

COMPASS GROUP PENSION PLAN

Chair's Statement regarding DC Governance 2026

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE

Compass Group Pension Trustee Company Limited, the "Trustee" of the Compass Group Pension Plan (the 'Plan'), is required by law to include an annual statement regarding Defined Contribution ('DC') governance in its annual report and accounts.

This statement covers the Plan year from 6 April 2025 to 5 April 2026 and relates to both the CRISP Section of the Plan and to the DC benefits for Plan members who also have defined benefit entitlements in the Plan (referred to in this statement as the 'DC Section').

CRISP Section

The CRISP Section assets are invested via a long-term insurance policy with Aviva. Underlying the insurance policy, Aviva contracts separately with a range of external fund managers.

The DC Section

The benefits in the DC Section comprise historic transfers of money purchase benefits into the Plan and members' additional voluntary contributions ('AVCs'). The money purchase benefits are no longer receiving contributions and there are currently no members making AVCs.

The DC Section provides both "pure" money purchase benefits and some benefits that are classed as "money purchase underpin benefits". "Money purchase underpin benefits" are different from "pure" money purchase benefits because they guarantee members will receive the greater of the money purchase benefits that have been built up and an "underpin". The underpin is in the form of a protected pension underpin, GMP underpin or Reference Scheme underpin. This is referred to in legislation as "a defined benefit minimum". This means that if, at the point when the benefit comes to be paid, the underpin is higher than the member's money purchase benefits, the member will receive a "defined benefit". Because this information is not known until the benefit comes into payment, we are treating these benefits as DC benefits for the purposes of this statement.

– **DC policies**

Throughout the Plan year, DC Section policies were held with Scottish Widows and Legal & General ('L&G'). In addition, DC funds are invested within the Plan's defined benefit assets.

– **AVC policies**

Throughout the Plan year, the DC Section AVC policies were held with Aegon, Aviva, L&G, Phoenix Life, Prudential, Scottish Widows, Standard Life and Zurich. The Aegon, Phoenix Life, Scottish Widows, Standard Life and Zurich policies hold either With Profits only, or a mixture of With Profits and unit-linked funds where it has not been possible to do a partial transfer of unit-linked funds to an alternative investment arrangement.

Default arrangements and additional default arrangements

The Plan is not used as a qualifying scheme for automatic-enrolment purposes.

CRISP Section

Members who join the CRISP Section and do not choose an investment option are placed into a default arrangement (see page 5 for further details). In addition to the main default arrangement, the CRISP Section also has a number of funds into which members' funds have previously been directed without the members having instructed the Trustee. The majority of these 'additional default arrangements' arose due to the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund in June 2020, when the assets held in that fund were transferred to alternative funds in the CRISP Section self-select fund range.

The funds identified as being additional default arrangements are:

- Av MyM Mercer Growth Fund
- Av MyM Mercer Target Cash Funds – Funds used in the Mercer Target Cash Path
- Av MyM Mercer Retirement Cash
- Av MyM Mercer Passive Global Equity Fund
- Ay MyM CRISP Passive Emerging Markets Equity

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

CRISP Section (continued)

Prior to mapping members' investments across to these replacement funds, the Trustee took appropriate investment advice, considered the demographics of the affected members, and concluded that these funds were suitable for the transferring members and that the transfer of their DC funds was likely to be in their best interests. The Total Expense Ratio (TER) (which is the annual cost associated with managing and operating a fund) for all these funds is below the statutory charge cap requirement of 0.75% p.a. that applies to all default arrangements.

DC Section

No contributions have been made to the DC Section policies since 6 April 2015 (i.e. before the relevant regulations came into force). However, as members previously invested in DC policies with M&G and Prudential did not have to select where their funds were invested when they were transferred to L&G, the L&G Lifestyle Strategy and the L&G Cash Fund were considered to be default arrangements.

Since May 2024, the Plan's Legal & General arrangements have had three strategies treated as default arrangements. These are:

- L&G Multi-Asset Cash Lifestyle Strategy (the default for members who were 10 or more years from retirement in May 2024)
- L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle (the default for members who were less than 10 years from retirement in May 2024)
- L&G Cash Fund (default for members who were within 3 years of normal retirement date when their funds were transferred to L&G)

The following sections set out the asset allocations of the default arrangements and additional default arrangements, and their investment strategies and the monitoring and review of those strategies.

Asset allocations of the default arrangements and additional default arrangements

The Trustee is required to disclose the full asset allocation of investments for each default arrangement for members at different ages/periods to retirement, and where the fund invests in one or more underlying funds, the asset allocation of those underlying funds.

CRISP Section

Default arrangement – Mercer Target Cash Path

The asset allocations have been provided by the applicable fund managers as at 31 March 2026 and are based on a member with a retirement age of 65. Assuming a retirement age of 65, the asset allocation is the same over ages 25, 45 and 55.

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Default arrangement – Mercer Target Cash Path (continued)

Asset class	Percentage allocation – average 25-year-old (%)	Percentage allocation – average 45-year-old (%)	Percentage allocation – average 55-year-old (%)	Percentage allocation – average 1 day prior to age 65 (%)
Cash	0.06	0.06	0.06	100.00
Bonds	14.29	14.29	19.39	-
- Corporate bonds	4.68	4.68	4.38	-
- Government bonds	9.61	9.61	15.01	-
- Other bonds	-	-	-	-
Listed equity	85.65	85.65	75.28	-
Private equity	-	-	-	-
- Venture capital	-	-	-	-
- Growth equity	-	-	-	-
- Buyout funds	-	-	-	-
Property	-	-	-	-
Infrastructure	-	-	-	-
Private debt	-	-	-	-
Other	-	-	5.27	-
Total	100.00	100.00	100.00	100.00

Additional default arrangements

The asset allocations have been provided by the applicable fund managers as at 31 March 2026 with calculations by Mercer. The asset allocations do not change depending on age/term to retirement.

Asset class	Mercer Growth Fund (%)	Mercer Target Cash 26-28 (%)	Mercer Retirement: Cash (%)	Mercer Passive Global Equity (%)	CRISP Passive Emerging Markets Equity (%)
Cash	0.06	68.76	100.00	-	-
Bonds	21.09	12.79	-	-	-
- Corporate bonds	4.28	5.49	-	-	-
- Government bonds	16.81	7.31	-	-	-
- Other bonds	0.00	-	-	-	-
Listed equity	71.82	16.48	-	100.00	100.00
Private equity	-	-	-	-	-
- Venture capital	-	-	-	-	-
- Growth equity	-	-	-	-	-
- Buyout funds	-	-	-	-	-
Property	-	-	-	-	-
Infrastructure	-	-	-	-	-
Private debt	-	-	-	-	-
Other	7.03	1.97	-	-	-
Total	100.00	100.00	100.00	100.00	100.00

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

DC Section

Default arrangements

The asset allocations have been provided by L&G as at 31 March 2026 and are based on a member having a retirement age ('NRA') of 63, in the three default arrangements for the L&G Plan.

