



Notice of Confirmation of Default DC Pension Scheme

Selected by the ITB Pension Funds Trustee and Confirmed by the Employers

18 February 2025



WHAT IS THIS ABOUT?

Following the previous Notice to Members about the Default Defined Contribution (DC) Pension Scheme dated 18 November 2024, the ITB Pension Funds Trustee now sets out below further information about the future of the ITB Pension Funds DC Section, where the funds will be transferred to and the options available to members.

This notice confirms that all the employers participating in the ITB Pension Funds DC Section have accepted the Default DC Pension Scheme chosen by the ITB Pension Funds Trustee – i.e. the L&G Mastertrust. Therefore, this will be the scheme the employers will use for future contributions after the ITB Pension Funds DC Section is transferred on 22 August 2025.

Please review the information contained in this notice and consider the options you want to take regarding your pension pot built-up to the date of transfer.

If you are happy for your built-up pot to be transferred into the L&G Mastertrust you do not need to take any action at this point.

If you want to transfer your built-up pot to a different scheme than the L&G Mastertrust you must give the ITB Pension Funds an instruction to transfer by 22 May 2025.

In any case, if you are an active member, future contributions will be made to the L&G Mastertrust.

Please note that there will be a three-month period from 22 May 2025 to the transfer date, 22 August 2025, when transfer-out instructions will not be accepted. This is so the Trustee can be certain no transfers are in progress at the transfer date. If you are considering transferring to another scheme or buying an annuity in 2025 please note that you may:

- give instructions to transfer to another scheme or use your pot to buy an annuity before 22 May 2025 in the normal way by contacting L&G or the ITB Pension Funds, or
- wait until after the transfer to L&G Mastertrust on 22 August 2025 has completed.

In addition to these options, if you want to take your benefits as a full cash lump sum you may do so by contacting L&G or the ITB Pension Funds at any time before 11 July 2025. From 11 July to 22 August there will be a “blackout” period where no transactions will be allowed.

Finally, if you don't instruct us by the deadlines above, your pot built-up to the transfer date will be transferred to the L&G Mastertrust scheme.

L&G MASTERTRUST

The L&G Mastertrust is a large master trust DC pension scheme with assets of £30bn. It was established in 2012 following the introduction of automatic enrolment and it now has 350 participating employers and looks after the retirement of 1.9 million savers.

The L&G Mastertrust has continued to develop since its establishment. Recently it has developed new investment options for members; published a new Sustainability Report that expands the scope of the Task Force on Climate-Related Financial Disclosures (TCFD) reporting requirements to incorporate disclosures on nature and people; published a new App and Digital Guidance Journey that provides insights into members' long-term financial outlook and the tools needed to guide them through their retirement journey; and introduced market-leading employer and member engagement

initiatives, including the Mastertrust Employer Group and Annual Member Forum, which over the past four years has had 30,000 members joining live to understand more about their pension.

