Accenture Retirement Savings Plan

Statement of Investment Principles

September 2020

1. **Background**

This Investment Statement sets down the principles governing decisions about investments for the Accenture Retirement Savings Plan to meet the requirements of the Pensions Act 1995 and subsequent legislation. In preparing this Statement, we have consulted with the Principal Employer, Accenture (UK) Limited, and obtained and considered written professional advice from Willis Towers Watson, the Trustee's Investment Consultant. The Trustee has also considered the requirements and standards of governance and administration of occupational defined contribution trust-based schemes, as outlined in the Pension Regulator Code of Practice 13. The Trustee is committed to maintaining the accuracy of the Statement on an ongoing basis and will review this Statement at least every three years and without delay after any material changes to the investment policy.

Under section 36(3) of the Pensions Act 1995 (as amended), before investing in any manner, trustees must obtain and consider proper advice on the question whether the investment is satisfactory having regard to the requirements of regulations under subsection (1), so far as relating to the suitability of investments, and to the principles contained in this statement under section 35. It is generally accepted that this includes "managed", "balanced" or "pooled" funds where trustees have selected a single fund and where the manager has no discretion to invest in other vehicles. The Trustee has obtained and considered this advice.

The Plan is a defined contribution plan. It was established with effect from 1 January 1998 and is governed by the Trust Deed and Rules dated 27 November 2014 (as amended).

2. **Investment Policy**

2.1 **Investment Objectives**

The main aim is to make sure that the Trustee can meet its obligations to members of the Plan.

This is achieved by:

- Ensuring there is a sufficient range of appropriate investment options, with different risk and return characteristics, available to allow the member to plan for retirement.

- Providing general information to the member as to the purpose of each investment option.

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives. They also recognise that members have different attitudes to risk. The Trustee intends to make available a range of investment options sufficient to enable members to tailor their investment strategy to their own needs.

The focus of the Trustee's investment policy is on the period prior to retirement. The investment options available to members are intended to generate capital growth which, together with new contributions from members and the Principal Employer, will provide a fund at retirement with which to either purchase a pension annuity, withdraw as a lump sum or transfer to an arrangement offering the facility to drawdown an income during retirement.

The Trustee recognises that members may not believe themselves qualified to take investment decisions. As such the Trustee makes available a default investment option.

The Trustee also recognises that members may have religious and ethical requirements which impact on their investment decisions. Therefore, the Trustee is willing to make investment options available with the specific intention of satisfying specific requirements, where possible.

The suitability of the options provided is regularly reviewed by the Trustee and from time to time managers will be changed or additional investment portfolios introduced as appropriate.

The Trustee will ensure that it continues to have the expert investment knowledge necessary to carry out its duties. External advice will be taken where appropriate.

2.2 Investment Strategy

Having considered the needs of the membership and taken expert advice, the Trustee has identified types of investment options for members which they believe are suitable to cover the range of likely investment objectives and risk tolerances over a member's working life. Details of the current investment options, the appointed managers and their investment briefs are shown below.

2.2.1 Default Option

Members who do not make an investment choice are invested in the Plan's default investment option. The Trustee considers the needs of its members and how they are likely to use their benefit at retirement. Following analysis of the membership, and having taken expert advice, the Trustee believes the majority of members will transfer their benefit to an income drawdown provider at retirement. Therefore, the Trustee has selected the Drawdown Focus Lifestyle as the default investment option for new joiners. This is expected to achieve capital growth ahead of inflation over the long term, reducing the absolute volatility of returns as members' term to retirement shortens.

Between April 2013 and January 2016, new joiners were auto-enrolled into a Flexicycle option, investing initially in the Global Assets fund, gradually switching into the Fixed Annuity Bond Fund from 10 years to target retirement age (TRA) and into the Cash Fund from 5 years to TRA. At TRA the members allocation would be 75% Fixed Annuity Bond Fund, 25% Cash Fund. This was expected to reduce the volatility of the annuity income the member can secure at retirement and the value of their tax free cash lump sum.

The Trustee reviews the ongoing appropriateness of the default options periodically, typically triennially, or following any significant change in the membership profile.

Further details can be found in the ARSP default Statement of Investment Principles (SIP).

2.2.2 Lifestyle Options

Three new Lifestyle Options were launched in January 2016. Members can choose from three lifestyle strategies: Drawdown Focus, Lump Sum Focus and Annuity Focus.

Lifestyle Strategy - Drawdown Focus

The Lifestyle Strategy - Drawdown Focus aims to generate capital growth over the long term. In the years prior to retirement, the lifestyle aims to reduce the volatility of the member's expected pension pot through investing in a diversified portfolio that aims to provide a balance between risk and return.

This lifestyle option currently invests in the Global Equity Tracker Fund when members are more than twenty years from their target retirement age (TRA). When term to TRA reduces below 20 years, a member's funds are gradually switched on a quarterly basis out of the Global Equity Tracker Fund into the Diversified Growth Tracker Fund so that at 10 years to TRA the member is purely invested in this fund. In the final 5 years to TRA a small allocation to the Cash Fund is gradually built up. At retirement, members will have a 90% allocation to the Diversified Growth Tracker Fund and a 10% allocation to the Cash Fund.

The switching matrix for the Drawdown Focus lifestyle is shown in the appendix. The switches are implemented quarterly by interpolating between the annual allocations, starting from 20 years before TRA.

Lifestyle Strategy - Lump Sum Focus

The Lifestyle Strategy - Lump Sum Focus aims to generate capital growth over the long term. In the years prior to retirement, the lifestyle aims to reduce the absolute volatility of fund values.

This lifestyle option currently invests in the Global Equity Tracker Fund when members are more than twenty years from their TRA. When term to TRA reduces below 20 years, a member's funds are gradually switched on a quarterly basis out of the Global Equity Tracker Fund into the Diversified Growth Tracker Fund so that at 10 years to TRA the member is purely invested in this fund. In the final 5 years prior to TRA a large allocation to the Cash Fund is gradually built up. At retirement, members will have a 25% allocation to the Diversified Growth Tracker Fund and a 75% allocation to the Cash Fund.

The switching matrix for the Lump Sum Focus lifestyle is shown in the appendix. The switches are implemented quarterly by interpolating between the annual allocations, starting from 20 years before the TRA.

Lifestyle Strategy - Annuity Focus

The Lifestyle Strategy - Annuity Focus aims to generate capital growth over the long term. In the years prior to retirement, the lifestyle aims to reduce the volatility of the annuity income level that can be secured by members through investing in assets that are expected to rise and fall in value in a similar extent to annuity prices. This may lead to fluctuations in capital values.

