

**THE CHURCH OF IRELAND CLERGY DEFINED CONTRIBUTION PENSION SCHEME
NORTHERN IRELAND SECTION ("the SCHEME")**

Statement of Investment Principles

1. INTRODUCTION

This Statement of Investment Principles (this "Statement") has been prepared in accordance with the requirements of:

- The Pensions (Northern Ireland) Order 1995 (the "Order"), and
- The Occupational Pension Schemes (Investment) Regulations (Northern Ireland) 2005

as amended.

Before preparing this Statement the Trustee has consulted the Representative Body of the Church of Ireland, which is the employer of the Scheme, and has obtained and considered written advice from a suitably qualified person, Mercer Limited, the Scheme's investment consultants, who are authorised and regulated by the Financial Conduct Authority (the "FCA").

This Statement sets out the principles and policies of the Trustee about the investment of the Scheme's assets. The Trustee will refer to this Statement when making investment decisions, to ensure that they are consistent with these principles and policies.

The Trustee will, at a minimum, review this statement every three years to ensure that it remains accurate. The statement will be amended more frequently should any changes be made to the Scheme's investment arrangements, policy or to any matters which this statement is required to cover by legislation or regulation.

The Trustee's investment powers are set out within the Scheme's governing documentation and relevant legislation. If necessary, the Trustee will take legal advice regarding the interpretation of these.

The Trustee has fiduciary obligations to Scheme members. While the Trustee will seek to maintain a good working relationship with the employer, and will discuss any proposed changes to this Statement with the employer, the Trustee's duties to Scheme members will take precedence over the views of the employer, should these conflict.

The Scheme's investment policies relate to:

- The day-to-day management of the assets, which are delegated to professional investment managers, as set out in Section 2; and
- The strategic investment objectives, as set out in Section 3.

The policies set out in this Statement apply to all the investments of the Scheme, as appropriate. The aims, objectives and policies which apply specifically to the Scheme's default investment arrangement are set out in Section 4.

DAY TO DAY MANAGEMENT OF THE ASSETS

2.1 Main Assets

The Trustee has appointed Mercer Workplace Savings (“MWS”) for the provision of services related to the investment platform where the Scheme’s assets are invested. The Trustee has delegated the ongoing governance and monitoring of Scottish Widows Limited (“Scottish Widows”), The investment options on the investment platform include funds (“Mercer Funds”) whose management has been delegated by the Trustee to Mercer Limited (“the Delegated Investment Manager”). Both Mercer and Scottish Widows are regulated by the Financial Conduct Authority (the “FCA”).

The Delegated Investment Manager appoints underlying investment managers and the Trustee selects funds from external investment managers based on their capabilities, and therefore the perceived likelihood of achieving the expected return and risk characteristics required. Mercer’s manager research rating reflects Mercer’s forward-looking assessment of a manager’s ability to meet or exceed their objectives. As the Trustee invests in pooled or multi-client investment vehicles they accept that they have no ability to influence the investment managers to align their decisions with the Trustee’s policies set out in this Statement. However, appropriate mandates can be selected to align with the overall investment strategy.

The investment choices comprise primarily of equities, bonds and cash.

2.2 Spread and Suitability of Investments

The assets of the Scheme are invested in the pooled fund vehicles underlying the funds offered by Scottish Widows. The Trustee is satisfied that the spread of assets by type and the investment manager’s policies on investing in individual securities within each asset class provide an appropriate level of diversification of investments. Members are provided with an appropriate range of funds from which to tailor an investment strategy to suit their own needs, if they do not wish to stay within the Scheme’s default investment arrangement.

The Delegated Investment Manager expects all underlying investment managers to incorporate the consideration of longer term factors, such as ESG, into their decision making process where appropriate. The extent of this will be considered during the selection, retention and realisation of manager appointments. Voting and engagement activity should be used by investment managers to discuss the performance of an issuer of debt or equity. The Delegated Investment Manager engages with underlying investment managers on this activity and if dissatisfied will look to replace the manager. The Trustee expects external investment managers to incorporate consideration of longer term factors, such as ESG into their decision-making process where appropriate.

