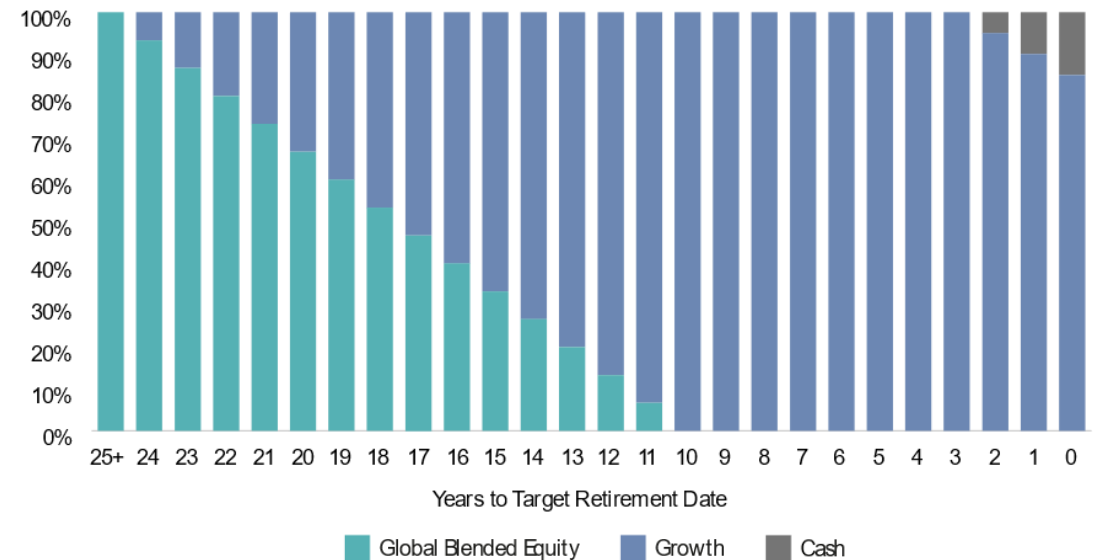
The strategy aims to maximise returns in your early years and then stay invested in mainly return-seeking assets up to retirement.

In the 3 years before your Target Retirement Date (TRD), it switches partly to the Cash Fund ready to fund tax-free cash at retirement.

So, the Lifestyle Targeting Drawdown strategy is invested in:

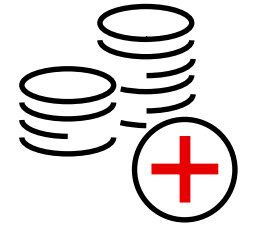
- Global Blended Equity Fund
- Growth Fund
- Cash Fund

Lifestyle Targeting Drawdown (the default)



Please note: The above graph shows how the Lifestyle Targeting Drawdown strategy is invested with effect from 18 June 2024.