	Average asset allocation (%) as at 31 March 2026			
Fund and asset class	Age 25	Age 45	Age 55	Age 63 (NRA)
L&G Multi-Asset Lifestyle Strategy				
Cash	0.50	0.50	0.50	100.00
Bonds	46.80	46.80	46.80	-
Listed equity	53.20	53.20	53.20	-
Private equity	-	-	-	-
Infrastructure	-	-	-	-
Property	-	-	-	-
Private debt	-	-	-	-
Other	-	-	-	-
Total	100.00	100.00	100.00	100.000
L&G Global Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy				
Cash	-	-	-	100.00
Bonds	-	-	20.00	-
Listed equity	100.00	100.00	80.00	-
Private equity	-	-	-	-
Infrastructure	-	-	-	-
Property	-	-	-	-
Private debt	-	-	-	-
Other	-	-	-	-
Total	100.00	100.00	100.00	100.00
L&G Cash Fund				
Cash	100.0			

Source: L&G. Figures may not sum due to rounding.

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Additional default arrangement - Scottish Widows With Profits Fund

The asset allocations have been provided by Scottish Widows as at 31 December 2025. Scottish Widows only publish the asset allocation of the Fund at each calendar year end, so this is the latest data available.

Asset class	Average asset allocation (%) as at 31 December 2025			
	Age 25	Age 45	Age 55	Age 63 (NRA)
Cash ¹	See note 1			
Bonds	24.00			
Listed equity	56.00			
Private equity ¹	See note 1			
Infrastructure	0.00			
Property	8.00			
Private debt	0.00			
Other ¹	12.00			
Total	100.00			

Source: Scottish Widows. Figures may not sum due to rounding.

¹ Scottish Widows report private equity, emerging market debt and cash as 'other'.

Investment strategies of the default arrangements and additional default arrangements

CRISP Section

The current default arrangement for the CRISP Section is the Mercer Target Cash Path. During the Plan year, members moved from a common growth fund and eight single-year target retirement funds to three-year target date funds. Members investing in the growth phase are invested in the Aviva Pensions Mercer Long Term Growth Fund. By design this means that the de-risking period will be longer than that currently in place, starting from 16 years from retirement rather than eight years. At 16 years from retirement the Growth Fund will be introduced and the allocation gradually increased until a member is fully invested in this fund eight years before retirement.

The Trustee has included (as appendix A at the end of this statement) the latest copy of the Statement of Investment Principles ('SIP') prepared for the CRISP Section default arrangement, which was signed by the Trustee on 20 September 2024.

The SIP covers the following key matters in relation to the CRISP Section default arrangement:

- The Trustee's aims and objectives in relation to the investments held in the default arrangement:
 - To maximise the value of members' assets at retirement, while managing investment risk by investing predominantly in a diversified mix of bonds, equities and other asset types.
 - To maintain the purchasing power of members' savings.
 - To provide protection for members' accumulated assets in the years approaching retirement against sudden (downward) volatility in capital value and fluctuations in the (implicit and explicit) costs of securing retirement benefits.
- The Trustee's policies on issues such as the kinds of investments to be held; the balance between different kinds of investments; risks, including the ways in which risks are to be measured and managed; the expected return on investments; the realisation of investments; and the extent to which social, environmental or ethical considerations are taken into account when selecting, retaining or realising investments, and the inclusion of illiquid assets in the default investment option.
- An explanation of how these aims, objectives and policies (which together form the "default arrangement") are intended to ensure that members' assets in the default investment option are invested in the best interests of those members (and their relevant beneficiaries).

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Investment strategies of the default arrangements and additional default arrangements (continued)

CRISP Section (continued)

At the date of signing this statement, the Trustee is in the process of updating the CRISP Section SIP to reflect the move to the three-year target date funds and the closure of the CRISP Active International Equity Fund (referenced under 'CRISP Section – Self-select fund range' on page 7).

Below are the steps the Plan Trustee (and previously the CRISP Trustee) has taken to review the strategy and performance of the default arrangement.

The Trustee keeps the default arrangement under regular review and will amend it as appropriate based on its analysis of the likely requirements of the typical CRISP Section member. During the previous Plan year, the Trustee was advised by Mercer that the SmartPath default strategy would be changing in 2025 to increase the level of investment in growth assets for younger members, as described earlier in this statement. The Trustee confirmed that it was comfortable with moving members to the new strategy on the basis that:

1. The cost impact of the changes is expected to be minimal.
2. The SmartPath changes are expected to better align with the Trustee's views on how the default strategy should be structured.

These changes were implemented in December 2025.

The CRISP Trustee also undertook a review on 5 December 2023 of the continued suitability of the five funds identified as being additional default arrangements and concluded that all five remain appropriate default arrangements based on the Trustee's objectives, past performance and research by the Trustee's investment advisers, Mercer.

No standalone review of the CRISP Section default arrangement (including the additional default arrangements) was carried out during the Plan year. The Trustee is currently undertaking a broader strategic review of the CRISP Section arrangements, including a review of the bundled provider structure and default investment strategy to meet the requirements of the triennial review due by December 2026. Further details will be provided in the next Chair's Statement.

DC Section

As noted above, members previously invested in DC policies with M&G and Prudential did not have to select where their funds were invested when they were transferred to L&G and, as a result, the L&G Lifestyle Strategy and the Legal & General Cash Fund were considered to be default arrangements.

At the end of May 2024, the Trustee changed the lifestyle strategy for the Plan's L&G arrangement for members who were more than ten years from retirement. The key aims of this change were:

- to provide better asset diversification in the transition phase of the lifestyle strategy for members who had not yet reached the lifestyle risk reduction period, and
- to avoid crystallising losses incurred on the Over 15 Year Gilt Index Fund for members already in the transition phase.

As a result of these changes, the Plan's L&G arrangements now have three strategies that are treated as default arrangements. These are:

- L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy (default for members who were less than 10 years from retirement in May 2024)
- L&G Multi-Asset Cash Lifestyle Strategy (default for members who were 10 or more years from retirement in May 2024)
- L&G Cash Fund (default for members who were within 3 years of normal retirement date when their funds were transferred to L&G).

As required by law, the Trustee has included (as appendix B at the end of this statement) the latest copy of the Statement of Investment Principles ('SIP') prepared for the DC Section default arrangements, which was signed by the Trustee on 20 September 2024.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

DC Section (continued)

The SIP states that the key aim for the default arrangements is to provide a strategy that is likely to be suitable for meeting members' long and short-term investment objectives, taking into account members' term to retirement, and that in setting the default arrangements, the Trustee considered the need for appropriate diversification of asset classes and the differing investment priorities for members, depending upon their term to retirement.

