Statement of Investment Principles ('SIP')

Aon Retirement Plan ('the Plan')

Defined Contribution and Additional Voluntary Contribution Sections

Contents

Introduction

This Statement of Investment Principles has been produced to meet the requirements of the Pensions Acts 1995 & 2004, the Occupational Pension Schemes (Investment) Regulations 2005 and to reflect the Government's Voluntary Code of Conduct for Institutional Investment in the UK and other required disclosures.

The Statement sets out the principles governing decisions made about the investment of the assets of the Aon Retirement Plan (‘the Plan’) in relation to the Defined Contribution (DC) and Additional Voluntary Contribution (AVC) arrangements. The Statement of Investment Principles for the Defined Benefit Sections is a separate document.

Review of this Statement

The Trustee will review this Statement at least every three years and without undue delay after any significant change in investment policy. The Trustee takes advice from a suitably qualified person in preparing and updating this Statement and consults with the sponsoring employers.

Trustee compliance

The Trustee complies with the requirements to maintain and take advice on the Statement and with the disclosure requirements.

Primary Investment Objectives

“Asset choice” to ensure members have an appropriate choice of assets for investment; and

“Return objective” to enable members to benefit from investment in “growth” assets until they approach retirement, when they will be able to switch to “matching” assets which are more related to their income and cash in retirement.

The Trustee’s investment strategy has been chosen to enable members to maximise the likelihood of achieving these objectives.

Strategy

In accordance with the Financial Services and Markets Act 2000, the Trustee will set general investment policy, but will delegate the responsibility for selection of specific investments to an appointed fiduciary manager. The fiduciary manager shall provide the skill and expertise necessary to manage the investments of the Plan competently.

The Trustee has decided to implement the Plan's DC investment strategy through Aon's Delegated DC Services. Under this approach, the Trustee delegates the selection of the platform provider, available fund range and day to day management of the funds to Aon, through Aon Investments Limited (AIL).

The available fund range consists of a number of white-labelled blended funds. The underlying managers and structure of each blended fund is delegated to the fiduciary manager, namely AIL. A small number of additional funds are also available outside of the delegated DC funds.

A separate DC Schedule of Investment Arrangements includes details of the DC and AVC funds in which some members are invested. These are reviewed and monitored on a regular basis by the Defined Contribution Sub-Committee of the Trustee Board.

Governance

The Trustee takes some decisions and delegates others. When deciding which decisions to take and which to delegate, the Trustee has taken into account whether it has appropriate training and expert advice in order to take an informed decision. The following decision-making structure has been established:

Trustee decision making structure

The Trustee has established the following decision-making structure:

Trustee

- Prepare and maintain this statement including the setting of the overall investment objective and strategy.
- Set structures and processes for carrying out its role.
- Appoint the Defined Contribution Sub-Committee and monitor its actions.
- Appointment of fiduciary manager.
- Appointment of investment advisor.

Defined Contribution Sub-Committee

- Responsible for making recommendations to the Trustee regarding all aspects of the DC and AVC investments held in the Plan.
- Monitoring of fiduciary manager.
- Monitoring of investment advisor.

Investment Adviser

- Advise on all aspects of the investment of the Plan assets, including implementation.
- Advise on this statement.
- Provide required training.

Fiduciary Manager

- Operate within the terms of this statement and their written contracts.
- Appoints 'underlying asset managers' to manage investments on behalf of the Trustee.
- Comments to the Defined Contribution Sub-Committee on suitability of the indices in their benchmark.

Underlying Asset Managers

- Operate within the terms of this statement and their written contracts.
- Select the individual securities within the funds that they manage.
- Engage with underlying investee companies and exercise any voting rights attaching to these investments.

Effective Decision Making

The Trustee recognises that decisions should be taken only by persons or organisations with the skills, information and resources necessary to take them effectively. The Trustee also recognises that where it takes investment decisions (for example, when making changes to the three asset allocation strategies or the Self-Select fund options) it must have sufficient expertise and appropriate training to be able to evaluate critically any advice it takes.

Consultations Made

The Trustee is responsible for the appointment of the fiduciary manager and for monitoring the fiduciary manager. In addition, the Trustee is responsible for the choice of investment options made available to members of the Plan, including the Default Option into which assets are invested in the absence of any instructions from the member. Before making this choice, the Trustee obtained and considered written advice on the investment options appropriate for the Plan from the appointed investment adviser (Aon Investments Limited, who are authorised and regulated by the Financial Conduct Authority to give such advice under the Financial Services and Markets Act 2000).