Lifestyle Targeting Annuity

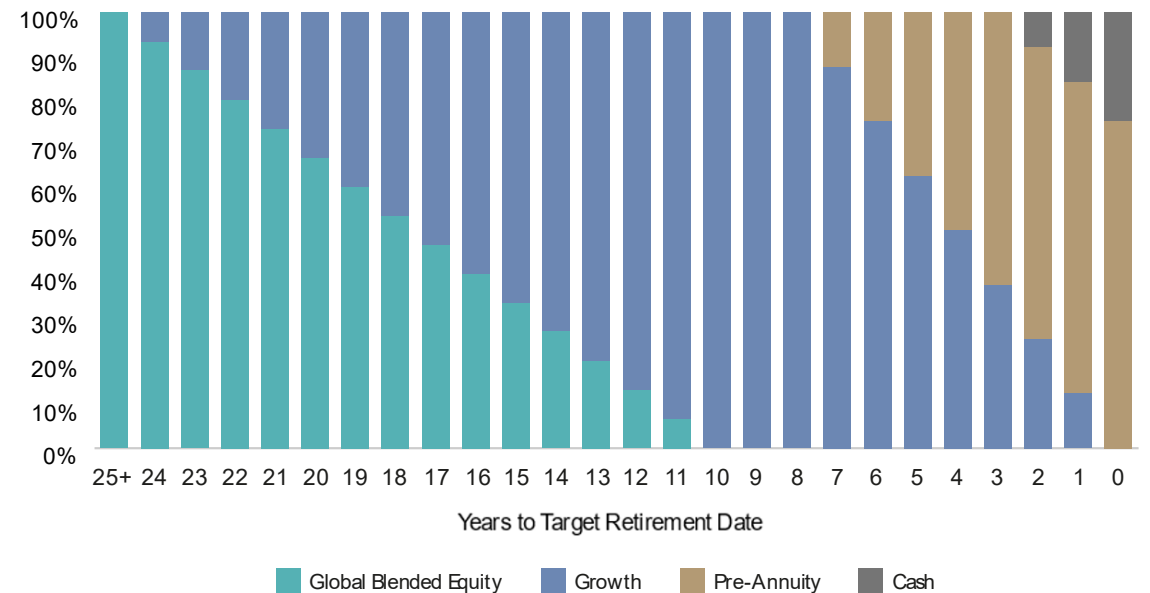


The strategy aims to maximise returns in your early years and then protect the annuity buying power of your pension pot as you approach retirement by gradually switching from return-seeking assets to bonds (via the Pre-Annuity Fund) and cash.

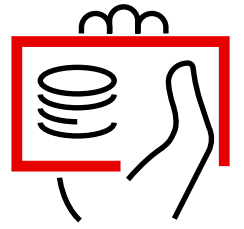
So, the Lifestyle Targeting Annuity strategy is invested like this:

- Global Blended Equity Fund
- Growth Fund
- Pre-Annuity Fund
- Cash Fund

Lifestyle Targeting Annuity



Lifestyle Targeting Cash

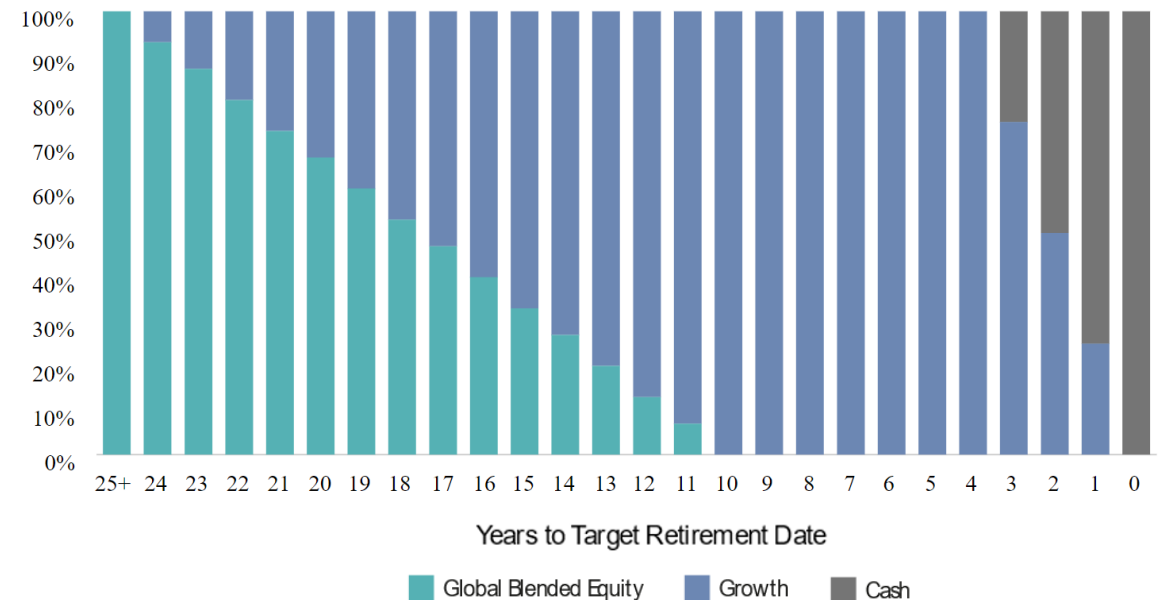


The strategy aims to maximise returns in your early years and then protect the value of your investments as you approach retirement by gradually switching to cash.