CRISP Section – Self-select fund range

In addition to the CRISP Section default arrangement and additional default arrangements, the Trustee also considers the ongoing suitability of the CRISP Section self-select fund range. The Trustee considers trends in the DC market and advice from its advisers when making decisions regarding the range. The last formal review of the self-select fund range was concluded by the CRISP Trustee on 5 December 2023. The review considered the role of each of the funds offered by the CRISP Section, its recent performance and whether the addition of any new fund options might be appropriate. The review concluded that overall, the CRISP Section offered a suitable range of investment options, covering the main asset classes and risk/return characteristics, with sufficient choice to enable members to meet their investment objectives.

During the Plan year, Aviva announced the removal of the Baillie Gifford International Fund (the underlying fund of the CRISP Active International Equity Fund from its investment platform. This was due to Aviva's concerns regarding the fund's persistent underperformance against its benchmark. As a result, the Trustee reviewed the available options and agreed to move member assets invested in this fund into the Mercer Passive Global Equity Fund. This change was implemented in June 2026.

In addition to the formal reviews, the Trustee reviews the performance of the default arrangement, additional default arrangements and self-select fund range at each quarterly meeting of the Trustee's DC Committee ('DCC'). Performance is assessed against the targets of the funds (such as return and risk) as well as the overall aims and objectives as specified in the SIP, such as an appropriate reduction in risk as a member approaches retirement.

Members can review the wide range of fund information by logging into their CRISP Section account on the Aviva My Money platform www.avivamymoney.co.uk, from the CRISP Section literature or by seeking their own personal advice as they consider appropriate.

Requirements for processing Core Financial Transactions

As required by law, the Trustee must ensure that Core Financial Transactions relating to DC benefits are processed promptly and accurately. These Core Financial Transactions include (but are not limited to) the investment of any contributions, processing of transfers of members' assets into and out of the Plan, transfers of members' assets between different investments within the Plan and payments to, and in respect of, members.

The Trustee has delegated the administration of the CRISP Section, including the processing of Core Financial Transactions, to Aviva Life & Pensions UK Limited ('Aviva'). The Trustee has a service level agreement ('SLA') in place with Aviva which sets out agreed service levels regarding contribution processing, member investment transactions, processing payments out and transfers in.

The delivery of Aviva's services is independently overseen by Mercer Workplace Savings ("MWS"), which provides an additional layer of platform-level governance and operational oversight, while also working with Aviva as required to resolve any Plan specific issues that arise.

The Trustee has delegated the administration of the DC Section, including the processing of core financial transactions, to XPS Administration ('XPS'). The Trustee has a service level agreement ('SLA') in place with XPS which sets out agreed service levels regarding disinvesting in advance of member retirement, actioning requests to switch funds and providing statutory money purchase illustrations within agreed timescales.

The Trustee also has an SLA in place with L&G, which covers the DC and AVC funds invested with them. Under the SLA, L&G aims to complete all core financial transactions within five working days.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Requirements for processing Core Financial Transactions (continued)

The Trustee does not have SLAs in place with the other DC and AVC providers (this is typical of most legacy schemes). However, most of the providers operate to standard turnaround times of five to ten working days for core financial transactions. Furthermore, the Trustee expects that any issues with the DC and AVC providers processing core financial transactions to be identified through XPS's reporting to the Trustee.

The Trustee receives quarterly administration reports from Aviva and XPS to help monitor that SLAs are being met. The reports set out Aviva's and XPS's performance against their respective agreed service levels over the quarter and identify if there have been any errors or delays, which Aviva and XPS and the Trustee then work to resolve together. The Compass in-house pensions team also works with Aviva and XPS in relation to any specific issues to ensure that they are satisfactorily resolved. The Trustee also receives a quarterly governance report from L&G which includes performance against the SLA. All the reports are reviewed by the Trustee's DCC for the CRISP Section or the Governance and Operations Committee ('GOC') for the DC Section.

In addition to these formal meetings, the Compass in-house pensions team, on behalf of the Trustee, holds monthly meetings with Aviva and XPS. These meetings review the administration service being provided, agree member communication processes and progress additional projects and any ad-hoc issues that arise throughout the year.

The Plan has in place an agreed Schedule of Contributions that sets out the levels of contributions and the timescales for the Company to pay monthly contributions to the Plan. However, in practice, the Company pays the relevant contributions in much shorter timescales. Both the Compass in-house pensions team and the Trustee review the contribution summary provided in Aviva's and XPS's quarterly administration reports, which shows the amounts and dates received of the contribution submissions, and check that contributions deducted from members and due from the Company have been correctly paid to the Plan, within appropriate timescales.

The Plan's Risk Register outlines the risks to Plan members in relation to Core Financial Transactions and details the internal controls that the Trustee has put in place with its administrators and advisers to manage these risks. The risks are monitored, reviewed and reassessed by the Trustee on a quarterly basis at each DCC or GOC meeting and on an annual basis at each full Trustee Board meeting, and the Risk Register is updated to reflect new risks or issues of concern. Additional actions are also agreed to further improve the internal controls. This regular ongoing monitoring and the efforts to control risk should have a positive impact for members by potentially mitigating the risks that they are exposed to while they are members of the Plan.

During the Plan year, the Trustee completed the process of documenting its Effective System of Governance ('ESOG') in accordance with the requirements of the Pension Regulator's General Code of Practice. This was a major undertaking involving drafting and updating of the Trustee's formal processes and policies, designed to document the high standards to which the Trustee governs the Plan.

The Trustee then completed its first Own Risk Assessment ('ORA'), to assess the effectiveness of each of these processes and policies over the twelve-month assessment period to 5 April 2026.

The Trustee concluded that the processes and controls it has implemented to manage the potential risks inherent in operating the Plan have performed well over the assessment period. The Trustee is implementing an ongoing timetable for the review and assessment of all the existing ESG policies, which will cover the three-year period to the next ORA, due no later than 5 April 2029. This timetable will also form part of the Trustee and Committees' ongoing business plans.

During the last Plan year there have been no material administration service issues with Aviva's service, although administration workload continues to increase, and this has occasionally resulted in increased turnaround times for some member requests. Aviva continually monitors capacity planning and introduces additional administration resources in response to the increased level of demand. Performance against Aviva's SLAs, at CRISP Section level, was 99.5% for the Plan year. Where errors have been identified, remedial action has been taken quickly, including the involvement of the Compass in-house pensions team, MWS and Aviva through calls and regular meetings to ensure that members have not been financially disadvantaged as a result.

No issues were identified during the Plan year with respect to XPS's or L&G's processing of core financial transactions relating to the DC benefits.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Requirements for processing core financial transactions (continued)

The Trustee is satisfied that over the Plan year covered by this statement, in relation to the CRISP Section and the DC Section:

- Aviva was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- XPS was operating appropriate procedures, checks and controls and operating within the agreed SLA; and
- core financial transactions relating to the DC benefits have been processed promptly and accurately by the Plan's DC/AVC provider.