This lifestyle option currently invests in the Global Equity Tracker Fund when members are more than twenty years from their TRA. When term to TRA reduces below 20 years, a member's funds are gradually switched on a quarterly basis out of the Global Equity Tracker Fund into the Diversified Growth Tracker Fund so that at 10 years to TRA the member is purely invested in this fund. In the final 10 years prior to TRA a large allocation to the Fixed Annuity Bond Fund is gradually built up with an allocation to the Cash fund being built over the last 5 years. At retirement, members will have a 75% allocation to the Fixed Annuity Bond Fund and a 25% allocation to the Cash Fund.

The switching matrix for the Annuity Focus lifestyle is shown in the appendix. The switches are implemented quarterly by interpolating between the annual allocations, starting from 20 years before the TRA.

Target Retirement Age

The TRA is 65 for the three Lifestyle Options if a member does not select otherwise.

Funds

The funds used in the three lifestyles and their objectives are outlined in the appendix.

2.2.3 Flexicycle Options

Flexicycle was closed to new members in January 2016. Flexicycle continues to operate for 25 members that were already in the de-risking phase and purchasing annuity protection funds at this date and who have not selected an alternative investment option. Members invested via Flexicycle continue to have the option to switch out to the other investment options at any time.

Members were able to choose from four accumulation funds: Diversified Growth, Global Assets, Global Equity and Global Equity Tracker, and two annuity protection funds: Inflation-Linked Annuity Bond and Fixed Annuity Bond. In addition, members were able to elect: the switching period (15, 10 or 5 years); cash proportion at retirement (0%, or 25%), and target retirement age (55 to 75).

Funds

The funds used in the Flexicycle options and their objectives are outlined in the appendix.

2.2.4 Member Choice Options

The Trustee also makes available a number of alternative investment fund choices. The available funds and their objectives are outlined in the appendix.

2.3 Investment Management

2.3.1 Day to Day Management of the Assets

The assets of the Plan are managed by a number of different investment managers.

The Trustee is not involved in the investment managers' day-to-day method of operation and does not directly seek to influence attainment of their performance targets. The Trustee will maintain processes to ensure that performance is assessed on a regular basis against a measurable objective for each manager, consistent with the achievement of the Plan's long-term objectives, and an acceptable level of risk. As part of this process, the Trustee has delegated the detailed monitoring of the Plan’s investment managers to its Investment Consultant. Where Trustee engagement with investment managers is required, this is carried out by the Investment Consultant on the Trustee’s behalf.

2.3.2 Lifestyle Options

The assets of the Lifestyle options of the Plan are invested in an insurance policy issued by Legal & General Assurance Society Ltd. (“Legal & General”). The day to day responsibility for the investment management of the assets underlying the insurance policy is delegated to Legal & General Investment Management Limited which is regulated by the Financial Conduct Authority (FCA).

2.3.3 Flexicycle Option

The assets of the Flexicycle option of the Plan are invested in an insurance policy issued by Legal & General. The day to day responsibility for the investment management of the assets underlying the insurance policy is delegated to Legal & General Investment Management Limited, BlackRock and Schroders which are regulated by the FCA.

The Trustee may from time to time hold insurance policies or other assets that are earmarked for the benefit of certain members. They may include for example:

- assets secured by additional voluntary contributions (AVCs) or other arrangements made individually with the Trustee;
- deferred or immediate annuity policies purchased to match part or all of the Plan liabilities.

AVCs are invested in line with the main Plan assets and members have the same investment options available, as detailed above.

2.3.4 Member Choice Options

The assets of the member choice options of the Plan are invested in an insurance policy issued by Legal & General.

2.3.5 Unallocated Assets

The assets of the Trustee that are not allocated to a Plan member are invested in an insurance policy issued by Legal & General Assurance (Pensions Management) Limited.

2.3.6 Management Fees

Fees charged by the managers for each fund are set out in the appendix.

3. The Trustee's Policy with regard to managing and monitoring risk

The Trustee has considered risk from a number of perspectives. It is considered that these risks can be managed by the range of investment options provided to the members. The key risks which they have identified are as follows:

- The risk that the investment returns over members' working lives is not adequate relative to inflation.
- The risk that relative market movements in the years just prior to retirement lead to a substantial reduction in the benefits secured.

- The risk that members end up with insufficient funds at retirement with which to secure a reasonable income.
- The risk that the chosen investment manager underperforms the benchmark against which they are assessed.

Mismatching risk – This is measured through a qualitative and quantitative assessment of how members may choose to use their benefit at retirement. The Trustee has made a "Lifestyle" approach available to members, which aims to reduce the mismatch between how the members are invested in the years prior to retirement and how the member intends to use their benefit in retirement. The default lifestyle option switches members from the Global Equity Tracker Fund to the Diversified Growth Tracker Fund which is more diversified and is expected to have lower volatility of returns. Members selecting income drawdown are expected to remain invested in growth assets so continued investment in growth assets provides an appropriate match.

Manager risk – This is measured by the expected volatility of the investment managers' returns, as set out in the investment managers' objectives, relative to the investment policy. The Trustee monitors the managers' performance on a quarterly basis, and compares the investment returns with the appropriate performance objectives to ensure continuing acceptable performance. The Trustee has chosen to appoint both active and passive managers for the Plan. The Trustee has considered the benefits of both styles of management and decided that active management enables Plan members to invest in portfolios with the objective of outperforming the relevant indices. The six active funds may exhibit volatile short term performance. The use of passive managers reduces the risk associated with poor manager performance.

Liquidity risk – This is measured by the level of cashflow required by the Plan over a specified period. The Trustee has considered the risk of holding assets that cannot easily be sold should the need arise. Steps have been taken to satisfy the Trustee that there is sufficient liquidity to meet the likely demands of the members. The insurance policy through which the Trustee allows members to invest provide the required level of liquidity.

Currency risk – This is measured by the level of exposure to non-Sterling denominated assets. The Trustee has implemented a currency hedging programme (carried out by Legal & General) which reduces the impact of exchange rate movements on the Plan's asset values.

Concentration risk – The Trustee has considered the risk that may arise from a lack of diversification within each of the investment options and thus has made a range of funds available to the members, so that they can choose to invest in a well-diversified portfolio. The range of funds enables diversification: by asset class (e.g. equity, bonds, cash), by region within some of the asset classes (e.g. global, UK, overseas) and within asset classes, through the use of diversified pooled funds. The Trustee has considered the inclusion of various alternative asset classes such as regional/sector funds, property funds, hedge funds and private equity. These alternatives have been discounted on the grounds that there has been insufficient demand from members. The Trustee continuously monitors member demand and will review the position as necessary.