So, the Lifestyle Targeting Cash strategy is invested like this:

- Global Blended Equity Fund
- Growth Fund
- Cash Fund

Lifestyle Targeting Cash



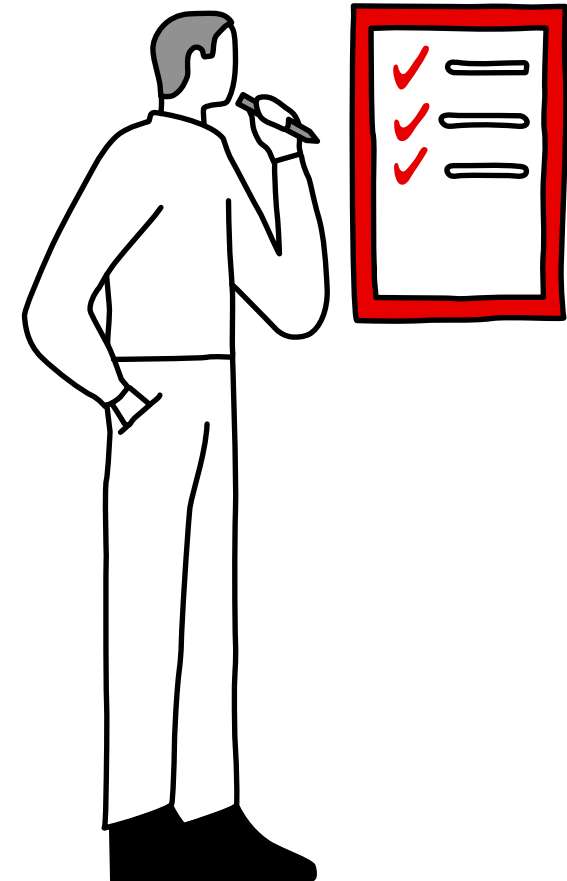
Please note: The above graph shows how the Lifestyle Targeting Cash strategy is invested with effect from 18 June 2024.

Is your Target Retirement Date up to date?

- Your Target Retirement Date (TRD) is the age you expect to retire. We set it to your 65th birthday by default, but you can adjust it to any date up to age 70 or down to your Normal Minimum Pension Age (NMPA)*.
- If you're in a Lifestyle strategy, your TRD is especially important as it triggers when your investments are switched.
- If your TRD is wrong, it takes less than a minute to change it in 'My Investments' on the Portal.

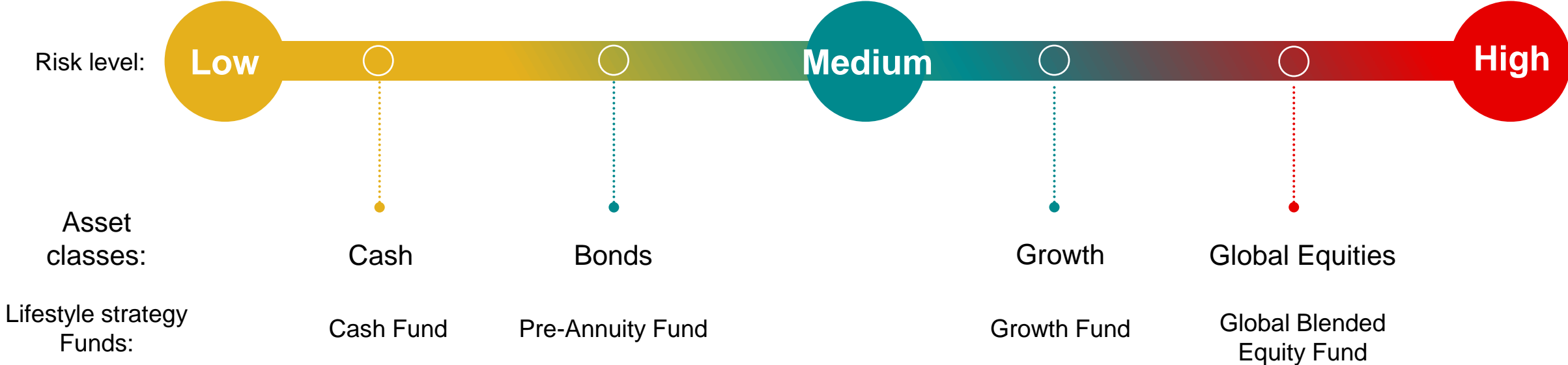
*Changes to the NMPA

The minimum pension age, set by the UK government, is 55 increasing to 57 in April 2028.