MWS monitor the suitability of all the investment funds provided to the Scheme, through ongoing research and performance reviews. The Trustee’s focus is on longer-term performance but shorter-term performance is monitored to ensure any concerns can be identified in a timely manner. The Trustee reviews both absolute and relative performance of investment managers’ products (or funds) on a quarterly basis, including assessments of both shorter and longer time horizons. The Trustee and the Delegated Investment Manager also rely upon Mercer’s manager research capabilities. The remuneration for investment managers used by the Scheme is based on assets under management; the levels of these fees are reviewed annually

as part of the annual value for money assessment to ensure they continue to represent value for members. If the

investment managers' performance is not satisfactory, the Trustee will request an explanation of performance and process from the relevant investment manager. If not satisfied with this, the Trustee may request further action be taken, including a review of fees.

Portfolio turnover costs for each of the funds are reviewed on an annual basis as part of the annual value for members assessment. The ability to assess the appropriateness of these costs is limited by the availability of data and the lack of industry standard benchmarking. The Trustee will monitor industry developments in how to assess these costs and incorporate this in future value for members assessments. Importantly, performance is reviewed net of portfolio turnover costs.

The Trustee is a long term investor, all funds are open-ended and therefore there is no set duration for manager appointments. The Delegated Investment Manager is responsible for the selection, appointment, monitoring and removal of the underlying investment managers. The Trustee is responsible for the selection, appointment and removal of the external investment managers. The Trustee may also choose to remove a fund from the fund range, if no longer considered appropriate. The fund range is formally reviewed on at least a triennial basis.

As the assets of the Scheme are invested in the pooled fund vehicles underlying the funds offered by Scottish Widows, the investment restrictions applying to these funds are determined by the investment manager.

2.3 **Responsible Investment and Corporate Governance (Voting and Engagement) Financially material considerations**

The Trustee considers that financially material considerations, including environmental, social and corporate governance ("ESG") factors (such as climate change) and risks related to these factors can contribute to the identification of investment opportunities and financially material risks, and can have a material impact on investment risk and return outcomes, over a time horizon which is the length of time that members' retirement benefits require to be funded by their investments in the Scheme. The Trustee believes that good stewardship can create and preserve value for companies and markets as a whole.

The objectives, risks and other factors referenced in this Statement are those that the Trustee considers to be financially material considerations. The Trustee believes that the appropriate time horizon within which to assess these considerations should be viewed at a member level. This will be dependent on the member's age and their selected retirement age. It is for this reason that a number of lifestyle options have been made available to members.

The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustee has delegated day-to-day management of the assets to the Delegated Investment Manager. The Delegated Investment Manager expects all underlying investment managers to incorporate the consideration of longer term factors, such as environmental, social and corporate governance ("ESG") factors, into their

decision making process where appropriate. The extent to which this is so will be considered during the selection, retention and realisation of manager appointments. Voting and engagement activity should be used by investment managers to discuss the

performance of an issuer of debt or equity. Managers' engagement policies are expected to include all relevant matters including performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, social and environmental impact and corporate governance. The Delegated Investment Manager engages with underlying investment managers on this activity and if dissatisfied will look to replace the manager. The Trustee expects external investment managers to incorporate consideration of longer term factors, such as ESG into their decision-making process where appropriate.

The Trustee considers how ESG, climate change and stewardship is integrated within Mercer's investment processes and those of the underlying managers in the monitoring process. The Trustee believes that Mercer has the necessary expertise and framework in place to effectively manage and monitor investments in line with these areas, and this is implemented through their four pillar framework: integration, stewardship, thematic investment and screening. The funds for the Scheme incorporate these four pillars as far as is practical. Mercer is expected to provide reporting on a regular basis, at least annually, on ESG integration progress, stewardship monitoring results, and climate-related metrics such as carbon footprint for equities and/or climate scenario analysis for diversified portfolios.

2.4 Member Views – Non financial matters

The views of members and other beneficiaries in relation to ethical considerations social, and environmental impact, or present and future quality of life, are not explicitly taken into account by the Trustee in the selection, retention or realisation of investments within the Scheme. The Trustee will from time to time review its policy on taking members' views into account in the selection, retention and realisation of investments.

2.5 Buying and Selling Investments

The investment managers have responsibility for buying and selling the underlying assets. As noted, the day to day activities which the investment manager carries out for the Trustee is governed by the arrangements between them and Scottish Widows, which are reviewed from time to time to ensure that the operating instructions, guidelines and restrictions remain appropriate.