Credit risk – The Plan is subject to direct credit risk in relation to Legal & General Assurance Society Ltd and Legal & General Assurance (Pensions Management) Limited through its holding in insurance policies. These organisations are regulated by the FCA and maintain separate funds for their policy holders. In the event of default by Legal & General Assurance Society Ltd or Legal & General Assurance (Pensions Management) Limited the Plan is protected by the Financial Services Compensation Scheme. The Plan is indirectly exposed to credit risks arising on the financial instruments held by the funds.

The agreements include a number of guidelines which, amongst other things, are designed to ensure that only suitable investments are held by the Plan. The terms of the agreements do not allow the investment managers to do anything that could be considered to be speculative, or "trading" by the Financial Services and Tax authorities.

The Trustee continually monitors the risk involved in the investment of the assets of the Plan and makes adjustments as they feel necessary.

4. Policy in relation to the Trustee's arrangement with any asset manager

4.1 Aligning managers' investment strategy with the Trustee policy

The Trustee ensures that, in aggregate, its portfolio is consistent with the policies set out in this Statement, in particular those required under regulation 2(3)(b) of the Occupational Pension Schemes (Investment) Regulations (2005) (the "**Policies**"). The Trustee also ensures that the investment objectives and guidelines of any particular pooled vehicle are consistent with the Policies.

To maintain alignment, the managers are provided with a copy of this Statement and the Trustee will monitor the extent to which they give effect to the Policies set out in it. Should the Trustee's monitoring process reveal that a manager's portfolio is not aligned with the Trustee's Policies, the Trustee will engage with the manager further to encourage alignment, with the assistance of its Investment Consultant. If, following engagement, it is the view of the Trustee that the degree of alignment remains unsatisfactory, and this view is supported by advice from the Investment Consultant, the manager will be terminated and replaced.

4.2 Incentivising the manager to base decisions on medium to long-term performance

The Trustee appoints its investment managers with an expectation of a long-term partnership, which encourages active ownership of the Plan's assets.

The Trustee also expects the investment managers to make decisions based on an assessment of medium to long term financial performance, to invest with a medium to long time horizon, and to use their engagement activity where applicable to drive improved performance over these periods. This is because the Trustee does not expect the Plan's investment managers to take into account non-financial matters in the selection, retention, and realisation of investments.

The Trustee's Investment Consultant engages with its investment managers to ensure these objectives are met and, if necessary, the Trustee will replace an investment manager if they are consistently not aligned with these objectives.

4.3 Evaluation of manager performance

When assessing a manager's performance and future fees/remuneration, the focus is on longer-term outcomes that reflect the Policies and the Trustee would not expect to terminate a manager's appointment based purely on short-term performance. However, a manager's appointment could be terminated within a shorter timeframe due to other factors such as a significant change in business structure or the investment team. The Trustee regularly considers and discusses with its Investment Consultant, the extent to which investment management services have taken into account the Policies so that in future its investment managers are encouraged to follow the Policies.

4.4 Monitoring portfolio and turnover costs

The Trustee, with the help of the Investment Consultant, reviews the costs incurred in managing the Plan's assets annually, which includes the costs associated with portfolio turnover (which are the costs incurred as a result of buying, selling, lending or borrowing assets/investments). These costs are reported to members within the Annual Chair's Statement and are independently assessed as part of its value for members reporting.

The Trustee recognises the way that turnover is defined can vary by pooled fund, and as part of the monitoring process, the definition and expected turnover ranges will be defined for each fund in the portfolio. In assessing the appropriateness of the portfolio turnover costs at an individual manager level, the Trustee expects the turnover range not to be excessive. The Trustee will have regard to the actual portfolio turnover and how this compares with the expected turnover range for that fund.

Managers are paid an ad valorem fee, in line with normal market practice, for a given scope of services agreed prior to investment. The Trustee's policy is to ensure each scope of services takes account of the Policies and, in particular, includes consideration of long-term factors and engagement where applicable.

The Trustee will conduct an annual fee review to assess whether the fees paid to managers are in-line with comparable peers. Fees will be negotiated with managers whose services are not aligned with the Policies, who take less active positions, and in particular those who undertake less stewardship.

5. Liquidity and Realising Investments

Liquidity is measured by the level of cashflow required by the Plan over a specified period. The Trustee has considered the risk of holding assets that cannot easily be sold should the need arise. Steps have been taken to satisfy the Trustee that there is sufficient liquidity to meet the likely demands of the members. The insurance policy through which the Trustee allows members to invest provides the required level of liquidity by allowing daily dealing.

The responsibility for buying and selling investments has been delegated to the investment managers. As already mentioned, the day to day activities which the investment managers carry out are governed by the managers' pooled fund agreements; these are reviewed from time to time to ensure that the operating instructions, guidelines and restrictions remain appropriate.

6. The Trustee's Policy with regard to Engagement Activities and Exercising Rights (including Voting Rights)

The Trustee accepts that by using pooled investment vehicles, the day to day exercise of voting rights will be carried out by the investment managers. The Trustee's policy is to delegate its engagement and voting rights to the investment managers and the Trustee expects these to be exercised in an appropriate manner by reference to the Financial Reporting Council's UK Stewardship Code. An assessment of the investment managers' sustainable investment practices is conducted annually with a report provided by the Trustee's Investment Consultant detailing the managers ESG integration, voting and engagement activities.

The Trustee supports the principles outlined within the Financial Reporting Council's UK Stewardship Code, the third edition of which was published in January 2020.

The Trustee expects the investment managers to engage with companies (and other relevant persons including, but not limited to, other investment managers, other stakeholders, and issuers/other holders of debt and equity) on relevant matters including, but not limited to, their performance and strategy, the capital structure of investee companies, management of actual and potential conflicts, other stakeholders, risks and ESG impact of underlying holdings.

7. The Trustee's Policy with regard to Social, Environmental and Ethical Considerations

The Trustee's view is that a company's long-term financial success is influenced by a range of factors including environmental, social and governance (including but not limited to climate change) ("**ESG**") issues.

The Trustee accepts that the use of pooled funds limits direct intervention in the choice of individual stocks. In addition, passive management in particular, involves investing in a wide range of companies within the investment markets covered by the Investment Options offered to members of the Plan. In view of this the Trustee's policy is that day to day decisions relating to the consideration of ESG issues in respect of the Plan's investments are left to the discretion of the investment managers.