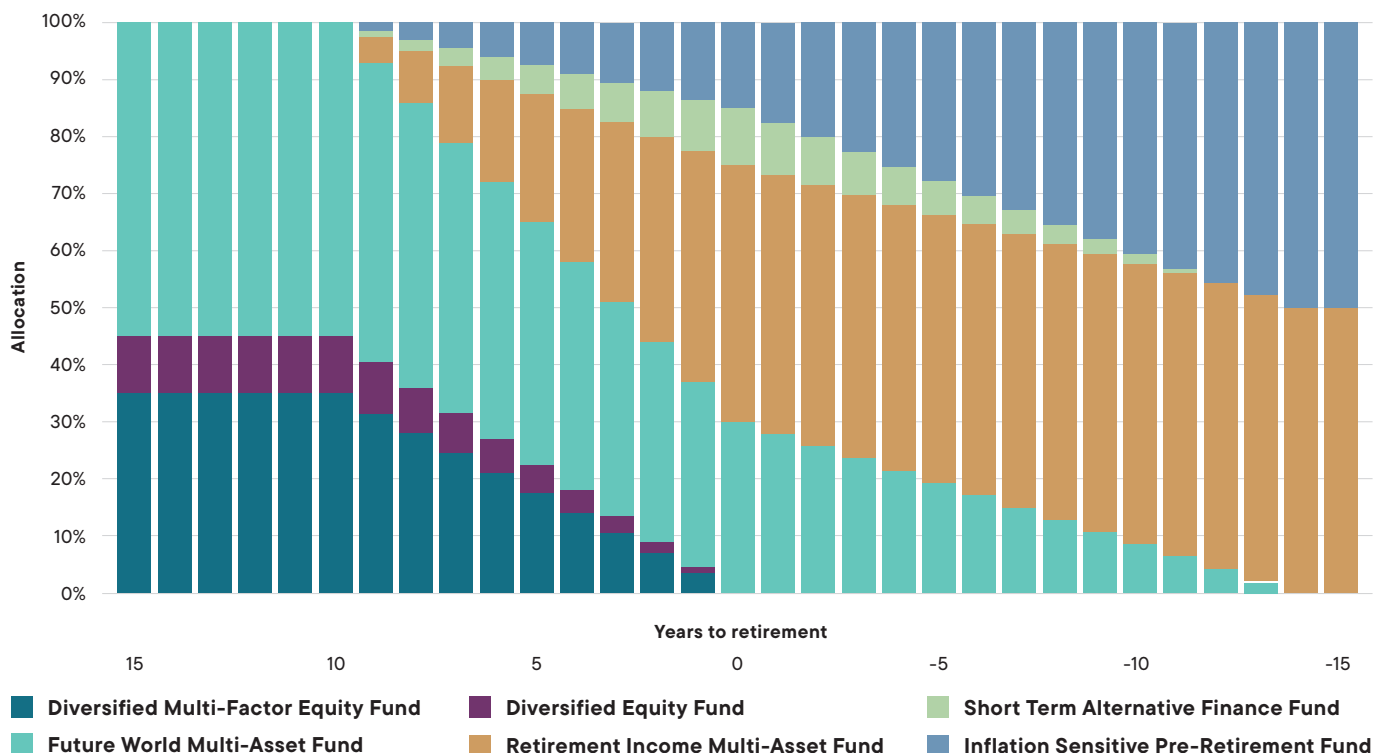
The L&G Mastertrust is planning to conduct virtual presentations for all active contributing ITB Pensions Fund DC Section members prior to the transfer in August. You will be informed about these later in the transfer process through your employer. More information about the L&G Mastertrust can be obtained from the following website:

www.legalandgeneral.com/workplace/mastertrust.

L&G LIFETIME FUND

The L&G Mastertrust default arrangement, to which all funds in the ITB Pension Funds will be transferred unless members specify otherwise, is called the L&G Lifetime Fund. As with the current ITB Pension Funds default fund, the L&G Lifetime Fund benefits from a diversified asset mix which will help grow members pots whilst mitigating market volatility over the long-term. This default fund has a part allocation to the same L&G Future World Multi-Asset Fund used in the ITB default fund, that incorporates a risk mitigation investment process towards environmental, social and governance risks.

A key feature of the L&G Lifetime Fund is that it continues to de-risk past target retirement date, so that members who opt for drawdown of their benefits in retirement can remain invested in the fund at appropriate risk levels after retirement. The asset allocation at different periods before and after retirement is shown in the chart below. The allocation changes from 10 years before retirement to help reduce investment risk.





FURTHER GUIDANCE

The plan to transfer the ITB Pension Funds DC Section was previously communicated to you in Members Newsletters and the first notice about the new scheme sent out on 18 November 2024. In addition, if you work for one of the participating employers you will have taken part in a consultation during May and June 2024, when information was given out about the transfer plans and there was an opportunity for you to ask questions about the process.

If you wish to obtain further guidance about the transfer, please contact your employer's HR department or the ITB Pension Funds (see contact details at the end of this letter). Your employer and the ITB Pension Funds can give you information but not advice. If you wish you may obtain further guidance from the MoneyHelper website or contact an independent financial adviser through the website unbiased.co.uk.