Member-borne charges and transaction costs

The Trustee is required by law to report on the charges and transaction costs, at intervals of no more than one year, for the investments used in the default arrangements, in the additional default arrangements and for the self-select and other fund options available to members, and to assess the extent to which these charges and transaction costs represent good value for members.

Where information about member charges and costs is not available, the Trustee has to make this clear, together with an explanation of what steps are being taken to obtain the missing information.

The Trustee is also required to include information on any specified performance-based fees that are incurred in relation to each default arrangement. There have been no such fees levied on any of the CRISP Section or the DC Section default arrangements or additional default arrangements during the Plan's year covered by this statement.

When preparing this section of the statement the Trustee has taken account of the relevant statutory guidance.

The following tables set out for each of the CRISP Section and the DC Section the charges and transaction costs that applied during the Plan year. All expenses associated with the CRISP Section funds and unit-linked funds in the DC Section are deducted as a percentage from a member's fund.

The Total Expense Ratio ('TER') represents the total explicit cost of operating and managing the fund, including the published Annual Management Charge ('AMC') and Fund Management Charge ('FMC'), if applicable (the fees the manager charges to manage the fund) and additional expenses incurred in managing the fund that are not due to the fund manager which include, but are not limited to, custodial fees, legal fees and brokerage fees. As the CRISP Section and most of the DC Section policies are bundled arrangements, the TERs also include the administration charge from the provider.

The TER does not include transaction costs. Transaction costs are additional costs incurred by fund managers as a result of buying, selling, lending or borrowing investments. These costs are implicit and are reflected in the returns on the fund.

Providers calculate transaction costs quarterly. The transaction costs shown in this statement are therefore for the twelve-month period to 31 March 2026, with the exception of some Aviva legacy funds, which are to 30 September 2025. The prescribed method for calculating transaction costs can result in a negative cost, or gain, to the fund. If negative transaction costs have been reported, these have been set to zero by the Trustee to avoid potentially understating costs.

The Trustee formally reviews the charges and transaction costs on an annual basis and works closely with the Plan's investment managers to obtain the lowest possible charges for all the available fund options. Specifically, the Trustee can confirm that in the case of the CRISP Section the default arrangement and the additional default arrangements have remained within the statutory charge cap of 0.75% p.a. of funds under management since April 2015 and the Plan's investment advisers and Aviva monitor these charges on a quarterly basis to ensure they remain within the cap.

A median charge has not been calculated across the Plan as a whole on the basis that the CRISP Section and the DC Section have distinct structures, providers and member demographics. The charges used in the separate assumptions for both the CRISP Section and the DC Section (on pages 15 and 18) are representative for each section's membership.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

CRISP Section

The default arrangement has been set up as a lifestyle approach, which means that members' assets are automatically moved between different investment funds as they approach their target retirement date. This also means that the level of charges and transaction costs will vary depending on how close members are to their target retirement date and in which funds they are invested.

The table below illustrates the charges and transaction costs applicable to each component fund within the default arrangement.

Missing information

There is no missing transaction cost data in respect of the CRISP Section default arrangements.

	Fund Name	Total Expense Ratio (%p.a.)	Transaction Cost (%)
Default Target Date Funds	Mercer Retirement: Cash M5	0.26%	0.02%
	Mercer Target Cash - Retiring 2026-2028 M5	0.32%	0.01%
	Mercer Target Cash - Retiring 2029-2031 M5	0.41%	0.06%
	Mercer Target Cash - Retiring 2032-2034 M5	0.39%	0.07%
	Mercer Target Cash - Retiring 2035-2037 M5	0.39%	0.14%
	Mercer Target Cash - Retiring 2038-2040 M5	0.37%	0.05%
	Mercer Target Cash - Retiring 2041-2043 M5	0.37%	0.06%
	Mercer Target Cash - Retiring 2044-2046 M5	0.37%	0.06%
	Mercer Target Cash - Retiring 2047-2049 M5	0.37%	0.02%
	Mercer Target Cash - Retiring 2050-2052 M5	0.37%	0.02%
	Mercer Target Cash - Retiring 2053-2055 M5	0.37%	0.09%
	Mercer Target Cash - Retiring 2056-2058 M5	0.37%	0.09%
	Mercer Target Cash - Retiring 2059-2061 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2062-2064 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2065-2067 M5	0.37%	0.03%
	Mercer Target Cash - Retiring 2068-2070 M5	0.37%	0.06%
	Mercer Target Cash - Retiring 2071-2073 M5	0.37%	0.06%
	Mercer Target Cash - Retiring 2074-2076 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2077-2079 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2080-2082 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2083-2085 M5	0.37%	0.07%
	Mercer Target Cash - Retiring 2086-2088 M5	0.37%	0.07%

Source: Aviva, fee information is shown as at 5 April 2026. Transaction costs shown are those applicable for the 12 months to 31 March 2026 unless otherwise stated.

In addition to the default arrangement, members also have the option to invest in two other derisking arrangements that target annuity purchase or income drawdown, along with a range of self-select funds options.

The charges and transaction costs for the rest of the CRISP Section fund range in which individuals were invested at 31 March 2026 are detailed in the tables below.

Missing information

There is no missing transaction cost data in respect of the CRISP Section self-select investment options.

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CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Member-borne charges and transaction costs (continued)

CRISP Section (continued)

Fund Name	Total Expense Ratio (%p.a.)	Transaction Cost (%)
Target Date Funds		
Mercer Retirement: Annuity M5	0.29%	0.01%
Mercer Target Annuity - Retiring 2026-2028 M5	0.31%	0.02%
Mercer Target Annuity - Retiring 2029-2031 M5	0.35%	0.04%
Mercer Target Annuity - Retiring 2032-2034 M5	0.38%	0.07%
Mercer Target Annuity - Retiring 2035-2037 M5	0.39%	0.06%
Mercer Retirement: Drawdown M2	0.40%	0.04%
Mercer Target Drawdown - Retiring 2026-2028 M5	0.45%	0.02%
Mercer Target Drawdown - Retiring 2029-2031 M5	0.43%	0.04%
Mercer Target Drawdown - Retiring 2032-2034 M5	0.40%	0.07%
Mercer Target Drawdown - Retiring 2035-2037 M5	0.39%	0.17%
Equity		
Aviva Pension MyM BlackRock Aq Connect (30:70) Currency Hdgd Global Equity Index	0.29%	0.07%
Aviva Pension MyM Legal & General (PMC) FTSE4Good Developed Equity Index	0.36%	0.01%
Aviva Pension MyM CRISP Active International Equities	0.54%	0.14%
Aviva Pension MyM BlackRock Aq Connect UK Equity Index	0.22%	0.24%
Mercer Shariah Long Term Growth	0.34%	0.03%
Mercer Passive Global Equity	0.23%	0.00%
Aviva Pension MyM CRISP Passive Sustainable Global Equity	0.28%	0.02%
Aviva Pension MyM CRISP Passive Emerging Markets Equity	0.34%	0.03%
Risk Rated Funds		
Mercer High Growth / Higher Risk	0.35%	0.07%
Mercer Growth / Balanced Risk S5 (wo retirement de-risking)	0.39%	0.07%
Mercer Moderate Growth / Moderate Risk	0.36%	0.08%
Mercer Diversified Retirement S5	0.42%	0.06%
Fixed Income		
Mercer Annuity Aware	0.25%	0.00%
Aviva Pension MyM CRISP Active Bond	0.65%	0.60%
Aviva Pension MyM BlackRock Aq Connect Over 5 Year Index-Linked Gilt Index	0.22%	-0.01%
Money Market		
Aviva Pension MyM CRISP Money Market and Cash	0.21%	0.03%

Source: Aviva, fee information is shown as at 5 April 2026. Transaction costs shown are those applicable for the 12 months to 31 March 2026.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Member-borne charges and transaction costs (continued)

DC Section

The charges and transaction costs for the funds members invested in through the DC Section during the Plan year are detailed in the tables below.