The Trustee is also responsible for the preparation of this Statement. Before preparing this Statement, the Trustee obtained and considered written advice provided by the investment adviser.

The Trustee has consulted with the Principal Employer prior to writing this Statement and has considered their recommendations. The Trustee will take the Principal Employer's comments into account when it believes it is appropriate to do so.

Direct investments

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where responsibility for the investment is retained by the Trustee (direct investment), e.g. the purchase of an insurance policy or AVC contract.

Review of direct investments

The Trustee's policy is to review its direct investments and to obtain written advice about them at the point of investment and to review these investments on a regular basis. The written advice will consider the suitability of the investments, the need for diversification and the principles contained in this statement and the criteria by which such investments should be assessed as set out in the Occupational Pensions Schemes (Investment) Regulations 2005 (regulation 4).

Risk

The Trustee recognises that members take the investment risk. The Trustee takes account of this in the selection and monitoring of the fiduciary manager and the choice of funds offered to members. The main areas of risk with this type of arrangement are as follows:

Market fluctuations

Where unit linked policies are used, the value of policies allocated for member benefits may fluctuate with the movement in the underlying asset values. This means that, at a member's retirement, there is the possibility that the fund will have to be realised at an inopportune time to provide retirement benefits. For those members invested in one of the three asset allocation strategies, members' funds will target and automatically be aligned with the expected retirement decision with the aim of reducing volatility relative to those retirement risks. Where members are making their own investment choices, it should be noted that the risk profile of the members' assets will be affected by their choice of funds, and that the range of funds that are available includes funds that are aimed at offering relative security as retirement approaches.

Annuity purchase

The rates applied when pension funds are used to buy annuities may be more expensive than anticipated and the more expensive annuity rates could coincide with a time when retirement funds have lost value due to market fluctuations, as described above. For those members invested in the Aon Managed Retirement Pathway to Annuity Funds, a proportion of members' funds will automatically be switched into the Aon Managed Pre-Retirement Bond Fund as they near retirement, with the aim of protecting the value of the benefits that will be provided.

Inflation

The absolute return on investments and hence the value of the pension policy may be diminished by inflation. To help mitigate this risk, a range of funds is offered including growth funds which aim to provide real growth (in excess of inflation) over the long term.

Assets may not be readily realisable

A member may want to use policy proceeds for benefits at a time when there may be a delay in realisation (mainly related to investments in property-based funds). The fund options available, however, enable members to link their policies to more liquid investments as they approach retirement.

Environmental, Social and Governance (ESG) factors (including climate change)

The value of investments may be negatively impacted if ESG risks are not understood and evaluated properly. The Trustee considers ESG risk by taking advice from its investment advisors when setting the Plan's strategy, selecting managers and monitoring performance having regard to the appropriate time horizon for the Plan. More detail is included later in this SIP.

Realisation of Investment / Liquidity

The Trustee recognises that there is a risk of holding assets that cannot easily be realised should the need arise. Under normal market conditions, the assets held on behalf of members are realisable at short notice (through the sale of units in pooled funds).

Custody

Investment in pooled funds gives the Trustee rights to the cash value of the units rather than to the underlying assets. The underlying asset manager of each of the pooled funds is responsible for the appointment and monitoring of the custodian of the fund's assets.

All custodians are independent of the Principal Employer.

Expected Returns on Assets

Over the long-term the Trustee’s expectations are:

For units representing “growth” assets (UK equities, overseas equities, multi-asset funds and property), to achieve a real return (in excess of inflation) over the long term. The Trustee considers short-term volatility in equity price behaviour to be acceptable, given the general expectation that over the long-term equities will outperform the other major asset classes.

For units representing monetary assets (UK bonds), to achieve a rate of return which is expected to be approximately in line with changes in the cost of providing fixed income annuities.

For units representing inflation linked assets (UK index-linked bonds), to achieve a rate of return which is expected to be approximately in line with changes in the cost of providing annuities that increase in line with inflation.

For units representing cash, to protect the capital value of the investment and achieve a rate of return in line with money market interest rates.

Returns achieved by the fiduciary manager are assessed against performance benchmarks set by the Trustee in consultation with its investment adviser and the fiduciary manager.

Choosing investments

The investment options offered to members are deemed appropriate, given the nature of the membership.

The Trustee has put in place the default arrangements described below in acknowledgement that some members would benefit from support in setting their investment choices. A choice of alternative self-select fund options (see Appendix), are also offered so members can tailor their investment selections, to meet their requirements, if they so wish.

