

INVESTMENT CATEGORIES

TELL ME MORE (GUERNSEY)

INVEST FOR ME

OBJECTIVE

These funds aim to provide long-term capital growth for investors planning to withdraw substantial portions of their investment in the year selected.

WHO'S THIS FOR?

This category is for the investor that does not want to be actively involved in investment decisions. They are happy for the fund manager to use their expertise to stay within their investment guidelines and deliver appropriate performance for market conditions. All the investor needs to do is select the year closest to when they will retire/ need their money.

WHAT DOES THE FUND DO?

The funds are called Target Dated Funds.

They are retirement funds that allow you to pick the year closest to when you need access to your money. The fund manager will manage the fund along that timeline. It will have the appropriate mix of equity and bonds and the level of risk depending on where the fund is on the timeline to the target year. These are international funds, which also means that they will be geographically diverse.

In the early years, the fund will invest mostly in equity funds as historically they provide more growth. The performance of these funds can go up and down. This is called volatility but as you will not be needing the money until the selected year, that is fine as you will be benefiting from price cost averaging, and if the market does fall, there is time for it to recover before you need the money.

As the target year nears, the fund manager will automatically de-risk the fund so that as it gets closer to the target year, the fund will move away from equities and into bonds (fixed income) and, potentially, cash. The focus moves to protecting the capital you have accumulated over the years.

TYPE OF INVESTOR

This category is suitable for an investor that would like to leave the investment decisions to the fund manager. They can select the year, carry out an annual review to make sure they are still happy to remain in the fund. They have the comfort to know that as they near the target year, the fund is taking less risk and so the focus will be on protecting the capital that has built up over the years.

This is for the more cautious investor because as the fund de-risks over the timeline, the opportunity of additional growth will diminish. In addition, you are taking less risk and therefore will potentially receive less reward. You will, however, be protecting the capital built up over the years from volatility.

INFORMATION ON THE FUND MANAGER

These funds are managed by the global fund manager Fidelity International.

Fidelity International provides world class investment solutions and retirement expertise to institutions, individuals and their advisers - to help clients build better futures for themselves and generations to come. They are currently responsible for total client assets of £457.3† billion from over 2.52 million clients across Asia Pacific, Europe, the Middle East, South America and Canada.†

HOW MUCH DOES IT COST?

The fund manager's charge is 1.5% and this is taken at fund level so that it is reflected in the price and the performance. Sovereign has negotiated a 0.5% reduction and passes this saving on via additional units added on a quarterly basis into an investor's member's account if they are invested in the fund at time of calculation.

HELP ME INVEST

OBJECTIVE

This category allows investors to harness the multi-asset investment and risk management expertise of Ravenscroft. **There are four multi-asset funds available: Global Income Fund, Global Balanced Fund, Global Growth Fund, Global Blue-Chip Fund.**

WHO'S THIS FOR?

This category is for the investor who would like the fund manager to create the portfolio and make the asset allocation decisions. The risk will remain relatively constant. Therefore this category is for people that wish to stay invested in the market for longer as these funds do not de-risk.

WHAT DOES THIS FUND DO?

These are international multi-asset portfolios that are also geographically diverse with an ESG** approach where possible. These funds are for investors with preferably a time horizon of at least 5 years.

TYPE OF INVESTOR

This is for the investor who understands their tolerance to risk and wants consistent levels of investment in the market.

Global Income Fund	Suited for investors looking for a total return with emphasis on receiving an income yield together with possibly some capital growth.	Low to medium risk (KIID 2)
Global Balanced Fund	Suited for investors who are willing to tolerate a medium to high level of volatility in the value of their investment.	Medium to low risk (KIID 3)
Global Growth Fund	Suited for investors who are seeking capital growth and are willing to tolerate the volatility levels of the equity markets in the value of their investment	Medium to low risk (KIID 3)
Blue Chip Fund	Suited for investors who are seeking capital growth and are willing to tolerate the volatility levels of the equity markets in the value of their investment	Medium risk (KIID 4)

INFORMATION ON THE FUND MANAGER

Ravenscroft is an independently owned financial services firm, with offices in Guernsey, Jersey, the Isle of Man and the UK; employing over 120 staff and with client assets valued at £7.75bn for both private clients and institutional clients from around the world. They manage a range of global investment funds; the Ravenscroft Fund range. They don't believe anyone can predict the future. Instead of trying to forecast the next big thing, they prefer to invest in tangible themes that are shaping our world, from increasing wealth in the emerging world to innovation within healthcare to meet the needs of a global aging population. They believe that their bias towards high quality companies, which are aligned with irrefutable global trends, have the potential to provide positive tailwinds for growth and will reward investors over the long term.

HOW MUCH DOES IT COST?

The fund manager's charge is 0.5% and this is taken at fund level, so it is reflected in the price and the performance.

LET ME INVEST

OBJECTIVE

This category is for the investor that would like to build their own portfolio. We have provided a range of funds, with an ESG* focus where possible, in the core asset classes.

WHO'S THIS FOR?

The investor that is confident they can build their own portfolio. They can choose one or many from the menu of funds and they just need to choose the funds and select the % they want to invest, using increments of 5%.

Please note that each contribution type can have a different fund asset allocation, but each contribution type sub-account must add up to 100%.

WHAT DO THESE FUNDS DO?

These equity and bond funds have set geographical and/or sectors in which they invest. They are large mainstream funds operated by world renowned fund managers. There are Key Investor Information Documents (KIID) on our website that will provide information on the Objectives, Risks and Rewards profiles and Charges. You can also study the composition of the funds and look at historic fund performance using the fund fact sheets. Please note that historic performance is no guarantee to future performance.

You can build your own portfolio using the funds available.

HOW MUCH DOES IT COST?

The cost will depend upon the fund. The fund manager's charge is listed in the KIID documentation and varies from 0.06% to 0.8%. The fee is taken at fund level, so it is reflected in the price and the performance.

MIX AND MATCH

You may decide to mix and match. For example, if you have an employer contribution with a retirement goal, you can select the appropriate target date fund.

Then, if you have an additional voluntary contribution, you may decide you use one of the managed funds that stay invested in higher risk funds for longer or to build your own portfolio.

SO TO RECAP

Category	Fund Type	Choose by	Why
Invest For Me	Target Dated Funds	Year you need your money	Invest and forget. Fund manager does it all. De-Risks as it nears target year
Help Me Invest	Multi-Asset Portfolios	Level of risk and volatility	Stays consistently invested in equity/bond split
Let Me Invest	Self-Select range of equity and bond funds in core asset classes	Geographical /Sector Asset type Risk Rating	Build your own portfolio

Please be advised that fund performance can go up as well as down. Fund performance is not guaranteed and your capital is not protected.