Missing information

Aviva have not provided costs and charges for the Aviva My Future Consolidation Fund, and the transaction costs provided for all other Aviva funds, with the exception of the Aviva Basic PAF (PM) Fund and the Aviva Bonus PAF (PM) Fund, are for the twelve-month period to 30 September 2025. The Trustee has requested transaction costs for the twelve-month period to 31 March 2026 from Aviva regularly and has expressed its dissatisfaction that it has not been provided for all funds held or for the relevant period. The Trustee will continue to make regular requests for the information, engaging the support of its investment consultant as appropriate.

Transaction costs information is also not available for the L&G Sustainable Property Fund for the period for which members were invested in the Fund prior to its closure by the Trustee during Q3 2025.

Money purchase policies

Fund name	TER % p.a.	TC % p.a.	Total costs % p.a.
L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy	0.46 – 0.51 ¹	0.04 – 0.05 ¹	0.50 – 0.55 ¹
L&G Multi-Asset Lifestyle Strategy	0.46 – 0.50 ¹	0.02 – 0.04 ¹	0.50 – 0.52 ¹
L&G All Stocks Gilts Index	0.45	0.00	0.45
L&G Asia Pacific ex Japan Equity Index	0.51	0.03	0.54
L&G Cash	0.46	0.04	0.50
L&G Europe (Ex-UK) Equity Index	0.49	0.04	0.53
L&G Global Equity 30:70 Index Currency Hedged	0.51	0.04	0.55
L&G Managed	0.51	0.05	0.56
L&G Multi-Asset	0.50	0.02	0.52
L&G North America Equity Index	0.49	0.01	0.50
L&G Over 15 Year Gilts Index	0.45	0.06	0.51
L&G Sustainable Property	2.06 ²	Not available	Not available
L&G UK Equity Index	0.47	0.00	0.47
Scottish Widows With Profits Fund	0.875	0.23	1.105

Source: L&G and Scottish Widows

¹ Depending upon member term to retirement.

² The TER L&G reports for this Fund no longer include the property expense ratio. This Fund was closed by the Trustee during Q3 2025 therefore members were not invested for the whole reporting period, and transaction costs are not available.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Member-borne charges and transaction costs (continued)

AVC policies

Fund name	TER % p.a.	TC % p.a.	Total costs % p.a.
Aegon Cash Fund	1.01	0.00	1.01
Aegon With Profit Endowment Fund	1.00	0.02	1.02
Aegon Mixed Fund	1.02	0.09	1.11
Aegon High Equity With Profit Fund	1.00	0.07	1.07
Aviva Basic PAF (PM) Fund	1.25	0.04	1.29
Aviva Bonus PAF (PM) Fund	1.25	0.04	1.29
Aviva Asia Pacific ex Japan Equities ¹	0.49	0.18	0.67
Aviva AXA Framlington Global Sustainable Managed (formerly Managed Balanced) ¹	0.51	0.16	0.67
Aviva Baillie Gifford Managed ¹	0.49	0.24	0.73
Aviva Cash ¹	0.45	0.00	0.45
Aviva Ethical Distribution ¹	0.47	0.05	0.52
Aviva Europe ex UK Equities ¹	0.48	0.00	0.48
Aviva Fixed Interest ¹	0.46	0.08	0.54
Aviva Global Distribution ¹	0.47	0.03	0.50
Aviva Global Equities ¹	0.47	0.19	0.66
Aviva Global Managed ¹	0.48	0.05	0.53
Aviva Higher Income ¹	0.46	0.29	0.75
Aviva Index-Linked ¹	0.47	0.00	0.47
Aviva Japan Equities ¹	0.53	0.24	0.77
Aviva JPM UK Equity Growth ¹	0.55	0.43	0.98
Aviva Managed ¹	0.48	0.05	0.53
Aviva My Future Consolidation ¹	Not available	Not available	Not available
Aviva Overseas ¹	0.47	0.18	0.65
Aviva Property ¹	0.45	0.00	0.45
Aviva Reserve ¹	0.49	0.03	0.52
Aviva Lifestyle Retirement 2030 ¹	0.45	0.08	0.53
Aviva Lifestyle Retirement 2035 ¹	0.45	0.13	0.58
Aviva Lifestyle Retirement 2040 ¹	0.45	0.14	0.59
Aviva Retirement Distribution ¹	0.47	0.03	0.50
Aviva UK Equity ¹	0.46	0.17	0.63
Aviva UK Tracker ¹	0.45	0.00	0.45
Aviva With Profit ¹	1.08	0.02	1.10
L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy	0.45- 0.51 ²	0.04 – 0.05 ²	0.50 – 0.55 ²
L&G Multi-Asset Lifestyle Strategy	0.46- 0.50 ²	0.02 – 0.04 ²	0.50 – 0.52 ²

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Member-borne charges and transaction costs (continued)

AVC policies (continued)

Fund name	TER % p.a.	TC % p.a.	Total costs % p.a.
L&G All Stocks Gilts Index	0.45	0.00	0.45
L&G Asia Pacific ex Japan Equity Index	0.51	0.03	0.54
L&G Cash	0.46	0.04	0.50
L&G Europe (Ex-UK) Equity Index	0.49	0.04	0.53
L&G Global Equity 30:70 Index Currency Hedged	0.51	0.04	0.55
L&G Managed	0.51	0.05	0.56
L&G Multi-Asset	0.50	0.02	0.52
L&G North America Equity Index	0.49	0.01	0.50
L&G Over 15 Year Gilts Index	0.45	0.06	0.51
L&G Sustainable Property	2.06	Not available	Not available
L&G UK Equity Index	0.47	0.00	0.47
Phoenix Life With-Profits	1.00 ⁴	0.11	1.11
Prudential Deposit Fund	See note 5	0.00	See note 5
Standard Life At Retirement Multi-Asset Universal	1.05	0.16	1.21
Standard Life Stock Exchange	1.03	0.11	1.14
Standard Life Money Market	1.01	0.01	1.02
Standard Life Pension Millennium With Profits	1.00 ⁶	0.08	1.08
Standard Life Pension With Profits	1.00 ⁶	0.07	1.07
Standard Life UK Equity	1.01	0.00	1.01
Zurich With-Profits 90:10	See note 7	0.02	See note 7

Source: Providers

¹ Transaction costs to 30 September 2025.