The Trustee has delegated responsibility for the selection, retention and realisation of investments to its investment managers. It expects the investment managers to consider all financially material considerations over the appropriate time horizon of the investments, including ESG related issues where relevant, and to engage with companies on these issues as appropriate. Where the investment managers have active discretion, the Trustee expects these considerations to be a factor in the managers' selection, retention and realisation decisions.

The Trustee does not have an explicit policy in relation to non-financial matters. However, the Trustee recognises that individual members may have views on non-financial matters (such as their ethical views, their views on social or environmental impact matters and their views on the present and future quality of life of members that may have implications for the Plan's investments). The Trustee does not proactively take these views into account when making investment decisions and the Trustee does not expect the Plan's investment managers to take into account non-financial matters when determining the selection, retention, and realisation of investments. The Trustee believes this approach is an appropriate reflection of the views of the membership in aggregate, given that individual members may have differing and conflicting views that cannot all be incorporated directly. However, the Trustee has provided a number of pooled funds with the specific intention of satisfying the ethical or religious requirements of the members.

In order to understand how the investment managers exercise their discretion in practice in light of the Trustee's policies, the Trustee reviews a Sustainable Investment report (covering ESG integration, voting and engagement) on an annual basis and engages with its investment managers if deemed appropriate, with the assistance of its Investment Consultant.

The Trustee is satisfied that its policy corresponds with its responsibilities to the beneficiaries.

8. Compliance with this Statement

The Trustee of the Accenture Retirement Savings Plan and its selected service providers (the investment managers, the investment platform provider Legal & General, Legal & General Assurance (Pensions Management) Limited, and Willis

Towers Watson, the Trustee’s Investment Consultant) each have duties to perform to ensure compliance with this Statement. These are:

The Trustee will review this Statement, taking into account advice from Willis Towers Watson and will record compliance with the Statement on a regular basis.

The investment managers and Willis Towers Watson will prepare quarterly reports to the Trustee including:

- a valuation of all investments held for the Plan
- a record of all transactions together with a cash reconciliation
- a review of recent actions undertaken on behalf of the Plan together with a summary of their current stated policy.

From time to time the investment managers will also be requested to provide confirmation that the principles contained in this Statement have been followed and that the manager has had regard for the need for diversification and the suitability of investments to the Plan.

The investment managers will also notify the Trustee in advance of any new investment categories in which they are proposing to invest. The investment managers and platform provider are paid on an asset-based fee reflecting the individual nature of the investment mandates.

Willis Towers Watson, the Trustee’s investment consultant, will provide the advice needed to allow the Trustee to review and update this Statement on a regular basis. They will also provide a quarterly report of the investment performance of the investment managers. Willis Towers Watson’s fees are paid on a combination of project fees and on the basis of hourly chargeable rates. The Trustee has selected these methods of payment in order to ensure that consulting fees are directly related to the work undertaken for the Plan.

This SIP was ratified by the Trustee of the Accenture Retirement Savings Plan on 24th September 2020.

Appendix A: Fund information – Amended September 2020

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
Cash Fund (Legal & General)	0.09%	Investment is in Legal & General's Sterling Liquidity Fund. The fund invests in high quality short term fixed income and variable rate securities across a range of financial institutions, sovereign and corporate issuers. The fund aims to perform in line with 7 Day LIBID, without incurring excessive risk. The fund is expected to provide capital protection, something that may be attractive to members approaching retirement and planning to take some or all of their benefit as a lump sum.
Inflation-Linked Annuity Bond Fund (Legal & General)	0.07%	Investment is in Legal & General's Pre-Retirement Inflation-Linked Fund. The Fund invests in index-tracking bond funds and aims to improve potential outcomes for investors likely to purchase inflation-linked annuities, by providing diversified exposure to fixed interest and inflation-linked bonds. The investment objective of the Fund is to provide diversified exposure to sterling assets that reflect the broad characteristics of investments underlying the pricing of a typical inflation linked annuity product.
Fixed Annuity Bond Fund (Legal & General)	0.08%	Investment is in Legal & General's Pre-Retirement Fund. The Fund invests in index-tracking bond funds to gain exposure to these assets. The investment objective of the Fund is to provide diversified exposure to assets that reflect the investments underlying a typical traditional level annuity product.
Corporate Bond Tracker Fund (Legal & General)	0.09%	Investment is in Legal & General AAA-AA-A Fixed Interest - All Stocks - Fund. The fund invests in AAA, AA and A rated corporate bonds and may hold gilts with a minimum of A credit rating (normally no more than 5%) to provide liquidity. By capturing the yield premium of corporate bonds over gilts the fund aims to track the performance of the Markit iBoxx £ Non-Gilt (ex-BBB) Index to within +/-0.5%p.a. for two years out of three.
Diversified Growth Tracker Fund (Legal & General)	0.13%	The Fund aims to achieve long term growth in excess of inflation by investing in a predominantly passively managed range of asset classes (such global equity, government and corporate bonds from developed and emerging countries as well as investing in alternative assets including real estate and commodities). The Fund aims to generate returns of 4% pa above RPI inflation over the long term.

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
Diversified Growth Fund (BlackRock and Schroders)	0.61%	This investment option is a blended fund currently consisting of 50% in the BlackRock DC Diversified Growth Fund and 50% in the Schroders Diversified Growth Fund. The objective of the BlackRock fund is to target an investment return of 3.5% above the Bank of England official Bank Rate measured over rolling 3 year periods by utilising a multi-asset flexible investment approach. The objective of the Schroders fund is to target a return of 5% above inflation (CPI) over a market cycle (typically about five years). The aim is to achieve this objective with approximately two thirds of the volatility associated with an all equity portfolio.
Global Assets Fund* (BlackRock, Schroders and Legal & General) *Only investors who joined the ARSP before 7 January 2016 can continue to invest in this fund	0.35%	This investment option is a blended fund currently consisting of 50% in the Legal & General Global Equity (30:70) Index Fund, 25% in the BlackRock DC Diversified Growth and 25% in the Schroders Diversified Growth Fund. The objective of the Legal & General fund is to capture the total returns of the UK and overseas equity markets, as represented by the FTSE All-Share Index in the UK and the appropriate sub-divisions of the FTSE AW Indices overseas, with 75% of developed foreign currency exposure hedged back to sterling, while maintaining the distribution between markets within ranges determined by the Trustee. The objectives of the BlackRock and Schroders funds are set out under the Diversified Growth Fund.
Amanah Fund (HSBC) *The investment platform provider quotes the AMC as 0.08% due to the way the fund manager categorises its fees	0.33%*	Investment is in HSBC's Islamic Global Equity Index Fund. The fund aims to create long term appreciation of capital through investment in a diversified portfolio of securities as defined by a relevant world index, which meets and is consistent with Islamic Shariah principles. The objective of the fund is to outperform the Dow Jones Islamic Titans 100 Index over the long term.
Ethical Global Equity Tracker Fund (Legal & General)	0.06%	Investment is in Legal & General's Ethical Global Equity Index Fund. The objective of the fund is to track the return of the FTSE4Good Global Index (less withholding tax if applicable) to within +/- 0.5% p.a. for two years out of three.