3. OVERALL INVESTMENT POLICY

The Trustee recognises that members have differing investment needs, and that these needs may change during the course of members' working lifetimes. The Trustee also recognises that members have different attitudes to risk.

The Trustee regards its primary duty as providing an appropriate default investment arrangement which is appropriate for members who do not actively manage their pension investments. This default arrangement is designed to broadly meet members' typical needs and provide good outcomes for members who do not make their own investment decisions. More detail on the default investment arrangement is set out in Section 4.

The Trustee also believes it is appropriate to make available a range of investment options to allow members to choose an investment strategy according to their own assessment of what is appropriate for them, including the risks they are prepared to take.

The Trustee believes that the objectives and policies set out in this Statement ensure that the Scheme's assets are invested in the best interests of the members and beneficiaries of the Scheme.

The Trustee undertakes to review the Scheme's delegated fund choices offered to members and the Delegated Investment Manager arrangements on a regular basis. In considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of a suitably qualified investment adviser. The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Article 36 of the Order (as amended).

3.1 **Investment Objectives**

The Trustee implements these policies by:

- a. Offering members a 'Lifestyle' approach to investment strategy, and ensuring that the investment strategy options provide appropriate choices to reflect the different ways members might take benefits at retirement.
- b. Making available a range of pooled investment funds which serve to meet the varying investment needs and risk tolerances of members.
- c. Providing general guidance but not advice as to the purpose and characteristics of each investment option.
- d. Encouraging members to seek independent financial advice from an appropriate person if required to determine the most suitable option.

The Trustee will regularly review the suitability of the options provided (at least triennially) and from time to time, the Delegated Investment Manager may change the investment managers of different funds, or introduce additional investment managers as appropriate.

3.2 **Investment Risks**

The Trustee has considered the following risks which affect the Scheme's investments. The Trustee believes that these risks may be financially material to the Scheme:

- a. The risk that investment returns over members' working lives do not keep pace with inflation, and therefore do not secure an adequate retirement benefit. To mitigate this risk, the members are able to invest in a range of growth funds which are expected to provide long term growth above inflation (primarily equities), albeit with volatility.
- b. The risk that investment market movements in the period immediately prior to retirement lead to a substantial reduction in the anticipated level of retirement benefit. To mitigate this risk, members have the option of lifestyle strategies which gradually switch investments from high risk to low risk funds as the member approaches retirement. The default investment arrangement adopts a

lifestyle strategy.

- c. The risk that relative market movements in the period immediately prior to retirement lead to a substantial reduction in the anticipated cash lump sum benefit. In order to mitigate this risk, the lifestyle strategies each target a specific allocation to cash at retirement (the exact level depends on the lifestyle strategy selected by the member). Cash is gradually introduced in the years leading up to retirement.
- d. The risk that investment vehicles under-perform the expectations of the Trustee. To mitigate this risk, the Delegated Investment Manager monitors investment manager performance and regularly reports back to the Trustee. The Trustee regularly monitors investment performance at their Trustee meetings, and undertakes an investment review at least every three years to ensure that the Scheme's investment funds are delivering the desired returns with an appropriate level of risk.
- e. The risk that there are insufficient investment options available to members to meet their specific risk/return requirements. In order to mitigate this risk, members are offered a range of self-select funds to meet their risk/return needs. The Trustee regularly reviews the range of self-select funds to ensure there are sufficient options for members.
- f. The risk that the default investment arrangement may be unsuitable for the retirement needs of members invested in it. Further details regarding this risk are provided in Section 4.4.
- g. The risk that members invest in a strategy that does not reflect the way in which they intend to take their benefits at retirement. In order to mitigate this risk, the Trustee makes available three lifestyle strategies which automatically switch members' assets into investments whose value is expected to be less volatile relative to how the member wishes to access their pension savings as they approach selected retirement age. Regular communications with members may help guard against inappropriate member decisions, and members are encouraged to take independent financial advice.
- h. The risk that ESG concerns, including climate change, have a financially material impact on the return of the Scheme's assets. To mitigate this risk, the management of ESG related risks is delegated to Mercer as the Delegated Investment Manager who in turn delegates to the underlying investment managers. See Section 2.3 for the Trustee's responsible investment and corporate governance statement.

The Trustee pays close regard to risks which may arise from lack of diversification of investments. The Trustee believes that the range of funds in place provides an adequately diversified distribution of assets.