² Depending upon member term to retirement.

³ The TER L&G reports for this Fund no longer include the property expense ratio, This Fund was closed by the Trustee during Q3 2025 therefore members were not invested for the whole reporting period, and transaction costs are not available.

⁴ These charges are not explicit. The costs of running the Fund are taken into account when the bonus rate on the Fund is declared each year; however, Phoenix Life has provided an estimate of the charges, and these are reported in the table above.

⁵ The Prudential Deposit Fund is not subject to any explicit charges. The costs of running the Fund are taken into account in the interest rate added, but they are not disclosed by Prudential.

⁶ The charges on the Fund are not explicit. The costs of running the Fund are taken into account when the bonus rate on the Fund is declared each year; however Standard Life provides an estimate of the charges, and these are reported in the table above.

⁷ The Zurich With-Profits 90:10 Fund is not subject to any explicit charges. The costs of running the Fund are taken into account when the bonus rate is declared and Zurich has confirmed these are, on average, less than 0.7% p.a.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges

The Trustee is required to illustrate the cumulative effect over time of the costs and charges that apply to members with DC benefits.

The Regulations allow the Trustee to exercise its discretion with regards to the illustrative examples provided as long as they are realistic and representative of members with DC benefits.

The Trustee has taken account of the statutory guidance when preparing these illustrations. The illustrations are based on several assumptions about the future, which are set out for each of the CRISP Section and DC Section. Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on typical members of the Plan, they are not a substitute for the individual, personalised illustrations provided to members in their annual benefit statements.

CRISP Section

Notes and assumptions

1. Projected pension fund values are shown in today's terms, and do not need to be reduced further for the effect of future inflation. Future inflation is assumed to be 2.5% p.a.
2. The illustrations use the average of the last 5 years' transaction costs, or less if under 5 years' transaction costs are available.
3. The gross assumption taken from SMPI statements is assumed to be gross of ongoing charges, but net of transaction costs.
4. The starting fund size is assumed to be £0.
5. Values are estimates and are not guaranteed. The illustrations do not indicate the likely variance and volatility in the possible outcomes for each fund.
6. A floor of 0% p.a. has been used for the transaction costs if these were negative in any year so as not to potentially understate the effect of charges on fund values over time.
7. All values are shown to three significant figures.
8. The charges used are representative of the CRISP Section membership. A median charge has not been calculated across the Plan as a whole on the basis that the CRISP Section and the DC Section have distinct structures, providers and member demographics.

Illustrations are provided for one active example member of the CRISP Section to demonstrate the effect of costs and charges for the investment funds and strategies offered and take account of initial savings fund size, contributions, real terms investment return gross of costs and charges, adjustment for the effect of costs and charges and time to retirement.

As each member has a different amount of savings within the CRISP Section and the amount of any future investment returns and future costs and charges cannot be known in advance, the Trustee has had to make a number of assumptions. To ensure that these assumptions are representative of the CRISP Section membership, the Trustee has based the illustrations on the youngest member age of 24 who is assumed to retire at age 65, using a starting fund of £0, a starting salary of £32,800 that increases in line with inflation, and a total contribution rate of 12% (6% from the employee and 6% from the employer, including tax relief).

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

CRISP Section (continued)

Year	Default arrangement (Most Popular)		Most Expensive Fund		Cheapest Fund	
	Mercer Target Cash Path		Av MyM CRISP Active Bond		Av MyM BlackRock Aq Connect Over 5 Year Index-Linked Glt Idx	
	Gross SMPI growth rate: 2.0% - 4.0%		Gross SMPI growth rate: 2.0%		Gross SMPI growth rate: 7.0%	
	TER: 0.26% - 0.37%		TER: 0.65%		TER: 0.22%	
	Transaction cost: 0.04% - 0.13%		Transaction cost: 0.53%		Transaction cost: 0.00%	
	Fund Size with no Charges Incurred (£)	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
1	£3,962	£3,945	£3,937	£3,890	£4,017	£4,008
2	£8,082	£8,029	£7,973	£7,833	£8,314	£8,287
3	£12,364	£12,256	£12,111	£11,830	£12,908	£12,851
4	£16,812	£16,631	£16,355	£15,884	£17,814	£17,716
5	£21,432	£21,156	£20,706	£19,996	£23,050	£22,896
10	£47,300	£46,198	£44,167	£41,499	£54,803	£54,125
15	£78,309	£75,695	£70,745	£64,769	£97,799	£96,020
20	£115,265	£110,294	£100,851	£90,099	£155,259	£151,508
25	£159,092	£150,728	£134,948	£117,816	£231,250	£224,256
30	£211,429	£198,096	£173,561	£148,285	£330,912	£318,851
35	£274,190	£253,627	£217,282	£181,918	£460,725	£441,021
40	£337,885	£309,958	£266,784	£219,177	£628,849	£597,910
41	£355,936	£326,809	£288,370	£235,211	£709,043	£672,313

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

CRISP Section (continued)

Year	Additional Default Funds							
	Mercer Retirement: Cash		Mercer Passive Global Equity		Mercer Growth Fund / Balanced Risk S5		Av MyM CRISP Passive Emerging Markets Equity	
	Gross SMPI rate: 2.0%		Gross SMPI rate: 6.0%		Gross SMPI rate: 4.0%		Gross SMPI rate: 6.0%	
	TER: 0.26%		TER: 0.23%		TER: 0.39%		TER: 0.34%	
	Transaction Cost: 0.02%		Transaction Cost: 0.01%		Transaction Cost: 0.13%		Transaction Cost: 0.04%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
1	£3,927	£3,916	£3,999	£3,989	£3,965	£3,945	£4,000	£3,984
2	£7,934	£7,901	£8,238	£8,209	£8,094	£8,032	£8,241	£8,193
3	£12,021	£11,956	£12,728	£12,668	£12,392	£12,265	£12,735	£12,637
4	£16,193	£16,083	£17,481	£17,377	£16,864	£16,649	£17,493	£17,326
5	£20,449	£20,284	£22,508	£22,348	£21,516	£21,187	£22,528	£22,269
10	£43,096	£42,475	£52,206	£51,522	£47,668	£46,354	£52,303	£51,197
15	£68,240	£66,852	£90,836	£89,099	£79,220	£76,091	£91,091	£88,286
20	£96,222	£93,731	£140,517	£136,976	£117,044	£111,070	£141,049	£135,338
25	£127,425	£123,466	£203,824	£197,442	£162,145	£152,056	£204,798	£194,515
30	£162,285	£156,458	£283,884	£273,246	£215,673	£199,917	£285,527	£268,408
35	£201,291	£193,158	£384,484	£367,691	£278,945	£255,642	£387,102	£360,113
40	£244,999	£234,078	£510,207	£484,738	£353,469	£320,351	£514,211	£473,328
41	£254,359	£242,818	£538,835	£511,261	£369,872	£334,480	£543,177	£498,927