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
Global Equity Tracker Fund (Legal & General)	0.13%	. This is a blended fund; current investment is 50% in the LGIM MSCI ACWI Adaptive Capped ESG Index Fund and 50% in the LGIM MSCI ACWI Adaptive Capped ESG Index Fund (GBP hedged). The objective of the fund is to track the performance of the MSCI ACWI ex Thermal Coal Adaptive Cap ESG Universal Index (less withholding tax where applicable) to within +/-0.75% p.a. for two years out of three. The constituents of the index are global equities and are weighted by the index provider by following capping approach where weight of the largest stocks is capped in relation to maximum weight multiple of the smaller (uncapped) stocks. Constituents that fail to meet the index provider's minimum environmental, social and governance (ESG) standards will be excluded. The remaining index constituents will then be reweighted on the strength and trend of their ESG profile.
Global Equity Fund (Pzena and Veritas)	0.56%	This investment option is a blended fund currently comprising 50% in the Pzena Expanded Global Value Fund and 50% in the Veritas Global Focus Strategy Fund. The objective of the Pzena fund is to achieve long-term growth of capital by investing in a portfolio of both U.S. and non-U.S. equities. Income is not a principal objective and it is not anticipated that the Fund will issue dividends. The objective of the Veritas fund is to build capital over a number of years through investment in a focused portfolio of global companies.
Overseas Equity Tracker Fund (Legal & General)	0.11%	Investment is in Legal & General's World (excluding UK) Developed Equity Index Funds (50% GBP hedged share class and 50% unhedged share class). The investment objective of the Fund is to track the performance of the FTSE Developed World (ex UK) Index – 50% GBP Hedged to within +/-0.5% p.a. for two years out of three.
UK Equity Tracker Fund (Legal & General)	0.04%	Investment is in Legal & General's UK Equity Index Fund. The investment objective of the Fund is to track the performance of the FTSE All-Share Index to within +/-0.25% p.a. for two years out of three.

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
UK Equity Fund (Lindsell Train and River & Mercantile)	0.56%	This investment option is a blended fund currently comprising 50% in the Lindsell Train UK Equity Fund and 50% in the River & Mercantile UK Equity High Alpha Fund. The objective of the Lindsell Train fund is to deliver capital and income growth and provide a total return in excess of that of the FTSE All-Share TR Index by investing primarily in shares quoted on any of the markets of the London Stock Exchange, including the Alternative Investment Market (AIM). The objective of the River and Mercantile fund is to achieve capital growth in excess of the MSCI UK Investable Market Index (IMI) Net Total Return (the "Benchmark") over a rolling 5 year period, after the deduction of fees.
Emerging Markets Equity Fund (MSIM and Trilogy)	0.71%	Investment is in a blended fund currently comprising of 50% in the MSIM Global Emerging Market Equity Fund and 50% in the Trilogy Emerging Markets Fund. The objective of the MSIM fund is to maximize total return, measured in US dollars, through investment primarily in securities located in and/or deriving a significant portion of earnings from emerging countries. The objective of the Trilogy fund is to provide above benchmark returns at a moderate level of risk.

Appendix B: Lifestyle matrices

Lifestyle Strategy - Drawdown Focus

Term to Retirement	Global Equity Fund (%)	Diversified Growth Tracker Fund (%)	Cash Fund (%)
More than 20 years	100	0	0
19 years	90	10	0
18 years	80	20	0
17 years	70	30	0
16 years	60	40	0
15 years	50	50	0
14 years	40	60	0
13 years	30	70	0
12 years	20	80	0
11 years	10	90	0
10 years	0	100	0
9 years	0	100	0
8 years	0	100	0
7 years	0	100	0
6 years	0	100	0
5 years	0	100	0
4 years	0	98	2
3 years	0	96	4
2 years	0	94	6
1 year	0	92	8
0 years	0	90	10

Lifestyle Strategy - Lump Sum Focus

Term to Retirement	Global Equity Tracker Fund (%)	Diversified Growth Tracker Fund (%)	Cash Fund (%)
More than 20 years	100	0	0
19 years	90	10	0
18 years	80	20	0
17 years	70	30	0
16 years	60	40	0
15 years	50	50	0
14 years	40	60	0
13 years	30	70	0
12 years	20	80	0
11 years	10	90	0
10 years	0	100	0
9 years	0	100	0
8 years	0	100	0
7 years	0	100	0
6 years	0	100	0
5 years	0	100	0
4 years	0	85	15
3 years	0	70	30
2 years	0	55	45
1 year	0	40	60
0 years	0	25	75

Lifestyle Strategy - Annuity Focus

Term to Retirement	Global Equity Tracker Fund (%)	Diversified Growth Tracker Fund (%)	Fixed Annuity Bond Fund (%)	Cash Fund (%)
More than 20 years	100	0	0	0
19 years	90	10	0	0
18 years	80	20	0	0
17 years	70	30	0	0
16 years	60	40	0	0
15 years	50	50	0	0
14 years	40	60	0	0
13 years	30	70	0	0
12 years	20	80	0	0
11 years	10	90	0	0
10 years	0	100	0	0
9 years	0	90	10	0
8 years	0	80	20	0
7 years	0	70	30	0
6 years	0	60	40	0
5 years	0	50	50	0
4 years	0	40	55	5
3 years	0	30	60	10
2 years	0	20	65	15
1 year	0	10	70	20
0 years	0	0	75	25

Accenture Retirement Savings Plan

Statement of Investment Principles – Default Investment Options

September 2020

1. **Background**

This Investment Statement sets down the principles governing decisions about the default investments for the Accenture Retirement Savings Plan to meet the requirements of the Pensions Act 1995 and subsequent legislation. In preparing this Statement, we have consulted with the Principal Employer, Accenture (UK) Limited, and obtained and considered written professional advice from Willis Towers Watson, the Trustee's Investment Consultant. The Trustee has also considered the requirements and standards of governance and administration of occupational defined contribution trust-based schemes, as outlined in the Pension Regulator Code of Practice 13. The Trustee is committed to maintaining the accuracy of the Statement on an ongoing basis and will review this Statement at least every three years and without delay after any material changes to the investment policy.