3.3 Investment Strategy

The Trustee believes that the investment options outlined in this section are appropriate for meeting the investment objectives and mitigating the risks set out in Section 3.2.

All funds are daily-dealt pooled investment arrangements, with assets invested on regulated markets.

Approach 1 – Lifestyle Options

Members can choose from three lifestyle options depending on how they wish to take their benefits in retirement:

Target Drawdown (Default) – designed for members who wish to draw a flexible income over time. This is the Scheme's default investment strategy.

Target Annuity Purchase – designed for members intending to purchase a level annuity at retirement.

Target Cash – designed for members who intend to take their pension savings as a cash lump sum at retirement.

Under the lifestyle approach, in the early years, members' assets are invested in the Mercer Growth Fund regardless of which lifestyle option is selected. Over the period of eight years from a member's chosen retirement age (which defaults to normal retirement age if no decision is made), their assets are progressively switched into funds suitable for how they wish to access their pension savings.

The Trustee has designated the Target Drawdown Lifestyle Option as the default investment strategy for those members who do not wish to make an active choice of lifestyle, or select their own funds.

Appendix A outlines the structure of the lifestyle options in more detail.

Approach 2 – Risk Profiled Funds (for those requiring some help in choosing investments)

To cater for different risk appetites of members, the Trustee offers four risk profiled funds, which are multi-asset funds targeting different risk and return objectives, in order to provide members with a choice from lower to higher risk funds. Under this approach, members determine the balance between the different kinds of investments they hold. This balance will determine the expected return on members' own risk appetite and tolerances. The four risk profiled funds are as follows:

Mercer Defensive Fund
Mercer Moderate Growth Fund
Mercer Growth Fund
Mercer High Growth Fund

The Delegated Investment Manager is responsible for making decisions on asset allocation, selection, appointment, removal and monitoring of underlying external investment managers in these risk profiled funds.

Approach 3 – Standalone Freestyle Funds

In addition to the risk profiled funds set out above, members wishing to design their own specific investment options are offered additional global equity and money market funds.

3.4 Expected Returns on Investments

The Trustee expects that over the long term growth assets such as UK and overseas equities and property should achieve returns which exceed inflation by a

margin. The Trustee has considered the trade-off between risk and returns and understands that short term volatility is to be expected, but expects that over the longer term the returns from growth assets will exceed those from less volatile asset classes such as gilts and bonds.

3.5 Realisation of Investments

The Trustee recognises that there is risk in holding assets which cannot be realised quickly should the need arise. To address this risk, the Scheme assets are held in funds which can be realised at short notice.

4. DEFAULT INVESTMENT ARRANGEMENT

4.1 Default Investment Principles

The Trustee recognises that many members do not wish or do not feel confident to take investment decisions. For that reason, the Scheme provides a default investment arrangement. Unless members make a specific request for their funds to be invested in a different way, their funds will be invested in accordance with the default investment arrangement.

The default investment arrangement is the Mercer Target Drawdown Path. When a member is younger (over eight years away from selected retirement age), their account is invested in the Mercer Growth Fund which aims to produce long-term growth in excess of inflation. At the start of the eighth calendar year before a member's selected retirement age, their assets are automatically switched into a target date fund based on their selected date of retirement. The target date fund aims to gradually move assets to investments more suitable for targeting flexible drawdown as members approach retirement.

4.2 Default Investment Strategy

4.2.1 Objectives

The aims of the default investment strategy and the ways in which the Trustee seeks to achieve these aims are as follows:

- To generate returns over the long term in excess of inflation during the savings phase of the strategy (until eight years away from retirement), whilst managing downside risk.

The default strategy's savings phase invests 100% of members' accounts in the Mercer Growth Fund. The Mercer Growth Fund is expected to provide long-term growth in excess of inflation but with greater down side protection than investing purely in equities.

- To provide a strategy that reduces investment risk for members as they approach retirement.

As a member's account grows, investment risk will have a greater impact on member outcomes. Therefore, the Trustee believes that a strategy that seeks to reduce investment risk as the member approaches retirement is appropriate.

The Mercer Target Drawdown Path therefore aims to reduce volatility near retirement via automated switches over the eight-year period before a member's selected retirement date. Investments are gradually switched from a growth-oriented fund into a combination of a diversified retirement fund (which has an allocation consisting of growth and defensive assets) and a cash fund

(for capital preservation purposes).