Default Option: Rationale

As the DC Sections of the Plan are not being used for auto-enrolment purposes, the Trustee is not required to designate a default arrangement into which members' assets are invested. However, the Trustee has made available a Default Option, as set out in the Appendix. The Default Option provides the potential for higher levels of growth during the early years of members' pre-retirement journey, before gradually diversify members' investments in the approach to retirement.

The outcomes of the Default Option and other Aon Managed Retirement Pathway Funds will be reviewed periodically with reference to the manner in which members take their benefits from the Plan.

Asset Allocation Strategy

The Trustee recognises that the key source of financial risk (in relation to members meeting their objectives) normally arises from asset choice. The Trustee therefore retains responsibility for the investment fund options made available to the membership and takes expert advice as required from its investment advisers.

Three distinct asset allocation strategies are offered to members through a target date fund structure, namely the Aon Managed Retirement Pathway Fund series, which target different benefits at retirement, namely drawdown, annuity purchase and cash.

For members who do not wish to make an active decision regarding the investment of their assets, a Default Option has been put in place, following consideration of the Plan membership, the risks associated with investment and after taking advice from the investment adviser. The Default Option that applies is based on each member's proximity to their selected retirement date as at 1 October 2015 as follows:

- For members who had not already started de-risking into bonds and cash as at 1 October 2015, the Default Option assumes members draw down income at retirement.

- For those members who had already started de-risking into bonds and cash as at 1 October 2015, the Default Option assumes members purchase an annuity at retirement.

In setting the three asset allocation strategies, the Trustee has reviewed the extent to which the return on investments (after deduction of any charges relation to those investments) is consistent with the objectives of the strategy, which is broadly to provide an appropriate risk/return profile given the needs of members.

The design of the asset allocation strategy for the Aon Managed Retirement Pathway Funds is focused on achieving a return in excess of inflation, as measured by the Consumer Price Index (CPI). The target varies as members approach retirement and is reviewed regularly by the fiduciary manager. This approach enables past performance, either positive or negative, to impact on future investment strategy. This can be achieved by:

- amending the asset allocation at particular times as a member approaches retirement

- adjusting the de-risking period if past performance has been better or worse than expected.

The Trustee regularly reviews the appropriateness of the three asset allocation strategies and may make changes from time to time. Members are advised accordingly of any changes.

Details of the three asset allocation strategies are provided in the Appendix.

Illiquid Investments

The Trustee holds illiquid investments on behalf of DC members in the Retirement Pathway Funds.

The illiquid holdings are underlying holdings within wider pooled funds which are used within the Aon Managed Retirement Pathway Funds to Drawdown, Aon Managed Retirement Pathway Funds to Cash and Aon Managed Retirement Pathway Funds to Annuity in which members are invested. Specifically, there is a small allocation (less than 2%) to UK commercial property on the basis that it will increase the diversification of return drivers for members. The allocation to illiquid holdings is at the discretion of the fiduciary manager, AIL. These allocations may increase or decrease over time and the Trustee believes that AIL is best placed to use its expertise to determine the appropriateness of holding illiquid investment.

All members invested in the Default Option hold an allocation to UK commercial property, albeit the allocation is lower for members who are closer to their selected retirement date.

Whilst the Trustee recognises that illiquid investments may be associated with higher costs, and liquidity risks, it nevertheless believes that the benefits of diversification and potential for higher returns of certain illiquid investments may benefit members in the long term.

Cost and Transparency

The Trustee collects information on member-borne costs and charges on an annual basis, where available, and sets these out in the Plan's Annual Chair’s Statement regarding DC Governance (the "Annual Chair's Statement"), which is made available to members on the Plan website: www.aonretirementplan.co.uk .

The Trustee, in conjunction with their investment adviser, collect costs and charges information as part of the Annual Chair’s Statement and expect the investment adviser to highlight if these charges are unreasonable, including in relation to portfolio turnover costs. The Trustee defines portfolio turnover costs as the costs incurred in buying and selling underlying securities held within the funds of the underlying asset managers appointed by the fiduciary manager.

The Trustee is aware of the importance of monitoring their fiduciary managers' total costs and the impact these costs can have on the overall value of the Plan's assets. The Trustee recognises that in addition to annual management charges, there are other costs incurred by underlying asset managers that can increase the overall cost incurred by their investments.