Understanding investment risk and return

It's important to understand the basics



It is important to balance risk and return, especially as retirement approaches. You can either let the Scheme manage this for you through a Lifestyle strategy or manage this yourself through the Freestyle strategy.

For illustrative purpose only. All investments can go up or down in value.

Please read the DC Investment Guide and the fund factsheets for more detail on the types of risk.



Opting for Freestyle?

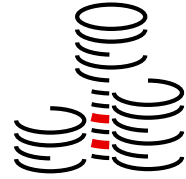
The full fund range as at 30 April 2024

Visit the UK Benefits Portal for quarterly fund factsheets.



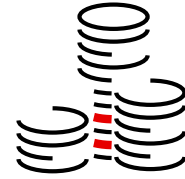
Lifestyle funds (also available Freestyle)

- Global Blended Equity
- Growth
- Pre-Annuity
- Cash



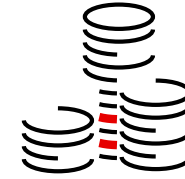
Equity tracker funds

- World Equity Tracker GBP Hedged
- World (ex-UK) Equity Tracker
- Smaller Companies Equity Tracker
- Global Listed Property Tracker
- UK Equity Tracker
- Europe (ex-UK) Equity Tracker
- North America Equity Tracker
- Japan Equity Tracker
- Asia Pacific (ex-Japan) Equity Tracker
- Climate Aware Global Equity
- Shariah Global Equity Tracker



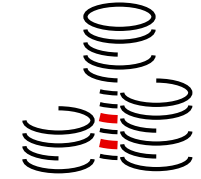
Equity active funds

- Global Equity
- Emerging Markets Equity
- Global Equity Impact



Bond tracker funds

- UK Fixed Interest Tracker
- Over 5 Year Index-Linked Gilt Tracker
- Emerging Markets Debt Tracker
- Sterling Corporate Bond Tracker
- Overseas Bond Tracker

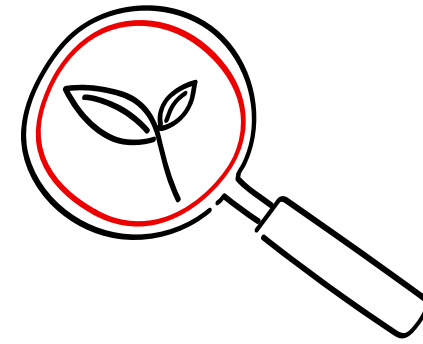


Other funds

- UK Property
- Multi-Asset



Focus on sustainability



Making a difference through your pension

The Trustee recognises the Scheme's responsibility to enable you to invest sustainably:

In the funds available to you:

- The **Global Blended Equity Fund** was set up in 2021 and currently invests around 75% of its assets in the UBS Climate Aware Fund. The Global Blended Equity Fund is used in the early years of all Lifestyle strategies and is also available in Freestyle
- Since 2019, the **Growth Fund** has invested in the UBS Climate Aware Fund and currently has around 45% of its assets in that fund. The Growth Fund is introduced in the middle years of all Lifestyle strategies and is also available in Freestyle
- The **Climate Aware World Equity Fund** invests 100% of its assets in the UBS Climate Aware Fund and is available in Freestyle
- The **Global Equity Impact Fund** aims to have a positive impact on a wider range of environmental and social issues and is available in Freestyle

In managing the Scheme:

- The Scheme's carbon footprint has been assessed. Suitable targets and metrics have been set.
- The Trustee also:
 - ✓ monitors the **governance** activities (including voting records) of the fund managers
 - ✓ is a member of the Institutional Investors Group on Climate Change (**IIGCC**)
 - ✓ has a **Climate Change Policy** available on the UK Benefits Portal
 - ✓ complies with the Taskforce for Climate-Related Financial Disclosures (**TCFD**) reporting requirements that apply to it. You can find the TCFD report on the Portal.