- To provide exposure at retirement to assets that are broadly appropriate for an individual planning to use their savings from the Scheme to invest in an income drawdown product and to take up to 25% as a tax-free cash lump sum.

For members targeting retirement before 2026, at the member's selected retirement date, 75% of their assets will be invested in a diversified retirement fund and 25% in a cash fund. For members targeting retirement from 2026 onwards, at the member's selected retirement date, 90% of their assets will be invested in a diversified retirement fund and 10% in a cash fund.

4.2.2 Policies in relation to the default investment strategy.

The Trustee's policies in relation to the default investment strategy are as follows:

- The default investment strategy manages investment risks through a diversified strategic asset allocation consisting of traditional assets i.e. equities, bonds, cash and other assets. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. Section 4.4 provides further information on the Trustee's risk policies in relation to the default investment strategy.
- In designing the default investment option, the Trustee has explicitly considered the trade-off between expected risk and returns.
- If members wish to, they can opt to choose their own investment strategy on joining, but also at any other future date.
- Assets in the default investment strategy are invested with the aim of providing security, quality, liquidity and profitability of a member's portfolio as a whole. In particular, they are invested in daily traded pooled funds, which hold liquid assets and therefore should be realisable based on member or Trustee demand. The selection, retention and realisation of assets within the pooled funds are delegated to the investment managers in line with the mandates of the funds.
- The Trustee considers illiquid assets as those which cannot easily or quickly be sold or exchanged for cash; including where such assets are invested as a component of a daily-dealing multi-asset fund. The default investment strategy includes no direct allocation to illiquid investments. The default investment strategy invests in the Mercer Growth Fund and Mercer Diversified Retirement Fund, which are multi-asset funds that do not invest in any underlying illiquid assets.

The Trustee understands the potential for higher returns and benefits of diversification that illiquid investments can offer relative to more traditional asset classes (such as bonds or equities). While these benefits are recognised by the Trustee, it is also aware of the risks associated with these investments, for example illiquidity and active manager risk. The Trustee acknowledges illiquid investments is a developing area for defined contribution pensions, and expects the Delegated Investment Manager to monitor the position closely and continue to evaluate the suitability of such an investment.

In selecting investments for the default investment strategy, the Trustee reviews modelling analysis to consider the expected impact of different strategic allocation mixes on members' projected pension savings. For any future investment, the Trustee will carefully consider whether the investment provides value for members, taking into account the potential for returns and associated risks. It is the Trustee's policy to review the investment strategy of the default investment strategy on a triennial basis in addition to the Delegated Investment Manager's more regular reviews. The Delegated Investment Manager has confirmed that such reviews will consider whether the introduction of illiquid investments is appropriate and feasible.

- Assets are invested mainly on regulated markets.
- The disclosures in Section 2.3 in relation to responsible investing also apply in relation to the default investment strategy.

4.3 **Suitability of the Default Investment Strategy**

Based on its understanding of the Scheme's membership, the Trustee believes that the above objectives and policies ensure that the Scheme's assets are invested in the best interests of the members and beneficiaries of the Scheme. This conclusion is based on the following:

- The Trustee believes that most members save into a pension arrangement to achieve an income in retirement. However, the Trustee also believes that members will utilise the pension flexibilities available to them at retirement. The targeting of flexible drawdown at retirement is aligned with both these beliefs. This does not mean that members have to take their benefits in this format at retirement - it merely determines the investment strategy that will be in place pre-retirement.
- The Trustee believes that tax-free cash lump sum at retirement will appeal to members and therefore the allocation to a multi-asset fund cash fund in the Mercer Drawdown Path addresses that requirement.
- Members seeking an adequate income in retirement will likely need to achieve real investment returns for most of their time as pension savers. The use of the Mercer Growth Fund, which has a high allocation to equities during the savings phase addresses that requirement.
- The Trustee will review the default option at least every three years. As part of this review, the Trustee will ensure that the default option remains appropriate. The Trustee will also review the investment choices available to members to ensure that those who regard the default investment strategy as unsuited to their needs have suitable alternative investment funds to select from.