The Trustee expects to receive annual cost transparency reports from the fiduciary manager. These reports should present information in line with prevailing regulatory requirements for fiduciary managers and clearly set out on an itemised basis:

- The total amount of investment costs incurred by the Plan;
- The fees paid to the fiduciary manager;
- The fees paid to the underlying asset managers appointed by the fiduciary manager;
- The amount of portfolio turnover costs (transaction costs) incurred by the underlying asset managers appointed by the fiduciary manager;
- Any charges incurred through the use of pooled funds (custody, administration, and audit fees); and

- The impact of costs on the investment return achieved by the Plan.

The Trustee acknowledges that portfolio turnover costs are a necessary cost to generate investment returns and that the level of these costs varies across asset classes and manager. The fiduciary manager monitors the level of portfolio turnover (defined broadly as the amount of purchases plus sales) of all the underlying asset managers appointed on behalf of the Trustee.

The Trustee benefits from the economies of scale provided by the fiduciary manager in two key cost areas:

- The ability of the fiduciary manager to negotiate reduced annual management charges with the appointed underlying asset managers;

- The ability of the fiduciary manager to monitor ongoing investment costs (including additional fund expenses and portfolio turnover) incurred by the underlying asset managers and achieve efficiencies where possible.

The Trustee assesses the performance of the fiduciary manager on a net of all costs basis and recognises that this provides an incentive to the fiduciary manager to control costs. However, it also believes that explicit, regular monitoring of the level and the trends of costs incurred will enhance those incentives.

Fee Structure for Investment Advisers and Fiduciary Manager

The Trustee’s investment advisers are paid for advice received on the basis of the time spent by the investment adviser. For significant areas of advice (for example large projects, such as a review of the asset allocation strategies), the Trustee may agree a project budget. These arrangements recognise the bespoke nature of the advice given, and that no investment decisions have been delegated to the investment adviser.

The fiduciary manager is remunerated as a set percentage of the assets under management. This is in keeping with market practice. Annual investment management charges (including other annual charges levied by the fiduciary manager and some administration charges) are met by the members by deduction from the unit price.

Additional Voluntary Contribution Arrangements

Some members obtain further benefits by paying additional contributions (Additional Voluntary Contributions or AVCs) to the Plan. The liabilities in respect of these AVCs are equal to the value of the investments bought by the contributions.

From time to time the Trustee will review the choice of investments available to members to ensure that they remain appropriate.

Some legacy AVC funds also exist, which are set out in the separate Schedule of Investment Arrangements however, these funds are not available for AVC members to select going forward.

Trustee DC Reserve

All funds held by the Plan that are not attributable to members' Plan accounts are notionally allocated to the Trustee DC Reserve. Some members in the Hewitt Associates Pension and Life Assurance Plan section have guarantees and the assets backing these guarantees are invested in a mixture of bonds.

Arrangements with asset managers

The Trustee recognises that the arrangements with the fiduciary manager, and in turn with the underlying asset managers, are key to ensuring that interests between all parties are aligned.

How the arrangements incentivise the fiduciary manager to align its investment strategy with the Trustee's policies

The Trustee's governing documentation set clear expectations to the fiduciary manager. Furthermore, the Trustee shares its policies, as set out in this SIP, with the fiduciary manager and requests that it reviews and confirms whether its approach is in alignment with these policies.

The Trustee expects, with a high degree of confidence, that the underlying asset managers will meet their objectives. As such, the fiduciary manager will only appoint asset managers on the Trustee's behalf who are "Buy" rated by Aon's manager research team and achieve a minimum level of compliance against Aon's ESG scoring framework. The Trustee expects that, at a minimum, underlying asset managers are aware of potential ESG risks within their respective mandates and, furthermore, the Trustee expects them to have taken adequate steps to identify, evaluate and potentially mitigate these risks.

To help monitor the fiduciary manager's alignment of the investment strategy with the Trustee's policies, the Trustee receives at least quarterly reports and verbal updates from the fiduciary manager on various items, including the default investment strategy, wider fund range, performance and longer-term positioning of the funds.

The Trustee also receives annual stewardship reports on the monitoring and engagement activities carried out by the fiduciary manager, which supports the Trustee in determining the extent to which its stewardship policy has been followed throughout the year.

If decisions taken by the fiduciary manager do not appear to be aligned with the Trustee's policies, expectations or other considerations set out in this SIP, the Trustee will engage with them to understand the circumstances and materiality of the decisions made.

How the arrangements incentivise the fiduciary manager to make decisions based on financial and non-financial performance in the medium to long term and to engage with the underlying investments

The Trustee believes that regular monitoring of the fiduciary manager's performance, and positions held over the medium to long-term, is sufficient to incentivise the fiduciary manager to make decisions that are based on assessments of medium and long-term financial and non-financial performance in alignment with the Trustee's policies.