Under section 36(3) of the Pensions Act 1995 (as amended), before investing in any manner, trustees must obtain and consider proper advice on the question whether the investment is satisfactory having regard to the requirements of regulations under subsection (1), so far as relating to the suitability of investments, and to the principles contained in this statement under section 35. It is generally accepted that this includes "managed", "balanced" or "pooled" funds where trustees have selected a single fund and where the manager has no discretion to invest in other vehicles. The Trustee has obtained and considered this advice.

The Plan is a defined contribution plan. It was established with effect from 1 January 1998 and is governed by the Trust Deed and Rules dated 27 November 2014 (as amended).

Members who do not make an investment choice are invested in the Plan's default investment option. The Trustee has selected the Lifestyle Strategy - Drawdown Focus as the default investment option for new joiners to the Plan.

Between April 2013 and January 2016, new joiners were auto-enrolled into a Flexicycle option. This was closed to new members in January 2016 (and most members were transferred to the Lifestyle Strategy – Drawdown Focus). However, it continues to operate for 25 members that were already in the de-risking phase and purchasing annuity protection funds at this date and who have not selected an alternative investment option. Members invested via Flexicycle continue to have the option to switch out to the other investment options at any time.

2. Investment Strategy

2.1 Investment Aims, Objectives and Expected Returns

The Lifestyle Strategy - Drawdown Focus aims to generate capital growth over the long term. In the years prior to retirement, the lifestyle aims to reduce the volatility of the member's expected pension pot through investing in a diversified portfolio that aims to provide a balance between risk and return. This, together with new contributions from members and the Principal Employer, will provide a fund at retirement with which to transfer to an arrangement offering the facility to drawdown an income during retirement.

The Flexicycle aims to generate capital growth over the long term. In the years prior to retirement, the Flexicycle aims to reduce the volatility of the annuity income the member can secure at retirement and the value of their tax free cash lump sum.

The underlying funds and investment managers used in the Lifestyle Strategy - Drawdown Focus lifestyle option and the Flexicycle, their specific objectives and expected returns are outlined in Appendix A.

3. Investment Policies

3.1 Kinds of investments to be held and the balance between the different kinds if investments

The kinds of investments held and the balance between the different kinds of investments can be summarised as follows.

3.1.1 Lifestyle Strategy - Drawdown Focus

The assets of the Lifestyle Strategy – Drawdown Focus lifestyle options are invested in an insurance policy issued by Legal & General Assurance Society Limited. The day to day responsibility for the investment management of the assets underlying the insurance policy is delegated to Legal & General Investment Management Limited which is regulated by the FCA.

The Lifestyle Strategy – Drawdown Focus currently invests in the Global Equity Tracker Fund when members are more than twenty years from their target retirement age of 65 (TRA). When term to TRA reduces below 20 years, a member's funds are gradually switched on a quarterly basis out of the Global Equity Tracker Fund into the Diversified Growth Tracker Fund so that at 10 years to TRA the member is purely invested in this fund. In the final 5 years to TRA a small allocation to the Cash Fund is gradually built up. At retirement, members will have a 90% allocation to the Diversified Growth Tracker Fund and a 10% allocation to the Cash Fund. The switching matrix for the Lifestyle Strategy - Drawdown Focus lifestyle option is shown in Appendix B.

Details of the kinds of investments held in the underlying funds and the balance between them is set out in Appendix A.

3.1.2 Flexicycle Option

The assets of the Flexicycle option of the Plan are invested in an insurance policy issued by Legal & General. The day to day responsibility for the investment management of the assets underlying the insurance policy is delegated to Legal & General Investment Management Limited, BlackRock and Schroders which are regulated by the FCA.

The Flexicycle invests initially in the Global Assets fund, gradually switching into the Fixed Annuity Bond Fund from 10 years to target retirement age (TRA) and into the Cash Fund from 5 years to TRA. At TRA the member's allocation would be 75% Fixed Annuity Bond Fund, 25% Cash Fund.

Details of the kinds of investments held in the underlying funds and the balance between them is set out in Appendix A.

3.2 Measuring and Managing Risk

The Trustee has considered risk from a number of perspectives. It is considered that these risks can be managed by the default investment options provided to the members. The key risks which the Trustee has identified are as follows:

- The risk that the investment returns over members' working lives are not adequate relative to inflation.
- The risk that relative market movements in the years just prior to retirement lead to a substantial reduction in the benefits secured.
- The risk that members end up with insufficient funds at retirement with which to secure a reasonable income.
- The risk that the chosen investment manager underperforms the benchmark against which they are assessed.

Mismatching risk – This is measured through a qualitative and quantitative assessment of how members may choose to use their benefit at retirement. The Trustee has selected a "Lifestyle" approach for the default investment option which aims to reduce the mismatch between how the members are invested in the years prior to retirement and how the member intends to use their benefit in retirement. The Lifestyle Strategy – Drawdown Focus lifestyle option switches members from the Global Equity Tracker Fund to the Diversified Growth Tracker Fund which is more diversified and is expected to have lower volatility of returns. Members selecting income drawdown are expected to remain invested in growth assets so continued investment in growth assets provides an appropriate match. Similarly, the Flexicycle switches members from the Global Assets Fund to the Fixed Annuity Bond Fund which is expected to reduce volatility of the annuity income the member can secure at retirement and the value of their tax free lump sum.

Manager risk – This is measured by the expected volatility of the investment managers' returns, as set out in the investment managers' objectives, relative to the investment policy. The Trustee monitors the managers' performance on a quarterly basis, and compares the investment returns with the appropriate performance objectives to ensure continuing acceptable performance.

The Trustee has chosen to appoint a passive manager for the Lifestyle Strategy – Drawdown Focus. The Trustee has considered the benefits of both styles of management and decided that use of passive managers reduces the risk associated with poor manager performance.

The Trustee has chosen to appoint both active and passive managers for the Flexicycle option. The Trustee has considered the benefits of both styles of management and decided that active management enables Plan members to invest in portfolios with the objective of outperforming the relevant indices. The active funds underlying the default investment options may exhibit volatile short-term performance. The use of passive managers reduces the risk associated with poor manager performance.

Liquidity risk – This is measured by the level of cashflow required by the Plan over a specified period. The Trustee has considered the risk of holding assets that cannot easily be sold should the need arise. Steps have been taken to satisfy the Trustee that there is sufficient liquidity to meet the likely demands of the members. The insurance policy through which the Trustee allows members to invest provide the required level of liquidity.

Currency risk – This is measured by the level of exposure to non-Sterling denominated assets. The Trustee has implemented a currency hedging programme (carried out by Legal & General) which reduces the impact of exchange rate movements on the Plan's asset values.