4.4 **Risk**

In determining the default investment strategy, the Trustee considered risk from a number of perspectives. These are:

- a. The risk that low investment returns over members' working lives will not keep pace with inflation and the member's account does not, therefore, secure an adequate income. The Trustee has sought to reduce this risk by investing in a growth-oriented fund during the savings phase which has significant weightings in equities. This is expected to achieve a real rate of return over both price inflation and earnings growth in the long term.

- b. The risk that the decisions taken by an investment manager may have a detrimental impact on the returns of a fund. The Trustee has sought to reduce this risk by investing mainly in passive funds which attempt to replicate rather than outperform market returns. Additionally, the Trustee monitors the performance of the funds on a quarterly basis.
- c. The risk that investment market movements in the period immediately prior to retirement lead to a substantial reduction in the anticipated level of retirement benefit. In order to mitigate this risk, the Scheme makes use of Target Dated

Retirement Funds, which automatically and gradually switch members' savings to invest in lower risk funds as they approach retirement.

- d. The risk that the investment returns are affected by the concentration of investment in a single asset class/country/region. The range of funds enable diversification; by asset class (equity, bonds and cash), by region within some of the asset classes (global, UK, overseas) and within asset classes, through the use of a multi-asset growth fund.

The Trustee believes that the investment strategy details outlined in Section 4.2 are appropriate for meeting the risks outlined above. It intends to monitor members' decisions and other inputs at least triennially (or sooner if necessary) to ensure that the default investment strategy remains suitable to the Trustee's understanding of their needs.

The above items are in relation to what the Trustee considers 'financially material considerations'. The Trustee believes that the appropriate time horizon within which to assess these considerations should be viewed at a member level. This will be dependent on the member's age and their selected retirement age. It is partly for this reason that the default investment option is a lifestyle strategy.

5. COMPLIANCE WITH THIS STATEMENT

We the Trustee, Scottish Widows, and Mercer each have duties to perform to ensure compliance with this Statement. These are:

- The Trustee will review this Statement at least once every three years on the advice of Mercer and will record compliance with it at the relevant Trustee's meeting. The Trustee will monitor the Mercer Workplace Savings arrangement (provided via Scottish Widows) to ensure that the service continues to meet the Scheme's needs and objectives.
- Scottish Widows will provide full information in respect of transactions in units in the underlying funds and valuations of the units held by the Scheme from time to time as required by the Trustee.
- Mercer will provide the advice needed to allow us to review and update this Statement at least once every three years (or more frequently if required).

I Gordon

October 2023

Trustee Director

Date

The Church of Ireland Clergy Defined Contribution Pension Scheme – Northern
Ireland Section

APPENDIX A – LIFESTYLE MATRICES

Target Drawdown (Default) – For members targeting retirement before 2026

	Years to Retirement - Percentage of Fund Invested									
	8+	8	7	6	5	4	3	2	1	0
Growth Fund	100.0	100.0	87.5	75.0	62.5	50.0	37.5	25.0	12.5	0.0
Diversified Retirement Fund	0.0	0.0	12.5	25.0	37.5	50.0	62.5	67.0	71.5	75.0
Money Market Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	16.0	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Target Drawdown (Default) – For members targeting retirement in 2026 onwards

	Years to Retirement - Percentage of Fund Invested									
	8+	8	7	6	5	4	3	2	1	0
Growth Fund	100.0	100.0	87.5	75.0	62.5	50.0	37.5	25.0	12.5	0.0
Diversified Retirement Fund	0.0	0.0	12.5	25.0	37.5	50.0	62.5	75.0	82.5	90.0
Money Market Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	10.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Target Annuity Purchase

	Years to Retirement - Percentage of Fund Invested									
	8+	8	7	6	5	4	3	2	1	0
Growth Fund	100.0	100.0	87.5	75.0	62.5	50.0	37.5	25.0	12.5	0.0
Pre-Retirement Fund	0.0	0.0	12.5	25.0	37.5	50.0	62.5	67.0	71.5	75.0
Money Market Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	16.0	25.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Target Cash

	Years to Retirement - Percentage of Fund Invested									
	8+	8	7	6	5	4	3	2	1	0
Growth Fund	100.0	100.0	87.5	75.0	62.5	50.0	37.5	25.0	12.5	0.0
UK Corporate Bond Fund	0.0	0.0	12.5	25.0	37.5	50.0	37.5	25.0	12.5	0.0
Money Market Fund	0.0	0.0	0.0	0.0	0.0	0.0	25.0	50.0	75.0	100.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0