The Trustee delegates the ongoing monitoring of underlying asset managers to the fiduciary manager, who assess the underlying investments to consider the extent to which each underlying asset manager's performance, investment strategy and decisions are aligned with the Trustee's policies. This includes monitoring the extent to which the underlying asset managers:

- Make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity; and

- Engage with issuers of debt or equity in order to improve their performance in the medium to long-term.

The Trustee requests that the fiduciary manager engages with an underlying asset manager, and divest if necessary, should financial or non-financial performance become out of line with the Trustee's policies or expectations. Failing financial or non-financial performance would be evidenced by a downgrade by Aon's manager research team in either overall rating or ESG rating.

The duration of the arrangement with the fiduciary manager

There is no set time limit for arrangements with the fiduciary manager, although the continued appointment will be reviewed periodically.

Similarly, there are no set time limits for arrangements with the underlying asset managers in which the fiduciary manager invests, although this is regularly reviewed as part of the manager research and portfolio management processes in place.

Responsible Investment and Stewardship

The Trustee recognises that effective stewardship of the Plan's assets is an important component of its fiduciary duty to the members and beneficiaries of the Plan.

Environmental, Social and Governance (ESG) Consideration

In setting the Plan's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Plan and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk.

The Trustee has appointed the fiduciary manager to manage the Plan's assets. The fiduciary manager invests in a range of underlying investment vehicles.

As part of the fiduciary manager's management of the Plan's assets, the Trustee expects the fiduciary manager to:

- Where relevant, assess the integration of ESG factors in the investment process of underlying managers;
- Where relevant, assess the integration of significant long-term climate risks such as carbon exposure in the investment process of underlying managers (for example reducing carbon exposure in a factor equity fund);
- Use its influence to engage with underlying managers to ensure the Plan's assets are not exposed to undue risk;
- Report to the Trustee on its ESG activities as required; and
- Make an impact investment option available to members who want to make a beneficial social or environmental impact alongside generating an appropriate financial return.

Members' Views and Non-Financial Factors

The Trustee does not explicitly take into account the views of individual Plan members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors").

The Trustee has made available an ethical investment option, an impact investment option (investment into funds that make a beneficial social or environmental impact alongside generating an appropriate financial return) and a Shariah compliant fund option for those members who would like to invest in funds with these specific considerations. The Trustee believes that the underlying funds that make up the default fund and other self-select funds should not apply personal ethical or moral judgements as the sole basis for an investment decision.

Activism and the Exercise of the Rights Attaching to Investments

Exercising rights (including voting rights) attaching to investments

As the assets are held indirectly through unit linked funds, the Trustee delegates the responsibility of exercising the rights attached to investments to the underlying asset manager of each of the pooled funds. The Trustee will review from time to time the underlying asset managers' principles and how these have been applied in exercising these rights. The underlying asset managers are expected to exercise their powers of investment with a view to giving effect to the principles contained within this SIP, so far as reasonably practicable.

As part of the fiduciary manager's management of the Plan's assets, the Trustee expects the fiduciary manager to protect the financial interests of the Plan and its members by:

- Ensuring that (where appropriate) underlying asset managers use their influence as major institutional investors to exercise the Trustee's voting rights in relation to the Plan's assets;

- Ensuring that (where appropriate) underlying asset managers engage with investee companies and assets to promote good corporate governance, accountability and positive change;

- Considering collaboration with other investors, as permitted by relevant legal and regulatory codes, where collaboration is likely to be the most effective mechanism for encouraging issues to be addressed;

- Reporting to the Trustee on stewardship activity by underlying asset managers as required.

Engagement activities

The Trustee engages with the fiduciary manager, who in turn is able to engage with underlying asset managers, investee companies or other stakeholders on a range of environmental, social and governance considerations where they are deemed to be financially material.

The fiduciary manager meets all underlying asset managers twice each year to discuss performance and other non-financial factors. These meetings have a particular engagement theme each year to cover areas such as biodiversity and modern slavery. The Trustee expects this engagement with the underlying asset managers and investments to also cover matters such as: strategy, risks, social and environmental impact, corporate governance, capital structure, and management of actual or potential conflicts of interest.