Concentration risk – The Trustee has considered the risk that may arise from a lack of diversification within the default investment option. The make-up of the underlying funds enables diversification: by asset class (e.g. equity, bonds, cash), by region within some of the asset classes (e.g. global, UK, overseas) and within asset classes, through the use of diversified pooled funds.

Credit risk – The Plan is subject to direct credit risk in relation to Legal & General Assurance Society Ltd. through its insurance policy. Legal & General Assurance Society is regulated by the Financial Conduct Authority and maintain separate funds for their policy holders. In the event of default by Legal & General Assurance Society the Plan is protected by the Financial Services Compensation Scheme. The Plan is indirectly exposed to credit risks arising on the financial instruments held by the funds.

3.3 Policy in relation to the Trustees' arrangement with any asset manager

3.3.1 Aligning managers' investment strategy with the Trustee policy

The Trustee ensures that, in aggregate, its portfolio is consistent with the policies set out in this Statement, in particular those required under regulation 2(3)(b) of the Occupational Pension Schemes (Investment) Regulations (2005) (the "Policies"). The Trustee also ensures that the investment objectives and guidelines of any particular pooled vehicle are consistent with the Policies.

To maintain alignment, the managers are provided with a copy of this Statement and the Trustee will monitor the extent to which they give effect to the Policies set out in it. Should the Trustee's monitoring process reveal that a manager's portfolio is not aligned with the Trustee's Policies, the Trustee will engage with the manager further to encourage alignment, with the assistance of its Investment Consultant. If, following engagement, it is the view of the Trustee that the degree of alignment remains unsatisfactory, and this view is supported by advice from the Investment Consultant, the manager will be terminated and replaced.

3.3.2 Incentivising the manager to base decisions on medium to long-term performance

The Trustee appoints its investment managers with an expectation of a long-term partnership, which encourages active ownership of the Plan's assets.

The Trustee also expects the investment managers to make decisions based on an assessment of medium to long term financial performance, to invest with a medium to long time horizon, and to use their engagement activity where applicable to drive improved performance over these periods. The Trustee does not expect investment managers to make decisions based on non-financial performance. This is because the Trustee does not expect the Plan's investment managers to take into account non-financial matters in the selection, retention, and realisation of investments.

The Trustee's Investment Consultant engages with its investment managers, to ensure these objectives are met and, if necessary, the Trustee will replace an investment manager if they are consistently not aligned with these objectives.

3.3.3 Evaluation of manager performance

When assessing a manager's performance and future fees/remuneration, the focus is on longer-term outcomes that reflect the Policies and the Trustee would not expect to terminate a manager's appointment based purely on short-term performance. However, a manager's appointment could be terminated within a shorter timeframe due to other factors such as a significant change in business structure or the investment team. The Trustee regularly considers and discusses with its Investment Consultant, the extent to which investment management services have taken into account the Policies so that in future its investment managers are encouraged to follow the Policies.

3.3.4 Managing portfolio and turnover costs

The Trustee, with the help of the Investment Consultant, reviews the costs associated with portfolio turnover (which are the costs of buying, selling, lending or borrowing assets/investments). These costs are reported to members within the Annual Chair's Statement and are independently assessed as part of its value for members reporting.

The Trustee recognises the way that turnover is defined can vary by pooled fund, and as part of the monitoring process, the definition and expected turnover ranges will be defined for each fund in the portfolio. In assessing the appropriateness of the portfolio turnover costs at an individual manager level, the Trustee expects the turnover range not be excessive. The Trustee will have regard to the actual portfolio turnover and how this compares with the expected turnover range for that fund.

Managers are paid an ad valorem fee, in line with normal market practice, for a given scope of services agreed prior to investment. The Trustee's policy is to ensure each scope of services take account of the Policies and, in particular, includes consideration of long-term factors and engagement where applicable.

The Trustee will conduct an annual fee review to assess whether the fees paid to managers are in-line with comparable peers. Fees will be negotiated with managers whose services are not aligned with the Policies, who take less active positions, and in particular those who undertake less stewardship.

3.4 Liquidity and Realising Investments

Liquidity is measured by the level of cashflow required by the Plan over a specified period. The Trustee has considered the risk of holding assets that cannot easily be sold should the need arise. Steps have been taken to satisfy the Trustee that there is sufficient liquidity to meet the likely demands of the members. The insurance policy through which the Trustee allows members to invest provides the required level of liquidity by allowing daily dealing.

The responsibility for buying and selling investments has been delegated to the investment managers. The day to day activities which the investment managers carry out are governed by the managers' pooled fund agreements; these are reviewed from time to time to ensure that the operating instructions, guidelines and restrictions remain appropriate.

4. The Trustee's Policy with regard to Social, Environmental and Ethical Considerations

The Trustee's view is that a company's long-term financial success is influenced by a range of factors including environmental, social and governance factors (including but not limited to climate change) ("**ESG**") issues.

The Trustee accepts that the use of pooled funds limits direct intervention in the choice of individual stocks. In addition, passive management in particular, involves investing in a wide range of companies within the investment markets covered by the default investment options offered to members of the Plan. In view of this, the Trustee's policy is that day to day decisions relating to the consideration of ESG issues in respect of the Plan's default arrangement are left to the discretion of the investment managers.

The Trustee has delegated responsibility for the selection, retention and realisation of investments to its investment managers. It expects the investment managers to consider all financially material considerations over the appropriate time horizon of the investments, including ESG related issues where relevant, and to engage with companies on these issues as appropriate. Where the investment managers have active discretion, the Trustee expects these considerations to be a factor in the managers' selection, retention and realisation decisions.

The Trustee believes that, by setting these expectations of its investment managers, it is managing investment risk responsibly in the best interests of members of the Plan. The Trustee does not have an explicit policy in relation to non-financial matters. However, the Trustee recognises that individual members may have views on non-financial matters (such as their ethical views, their views on social or environmental impact matters and their views on the present and future quality of life of members that may have implications for the Plan's investments). The Trustee does not proactively take these views into account when making investment decisions and the Trustee does not expect the Plan's investment managers to take into account non-financial matters when determining the selection, retention, and realisation of investments. The Trustee believes this approach is an appropriate reflection of the views of the membership in aggregate, given that individual members may have differing and conflicting views that cannot all be incorporated directly.

In order to understand how the investment managers exercise their discretion in practice in light of the Trustee's policies, the Trustee reviews a Sustainable Investment report covering ESG integration, voting and engagement, on an annual basis and engages with its investment managers if deemed appropriate, with the assistance of its Investment Consultant.