How to change your investment decision

On the UK Benefits Portal select My Pension, then My Investments to change existing investments or redirect future contributions

My Investments Process

Investment summary

If you want to amend the options within your current investment strategy, please use the 'change this contribution' button.

UBS Pension & Life Assurance Scheme Regular Contributions Current value £7,092.98

Investment strategy: Personal fund choice

Options

Current Assets

Fund	Units	Current value
Growth Fund (Annuity Lifestyle)	2,995.4716	£7,092.98

Future Contributions

Fund	Percentage (of 100%)
Lifestyle funds	
Lifestyle targeting an Annuity	100%

[Change Options](#) [Change this Contribution](#)

Target Retirement Date (TRD)

Date: 01/01/2054
Age: 65 years, 0 months

[Change Target Retirement Date \(TRD\)](#)

Your Target Retirement Date (TRD) matters

How your account is invested and when it switches is linked to your TRD, if it's invested in a Lifestyle strategy. So make sure your TRD reflects when you plan to retire. It's set at your 65th birthday but you can choose another date. You can check your TRD online at any time and simply change it – and it isn't visible to anyone else in UBS.

When you switch assets or change your investment choice for future contributions you need to allocate a minimum of 10% into any one fund. Please refer to the [Switching Guide](#) for further information. For further information regarding the funds available please refer to the [fund factsheets](#).

Click on Change Options to access the Future Contributions screen.

Future Contributions - your choices

Deciding how to invest new contribution payments into the pension plan or scheme could not be easier. Simply use the form below to specify your choices.

What would you like to invest your Future contributions in?

[Add funds](#)

Fund	% to allocate	
Non-lifestyle funds		
Shariah Global Equity Tracker Fund	<input type="range" value="55"/>	<input type="text" value="55"/> <input type="text" value="100"/> Remove
Emerging Markets Debt Fund	<input type="range" value="45"/>	<input type="text" value="45"/> <input type="text" value="100"/> Remove
Total (must equal 100%)	100.00% (0.00% remaining)	

[Cancel](#) [Back](#) [Continue](#)

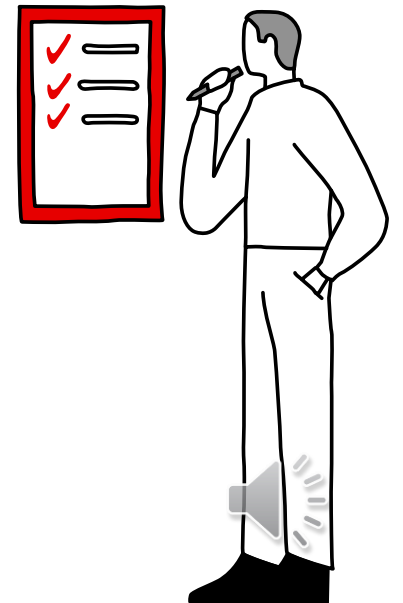


What next?

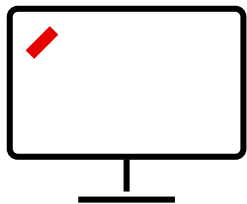
Your investment checklist

- ✓ Check how your pension pot is invested on the UK Benefits Portal
- ✓ Look at the DC Investment Guide for more details on the investment strategies and funds and consider your options
- ✓ Review your Target Retirement Date (TRD) – is it in line with your plans? This is particularly important if you're invested in a Lifestyle strategy. Also consider your State Pension Age, which could be 66, 67 or 68 depending on how old you are.

Only you know your total financial picture. If you're unsure about which investment fund or strategy is right for you, you should take financial advice to help you make an appropriate selection.



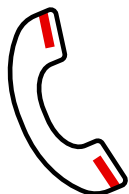
Got a question?



Go to the My Pension area of the UK Benefits Portal where you'll find lots of resources and FAQs



UBSPensions@wtwco.com



01737 227527 (+44 1737 227527 from overseas) between 9am and 5pm Monday to Friday, UK time (excluding bank holidays)