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

DC Section

Notes and assumptions

1. The member ages and starting fund values used in the projections are representative of the DC Section membership as at 5 April 2026.
2. Fund values shown are estimates and are not guaranteed (starting and projected fund values have been rounded to the nearest £10 unless the impact of rounding would be disproportionate).
3. The illustrations assume no further contributions are paid.
4. The illustrations are shown in today's terms, and do not need to be reduced further for the effect of inflation, which is assumed to be 2.5% each year.
5. The assumed growth rates used are consistent with the growth rates providers use in members' annual benefit statements. These are determined by the statutory guidance for producing money purchase illustrations and are now based on the historic volatility of the fund, not expected future returns.
6. Where assumed growth rates are lower than the rate of inflation, the fund value will reduce over time in the illustrations above, even before allowing for costs and charges.
7. For the L&G Lifestyle Strategies, the illustrations take into account the changing proportion invested in the different underlying funds, depending upon term to retirement.
8. Transaction costs for all funds have been averaged over a five-year period in line with statutory guidance to reduce the level of volatility.
9. A floor of 0% p.a. has been used for the transaction costs if these were negative in any year so as not to potentially understate the effect of charges on fund values over time.
10. The charges used are representative of the DC Section membership. A median charge has not been calculated across the Plan as a whole on the basis that the CRISP Section and the DC Section have distinct structures, providers and member demographics.

The Trustee has decided to illustrate four example members:

- Example member 1: the youngest L&G member (age 50) with a retirement age of 63 and a starting fund value of £730.
- Example member 2: the average L&G member (age 59) with a retirement age of 63 and a starting fund value of £5,270.
- Example member 3: the youngest Scottish Widows member (age 47) with a retirement age of 63 and a starting fund value of £960.
- Example member 4: the average Scottish Widows member (age 58) with a retirement age of 63 and a starting fund value of £17,560.

For the example members invested with L&G (example member 1 and example member 2), the Trustee has produced illustrations to demonstrate the effect of costs and charges for the L&G default arrangements (i.e. the L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy, the L&G Multi-Asset Lifestyle Strategy and the L&G Cash Fund).

Illustrations are also included for the L&G Managed Fund (which had the highest charges over this reporting period) and the L&G Cash Fund (which had the lowest charges over this reporting period).

For the example members invested with Scottish Widows (example member 3 and example member 4), the Trustee has produced illustrations for the Scottish Widows With Profits Fund, as this is the only fund available to these members.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

DC Section (continued)

The tables below illustrate the effect of the costs and charges at different ages on these example members' projected fund values.

Example member 1

For the youngest L&G deferred member, the estimated impact of charges on accumulated fund values is shown in the tables below.

Year	Default arrangements					
	L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy		L&G Multi-Asset Lifestyle Strategy		L&G Cash Fund	
	Growth rate: 2.0% p.a. – 7.0% p.a. ¹		Growth rate: 2.0% p.a. – 7.0% p.a. ¹		Growth rate: 2.0% p.a.	
	TER: 0.46% - 0.51% ¹		TER: 0.46% – 0.50% ¹		TER: 0.46%	
	Transaction Cost: 0.04% – 0.07% ¹		Transaction Cost: 0.03% - 0.04% ¹		Transaction Cost: 0.04%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
5	£860	£840	£790	£770	£710	£700
10	£1,040	£990	£840	£800	£700	£660
13	£1,100	£1,030	£860	£810	£690	£650

¹ Depending upon member term to retirement.

Year	Other funds			
	L&G Managed Fund (highest charges)		L&G Cash Fund (lowest charges)	
	Growth rate: 6.0% p.a.		Growth rate: 2.0% p.a.	
	TER: 0.51%		TER: 0.46%	
	Transaction Cost: 0.05		Transaction Cost: 0.04%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
5	£860	£840	£710	£700
10	£1,020	£970	£700	£660
13	£1,130	£1,050	£690	£650

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

DC Section (continued)

Example member 2

For the average L&G deferred member, the estimated impact of charges on accumulated fund values is shown in the tables below.

Year	Default arrangements					
	L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy		L&G Multi-Asset Lifestyle Strategy		L&G Cash Fund	
	Growth rate: 2.0% p.a. – 7.0% p.a. ¹		Growth rate: 2.0% p.a. – 7.0% p.a. ¹		Growth rate: 2.0% p.a.	
	TER: 0.46% - 0.51% ¹		TER: 0.46% – 0.50% ¹		TER: 0.46%	
	Transaction Cost: 0.04% – 0.07% ¹		Transaction Cost: 0.03% - 0.04% ¹		Transaction Cost: 0.04%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
1	£5,490	£5,460	£5,350	£5,320	£5,240	£5,220
4	£5,800	£5,690	£5,470	£5,360	£5,170	£5,080

¹ Depending upon member term to retirement.

Year	Other funds			
	L&G Managed Fund (highest charges)		L&G Cash Fund (lowest charges)	
	Growth rate: 6.0% p.a.		Growth rate: 2.0% p.a.	
	TER: 0.51%		TER: 0.46%	
	Transaction Cost: 0.05%		Transaction Cost: 0.04%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
1	£5,450	£5,420	£5,240	£5,220
4	£6,030	£5,900	£5,170	£5,080

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Illustrations to show the effect of costs and charges (continued)

DC Section (continued)

Example member 3

For the youngest Scottish Widows deferred member, the estimated impact of charges on accumulated fund values is shown in the table below.

Year	Scottish Widows With Profits Fund	
	Growth rate: 4.0% p.a.	
	TER: 0.875%	
	Transaction Cost: 0.26%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
3	£1,000	£970
8	£1,080	£990
13	£1,160	£1,000
16	£1,210	£1,020

Example member 4

For the average Scottish Widows deferred member, the estimated impact of charges on accumulated fund values is shown in the table below.

Year	Scottish Widows With Profits Fund	
	Growth rate: 4.0% p.a.	
	TER: 0.875%	
	Transaction Cost: 0.26%	
	Fund Size with no Charges Incurred	Fund Size with Charges Incurred
2	£18,080	£17,680
5	£18,880	£17,870

Net investment returns

The Trustee is required to set out the investment returns, net of all costs and charges, for the funds in which the CRISP Section and DC Section members are invested. These must be calculated at intervals of no more than one year.

It is important to note that past performance is not a guide to future performance.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

CRISP Section

The net investment returns set out below have been prepared having regard to the statutory guidance and have not deviated from the approach set out in that guidance. There were no members aged 25, 45, or 55 invested in the Alternative strategies (Annuity Purchase and Income Drawdown) as at 31 March 2026.