5. The Trustee's Policy with Regard to Engagement Activities and Exercising Rights (including Voting Rights)

The Trustee accepts that by using pooled investment vehicles, the day to day exercise of voting rights will be carried out by the investment managers. The Trustee's policy is to delegate its engagement and voting rights to the investment managers and the Trustee expects these to be exercised in an appropriate manner by reference to the Financial Reporting Council's UK Stewardship Code. An assessment of the investment managers sustainable investment practices is conducted annually with a report provided by the Trustee's Investment Consultant detailing the managers ESG integration, voting and engagement activities.

- The Trustee supports the principles within the Financial Reporting Council's UK Stewardship Code, the third edition of which was published in January 2020.

The Trustee expects the investment managers to engage with companies (and other relevant persons including, but not limited to, other investment managers, other stakeholders, and issuers/other holders of debt and equity) on relevant matters including, but not limited to, their performance and strategy, the capital structure of investee companies, management of actual and potential conflicts, other stakeholders, risks and the ESG impact of underlying holdings.

6. Investment in the best interests of beneficiaries

In setting the investment strategy for the default investment option, the Trustee considers the needs of its members and how they are likely to use their benefit at retirement. The focus of the Trustee's investment policy is on the period prior to retirement.

In designing the default investment option, the Trustee aims to invest the Plan's assets in beneficiaries' best financial interests, taking into account the different risk profile of members. Following analysis of the membership, and having taken expert advice, the Trustee believes the majority of members will transfer their benefit to an income drawdown provider at retirement.

7. Compliance and review

This Investment Statement sets down the principles governing decisions about the default investment options in the Accenture Retirement Savings Plan to meet the requirements the Occupational Pension Schemes (Investment) Regulations 2005 in relation to the Plan's default investment options. The Trustee has considered also the requirements and standards of governance and administration that apply to trustees of occupational defined contribution trust-based schemes, as outlined in the Pension Regulator's Code of Practice 13.

The Trustee is committed to maintaining the accuracy of the Statement on an ongoing basis and will review this Statement at least every three years and without delay after any significant change in investment policy or the demographic profile of members.

The Trustee maintains a Statement of Investment Principles governing decisions about investments for the Accenture Retirement Savings Plan as a whole to meet the requirements of the Pensions Act 1995 and subsequent legislation.

This SIP was ratified by the Trustee of the Accenture Retirement Savings Plan on 24th September 2020.

Appendix A: Fund information

Lifestyle Strategy – Drawdown Focus

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
Global Equity Tracker Fund (Legal & General)	0.13%	This is a blended fund; current investment is 50% in the LGIM MSCI ACWI Adaptive Capped ESG Index Fund and 50% in the LGIM MSCI ACWI Adaptive Capped ESG Index Fund (GBP hedged). The objective of the fund is to track the performance of the MSCI ACWI ex Thermal Coal Adaptive Cap ESG Universal Index (less withholding tax where applicable) to within +/-0.75% p.a. for two years out of three. The constituents of the index are global equities and are weighted by the index provider by following capping approach where weight of the largest stocks is capped in relation to maximum weight multiple of the smaller (uncapped) stocks. Constituents that fail to meet the index provider's minimum environmental, social and governance (ESG) standards will be excluded. The remaining index constituents will then be reweighted on the strength and trend of their ESG profile.
Diversified Growth Tracker Fund (Legal & General)	0.13%	The Fund aims to achieve long term growth in excess of inflation by investing in a predominantly passively managed range of asset classes (such as global equity, government and corporate bonds from developed and emerging countries as well as investing in alternative assets including real estate and commodities). The Fund aims to generate returns of 4% pa above RPI inflation over the long term.
Cash Fund (Legal & General)	0.09%	Investment is in Legal & General's Sterling Liquidity Fund. The fund invests in high quality short term fixed income and variable rate securities across a range of financial institutions, sovereign and corporate issuers. The fund aims to perform in line with 7 Day LIBID, without incurring excessive risk. The fund is expected to provide capital protection, something that may be attractive to members approaching retirement and planning to take some or all of their benefit as a lump sum.

Flexicycle

Fund Name (Manager)	Annual Management Charge	Investment Brief and Objective
Fixed Annuity Bond Fund (Legal & General)	0.08%	Investment is in Legal & General's Pre-Retirement Fund. The Fund invests in index-tracking bond funds to gain exposure to these assets. The investment objective of the Fund is to provide diversified exposure to assets that reflect the investments underlying a typical traditional level annuity product.
Global Assets Fund* (BlackRock, Schroders and Legal & General) *Only investors who joined the ARSP before 7 January 2016 can continue to invest in this fund	0.35%	This is a blended fund currently consisting of 50% in the Legal & General Global Equity (30:70) Index Fund, 25% in the BlackRock DC Diversified Growth and 25% in the Schroders Diversified Growth Fund. The objective of the Legal & General fund is to capture the total returns of the UK and overseas equity markets, as represented by the FTSE All-Share Index in the UK and the appropriate sub-divisions of the FTSE AW Indices overseas, with 75% of developed foreign currency exposure hedged back to sterling, while maintaining the distribution between markets within ranges determined by the Trustee. The objective of the BlackRock fund is to target an investment return of 3.5% above the Bank of England official Bank Rate measured over rolling 3 year periods by utilising a multi-asset flexible investment approach. The objective of the Schroders fund is to target a return of 5% above inflation (CPI) over a market cycle (typically about five years). The aim is to achieve this objective with approximately two thirds of the volatility associated with an all equity portfolio.
Cash Fund (Legal & General)	0.09%	Investment is in Legal & General's Sterling Liquidity Fund. The fund invests in high quality short term fixed income and variable rate securities across a range of financial institutions, sovereign and corporate issuers. The fund aims to perform in line with 7 Day LIBID, without incurring excessive risk. The fund is expected to provide capital protection, something that may be attractive to members approaching retirement and planning to take some or all of their benefit as a lump sum.

Appendix B: Lifestyle matrix for Lifestyle Strategy - Drawdown Focus

Term to Retirement	Global Equity Fund (%)	Diversified Growth Tracker Fund (%)	Cash Fund (%)
More than 20 years	100	0	0
19 years	90	10	0
18 years	80	20	0
17 years	70	30	0
16 years	60	40	0
15 years	50	50	0
14 years	40	60	0
13 years	30	70	0
12 years	20	80	0
11 years	10	90	0
10 years	0	100	0
9 years	0	100	0
8 years	0	100	0
7 years	0	100	0
6 years	0	100	0
5 years	0	100	0
4 years	0	98	2
3 years	0	96	4
2 years	0	94	6
1 year	0	92	8
0 years	0	90	10