The Trustee will review the fiduciary manager's stewardship activity on an annual basis to ensure that the Trustee's stewardship policy and expectations of robust active ownership, as set out in this SIP, is being appropriately implemented in practice. As part of this review, the Trustee expects the fiduciary manager to provide:

1. A summary of the underlying asset managers' voting activities over the year, setting out in particular where votes were cast against management, votes against management were significant, votes were abstained, and voting differed from the voting policy of the underlying asset manager.
2. A summary of the underlying asset managers' engagement activities over the year, including the objectives of the engagement and relevance to the fund, the methods of engagement, progress and perspectives around shortcomings and outcomes and procedures for managing unsuccessful engagements.

Effective date of Statement: September 2024

Appendix

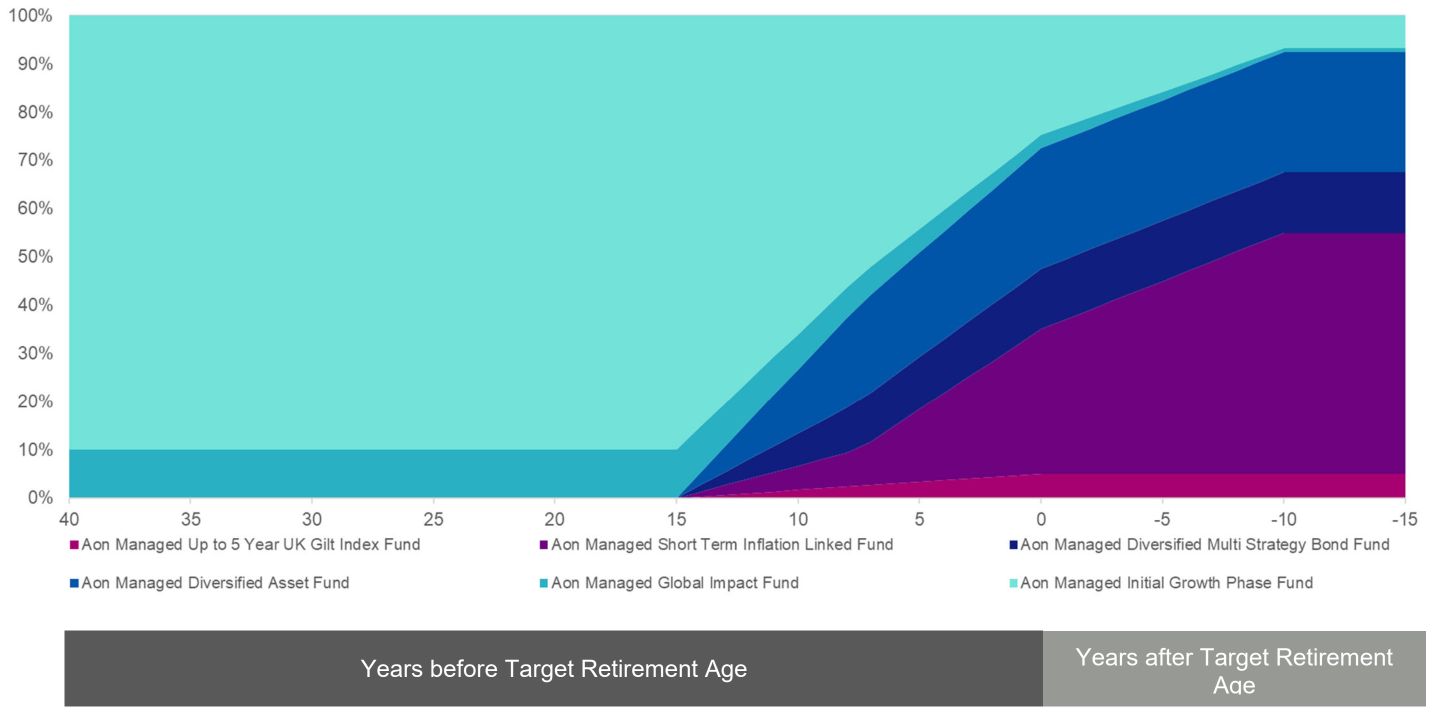
Drawdown target: Aon Managed Retirement Pathway Funds (Default Option)

The Aon Managed Retirement Pathway Funds work on the principle that a member electing this option will transfer their account to a specialist income drawdown arrangement at retirement.

The Aon Managed Retirement Pathway Funds initially invests wholly in the Aon Managed Initial Growth Phase Fund and Aon Managed Global Impact Fund until fifteen years before a member's selected retirement age. During this 'growth' phase, the Aon Managed Retirement Pathway Funds aims to provide real growth (in excess of inflation) over the long term.