MEMBER OPTIONS

The options available to you during the transfer are set out below. Active members (i.e. those members employed by one of the participating employers and making contributions to the ITB Pension Funds DC Section) should consider both the options for existing pension savings and future contributions. Deferred members (i.e. those members not employed anymore by any of the participating employers and not making any contributions to the ITB Pension Funds DC Section) should only consider the options for existing pension savings.



(1) Your existing pension savings

You can opt to transfer your pension pot built-up to the date of transfer to a scheme of your own choice. If you take this option, you must choose either another Master Trust (authorised by The Pensions Regulator) or a personal pension scheme. Please note that your employer is bound to pay future contributions to the L&G Mastertrust even if you take this option. To take this option **you must tell the ITB Pension Funds by 22 May 2025**, otherwise your pot will be transferred to the L&G Mastertrust. You must tell the ITB Pension Funds sufficient information about your choice of scheme so the Trustee can make the transfer, e.g. including the bank account details of your choice of scheme.

If you accept the transfer to the L&G Mastertrust you can opt to invest your pension pot built-up to date in the range of self-select funds offered by the L&G Mastertrust. You will be given more details about this option later in the transfer process.

If you make no choice your pension pot built-up to date will be invested in the L&G Lifetime Fund within the L&G Mastertrust.

If you want to take your benefits as a full cash lump sum you may do so at any time before a cut-off date of 11 July 2025 by contacting L&G or the ITB Pension Funds.

Alternatively, if you are 55 years of age or over you also have the right to require the cash equivalent of your pension pot built-up to date to be used to buy one or more annuity policies from one or more insurers authorised by the Financial Conduct Authority for carrying on long-term insurance business in the United Kingdom. To take this option you must tell the ITB Pension Funds by 22 May 2025, otherwise your pot will be transferred to the L&G Mastertrust.

(2) Future contributions

You can opt to invest your future contributions in the range of self-select funds offered by the L&G Mastertrust. You will be given more details of this option later in the transfer process.

If you make no choice your future contributions will be invested in the L&G Lifetime Fund within the L&G Mastertrust.

Your future contributions will be paid into the L&G Mastertrust whether or not you have decided to transfer your existing pension savings to a different arrangement.

FUTURE COMMUNICATIONS

Following 22 May 2025

If you opt to transfer your pot to your own choice of scheme we will notify you of the cash equivalent value of your pot. However, the amount actually transferred may be different due to investment market movements and any contributions being made up to the transfer date.

June 2025

L&G Mastertrust will request members who wish to invest in self-select funds to confirm their choice.

July 2025

L&G Mastertrust will hold presentations for active members of each employer.

August 2025

L&G Mastertrust will send out a welcome email (or letter if no email address is held) to all transferred members in the week following the asset transition. Dedicated websites for active members for each employer are due to go live. All members will continue to be able to login to their L&G account to view and manage their own pension savings.

PROPOSED TRANSFER DATE

The transfer from the ITB Pension Funds DC Section to the L&G Mastertrust is planned for 22 August 2025. You will be notified of any material change to this date.

MEMBERS' RIGHTS UNDER PART 4ZA OF THE PENSION SCHEMES ACT 1993

Members of occupational pension schemes like the ITB Pension Funds who have not yet started to draw their benefits have a statutory right to transfer out their accrued benefits to other pension arrangements. Part 4ZA of the Pension Schemes Act 1993 sets out these rights and the circumstances in which they can be exercised in detail.

This statutory right to transfer out will not be impacted by the transfer to the L&G Mastertrust, save that members would need to make their application to us before 22 May 2025. This means any member who would have such a right under the ITB Pension Funds DC Section will have such a right under the L&G Mastertrust.

ITB PENSION FUNDS DC SECTION CONTACT DETAILS

Email us: pensions@itbpen.com

Phone us: 01923 226264

Write to us: ITB Pension Funds, 23 King St, Watford, Herts, WD18 0BJ

