

Changes to the Plan's Lifestyle investment options

The Trustee has completed a review of the Plan's investment options, and will be making changes to the design of two of the Lifestyle strategies.

As a reminder, with Lifestyle, you don't make decisions about what funds you invest in. Instead you tell us how you might want to use your savings when you retire. We then use an automated investment process that moves the money within your pension account between different types of funds during your working life. There are four Lifestyle strategies available:

- Flexible (also the default used for members who do not make an investment choice when they join the Plan)
- Lump Sum
- Annuity
- Drawdown

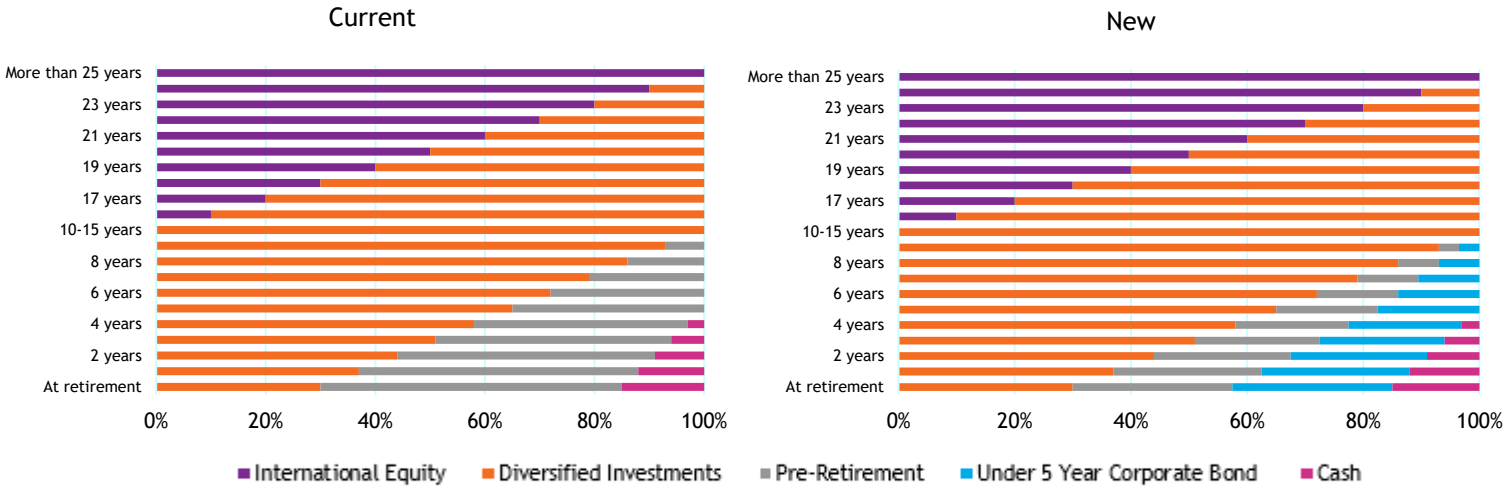
You can read more about the Lifestyle strategies in "Your Investments Explained" here: https://www.ybspensionscheme.co.uk/documents/your_investments_explained.pdf

What's changing and when?

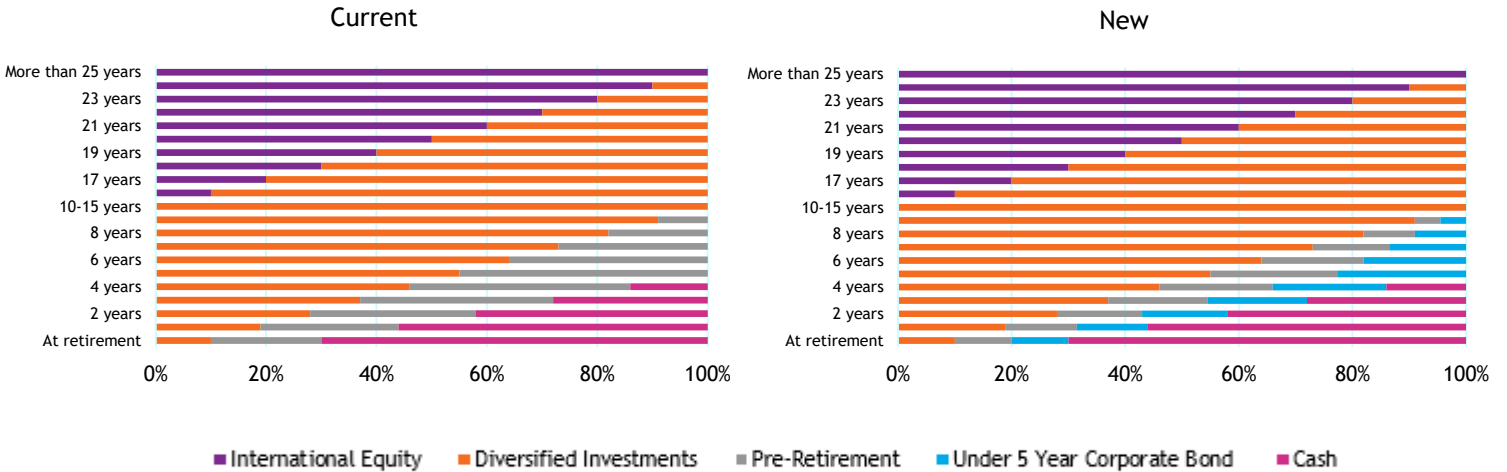
We will be changing the funds used within the **Flexible** and **Lump Sum** Lifestyle options so as to better manage risk as you progress towards your retirement. Specifically, we will be switching some of the investments currently held in the YBS Pre-Retirement Fund to a new fund - the Under 5 Year Corporate Bond Fund. This fund invests in a broad range of corporate bonds with terms of up to 5 years, and is less sensitive to changes in interest rates than the YBS Pre-Retirement fund. We expect this to offer better diversification overall. We are expecting to implement this change in **July 2024**.

The charts on the next page illustrate the change we will be making. The change will only have an immediate impact on members who are within 10 years of their Target Retirement Age, and we will send a communication to these members nearer the time with more details.

Flexible Lifestyle Strategy



Lump Sum Lifestyle Strategy



We are not intending to make any changes to the Annuity or Drawdown Lifestyle strategies.

Our aim is to make sure you receive clear information about your benefits and options. However, we cannot give you advice about your personal finances. If you need help in choosing your retirement options or reviewing your investment choices, you should consider speaking to an independent financial adviser (IFA). If you do not already use an IFA, www.unbiased.co.uk can give you details of IFAs in your area. An IFA will inform you of the fee they will charge you. If you are over the age of 50 you can use the Government’s information service at www.pensionwise.gov.uk.