From fifteen years before a member's selected retirement age, the strategy looks to align the risks of the portfolio with the expected retirement decision by introducing greater diversification, including protection and income generating investments, through the Aon Managed Diversified Asset Fund, Aon Managed Diversified Multi Strategy Bond Fund, Aon Managed Short Term Inflation Linked Fund and Aon Managed Up to 5 Year UK Gilt Index Fund. At a member's selected retirement date, the Aon Managed Retirement Pathway Funds invests the member's assets across a range of asset classes with the aim of providing a real income during the post-retirement phase whilst providing some protection against capital losses. Furthermore, the asset allocation continues to de-risk for a further ten years after a member's selected retirement date.

This structure is summarised in the chart below:



Source: Aon Investments Limited as at 30 June 2024

Annuity target: Aon Managed Retirement Pathway to Annuity Funds

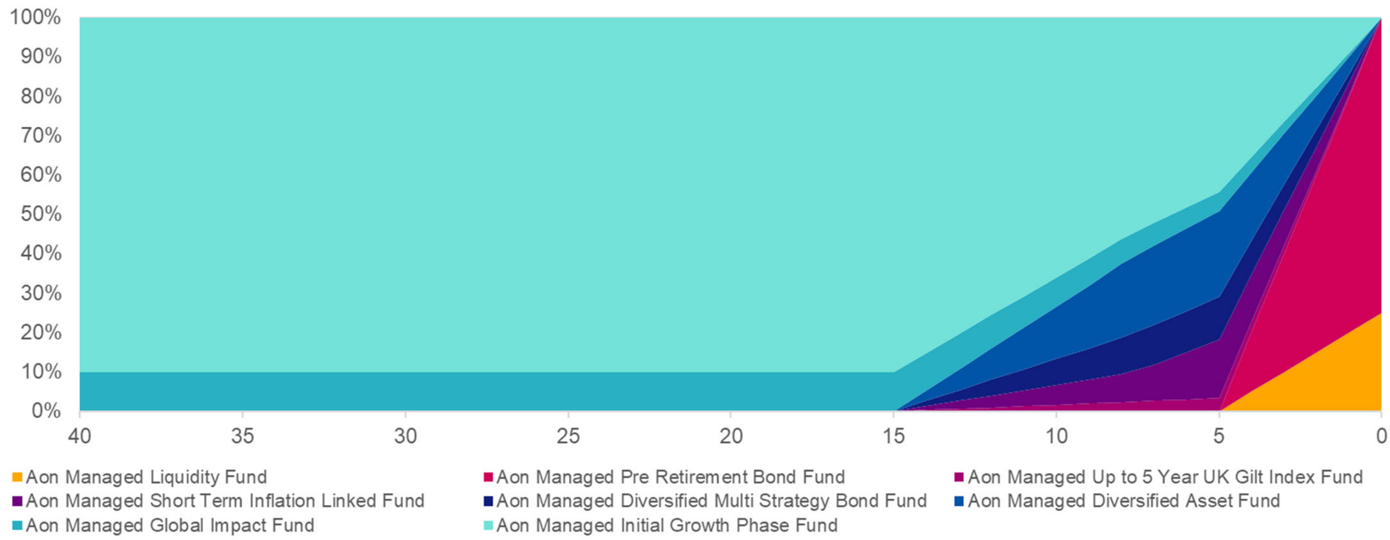
The Aon Managed Retirement Pathway to Annuity Funds work on the principle that a member electing this option will take the maximum tax-free cash sum and use the rest of their account to purchase an annuity at retirement.

The Aon Managed Retirement Pathway to Annuity Funds initially invests in the Aon Managed Initial Growth Phase Fund and Aon Managed Global Impact Fund until fifteen years before a member's selected retirement age. During this 'growth' phase, the Aon Managed Retirement Pathway to Annuity Funds aims to provide real growth (in excess of inflation) over the long term.

From fifteen years before a member's selected retirement age, lower risk investments are gradually introduced, including protection and income generating investments, through the Aon Managed Diversified Asset Fund, Aon Managed Diversified Multi Strategy Bond Fund, Aon Managed Short Term Inflation Linked Fund and Aon Managed Up to 5 Year UK Gilt Index Fund. From five years before a member's selected retirement age, a member's account is moved into lower risk assets through the Aon Managed Pre-Retirement Bond Fund and the Aon Managed Liquidity Fund.

At a member's selected retirement date, the Aon Managed Retirement Pathway to Annuity Funds invests the member's assets with 75% in the Aon Managed Pre-Retirement Bond Fund and 25% in the Aon Managed Liquidity Fund with the aim of protecting the value of the investments relative to movements in annuity prices and cash.

This structure is summarised in the chart below.



Source: Aon Investments Limited as at 30 June 2024

Cash target: Aon Managed Retirement Pathway to Cash Funds

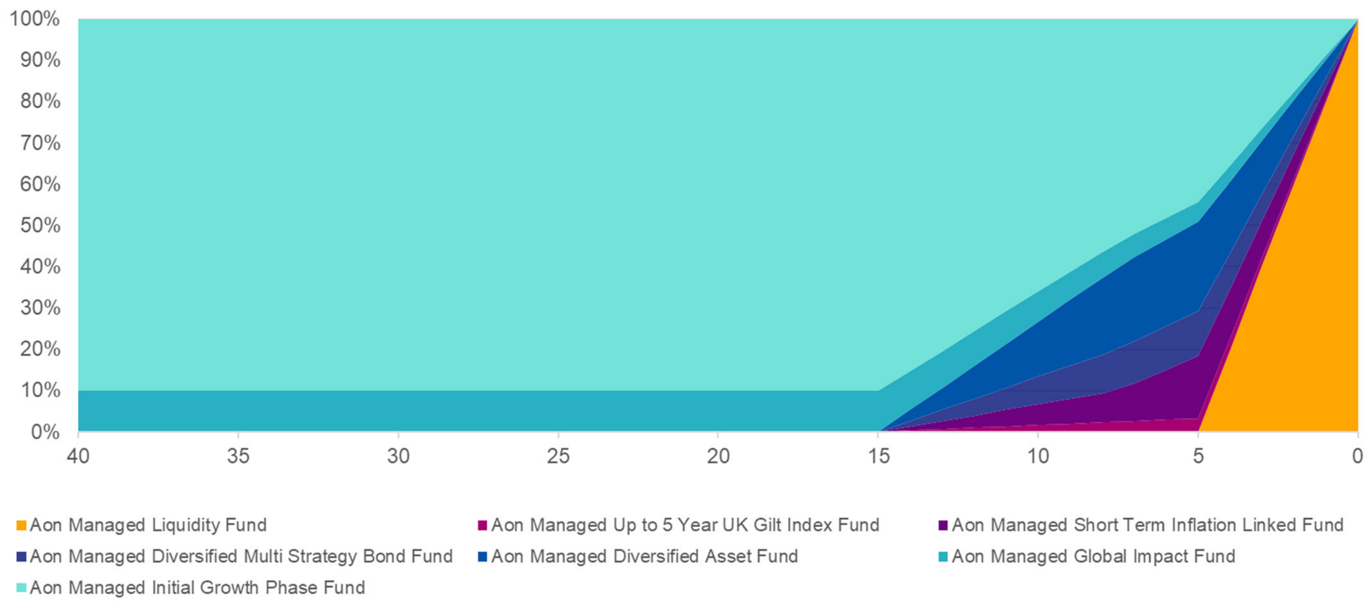
The Aon Managed Retirement Pathway to Cash Funds works on the principle that a member electing this option will take the whole of their account as a cash lump sum at retirement.

The Aon Managed Retirement Pathway to Cash Funds initially invests in the Aon Managed Initial Growth Phase Fund and Aon Managed Global Impact Fund until fifteen years before a member's selected retirement age. During this 'growth' phase, the Aon Managed Retirement Pathway to Cash Funds aims to provide real growth (in excess of inflation) over the long term.

From fifteen years before a member's selected retirement age, lower risk investments are gradually introduced, including protection and income generating investments, through the Aon Managed Diversified Asset Fund, Aon Managed Diversified Multi Strategy Bond Fund, Aon Managed Short Term Inflation Linked Fund and Aon Managed Up to 5 Year UK Gilt Index Fund. From five years before a member's selected retirement age, a member's account is moved into cash, namely the Aon Managed Liquidity Fund.

At a member's selected retirement date, the Aon Managed Retirement Pathway to Cash Funds invests the member's assets 100% in the Aon Managed Liquidity Fund, with the aim of protecting the value of the investments relative to cash.

This structure is summarised in the chart below.



Source: Aon Investments Limited as at 30 June 2024

Self-Select Options

For members that wish to make their own investment choice, there is a range of funds available set out in the Schedule of Investment Arrangements, built to capture the range of expected objectives and to enable members to navigate markets using different asset classes while reflecting their own views toward Environmental, Social and Governance risks.