Default arrangement - Cash option	Annualised returns to 31 March 2026 (%)	
Age of member at start of period	1-year	5 years
25	15.1*	**
45	15.0*	**
55	16.0*	**

* Performance shown is illustrative as members were transitioned into the Default in December 2025.

** Longer-term illustrative performance is not available for the Default strategy.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Net investment returns (continued)

CRISP Section (continued)

Target date funds	Annualised returns to 31 March 2026 (%)	
	1 year	5 years
Mercer Retirement: Cash	4.2	3.4
Mercer Target Cash - Retiring 2026-2028 ¹	8.4	-
Mercer Target Cash - Retiring 2029-2031 ¹	12.5	-
Mercer Target Cash - Retiring 2032-2034 ¹	14.1	-
Mercer Target Cash - Retiring 2035-2037 ¹	16.2	-
Mercer Target Cash - Retiring 2038-2040 ¹	15.0	-
Mercer Target Cash - Retiring 2041-2043 ¹	15.3	-
Mercer Target Cash - Retiring 2044-2046 ¹	15.3	-
Mercer Target Cash - Retiring 2047-2049 ¹	15.3	-
Mercer Target Cash - Retiring 2050-2052 ¹	15.3	-
Mercer Target Cash - Retiring 2053-2055 ¹	15.3	-
Mercer Target Cash - Retiring 2056-2058 ¹	15.3	-
Mercer Target Cash - Retiring 2059-2061 ¹	15.3	-
Mercer Target Cash - Retiring 2062-2064 ¹	15.3	-
Mercer Target Cash - Retiring 2065-2067 ¹	15.3	-
Mercer Target Cash - Retiring 2068-2070 ¹	15.3	-
Mercer Target Cash - Retiring 2071-2073 ¹	15.3	-
Mercer Retirement: Annuity	2.9	-2.9
Mercer Target Annuity - Retiring 2026-2028 ¹	5.7	-
Mercer Target Annuity - Retiring 2032-2034 ¹	14.0	-
Diversified Retirement	9.7	3.8
Mercer Target Drawdown - Retiring 2029-2031 ¹	12.5	-
Mercer Target Drawdown - Retiring 2032-2034 ¹	14.1	-

¹Five-year performance for this fund is not yet available, as the fund has not been included in the fund range for 5 years. One year performance shown is indicative.

The default strategy changed from a Target Retirement Fund approach to a Target Date Fund approach in December 2025.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Net investment returns (continued)

CRISP Section (continued)

Self-select fund	Annualised returns to 31 March 2026 (%)	
	1 year	5 years
Mercer Moderate Growth / Moderate Risk	10.3	3.5
Mercer Growth / Balanced Risk	14.0	5.4
Mercer High Growth / Higher Risk	13.8	5.9
Diversified Retirement	9.7	3.8
Mercer Passive Global Equity	15.5	11.2
Mercer Passive Shariah	20.4	13.5
Mercer Annuity Aware Fund	2.5	-5.0
BlackRock - Passive Global Equity (30:70) (GBP Hedged)	20.3	10.5
CRISP Active International Equities	7.8	2.1
BlackRock - Passive UK Equity	19.2	9.7
L&G - Ethical Global Equity Index	17.5	11.7
CRISP Passive Emerging Markets Equity ²	27.1	3.2
CRISP Passive Sustainable Global Equity ¹	13.7	-
CRISP Money Market and Cash	4.3	3.4
BlackRock - Passive Index-Linked Gilts	3.2	-8.8
CRISP Active Bond	4.6	2.3

Source: Aviva and Mercer.

Performance shown net of all charges and transaction costs. Performance of standalone self-select options is independent of age; therefore, performance is shown in a different format to the lifestyle performance in the default arrangement and additional default arrangements tables. Negative performance figures mean that the value of the underlying assets in which the fund invests have fallen in value over the period shown.

¹ Five-year performance for this fund is not yet available, as the fund has not been included in the fund range for 5 years.

² Five-year performance includes performance of the previously actively managed strategy up to 31 March 2023 and the current passively managed strategy to 31 March 2026.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

DC Section

The net investment returns set out below have been prepared having regard to the statutory guidance. For the Aegon, Aviva and Standard Life With Profits Funds, the net investment returns shown are the annualised bonus rates declared on the funds over one and five years to the most recent bonus declaration date. In practice, we would expect a terminal bonus to increase returns close to the returns achieved by the underlying assets of the With Profits Fund over the period held (after allowing for all costs of running the fund, including the costs of any guarantees). However, these amounts are unknown and are not guaranteed. Furthermore, a market value reduction, which can reduce the return delivered to investors, may be applied on exit from the With Profits Fund at any time other than at maturity date, or in the event of death before retirement.

For the Scottish Widows, Phoenix Life and Zurich With Profits Funds members are invested in, the net returns shown are the bonus rates that have been added to the guaranteed sum assured at retirement over one and five years to 31 December 2025.

The guidance states that, where the net returns vary with age i.e. the L&G lifestyle strategies, they should be shown for members aged 25, 45 and 55 at the start of the investment reporting period. The net returns for the investment options which vary with age are based on a member having a normal retirement age of 63.

Money purchase policies

(i) L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy

Age of member at the start of the reporting period:	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
25	18.2	9.8
45	18.2	9.8
55	13.8	0.3

Source: L&G (underlying returns) and Aon (age-related investment returns)

(ii) L&G Multi-Asset Lifestyle Strategy

Age of member at the start of the reporting period:	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
25	11.1	4.0
45	11.1	4.0
55	11.1	4.0

Source: L&G (underlying returns) and Aon (age-related investment returns)

(iii) Individual Funds

Fund	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
L&G Cash	3.7	2.9
Scottish Widows With Profits	2.5	2.0

Source: L&G and Scottish Widows

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Net investment returns (continued)

DC Section (continued)

Money purchase policies (continued)

(iv) Self-select funds

Fund	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
L&G All Stocks Gilts Index	1.8	-4.8
L&G Asia Pacific ex Japan Equity Index	52.9	9.6
L&G Cash	3.7	2.9
L&G Europe (Ex-UK) Equity Index	14.4	7.8
L&G Global Equity 30:70 Index Currency Hedged	18.2	9.9
L&G Managed	12.0	5.8
L&G Multi-Asset	11.1	4.0
L&G North America Equity Index	12.7	11.6
L&G Over 15 Year Gilts Index	-0.6	-11.1
L&G Sustainable Property ¹	5.2	1.1
L&G UK Equity Index	21.7	10.6

Source: L&G, except Sustainable Property sourced from Financial Express Analytics

¹This Fund was closed by the Trustee during Q3 2025 therefore members were not invested for the whole reporting period.

AVC policies

(i) L&G Global Equity Market Weights 30:70 Index 75% Currency Hedged 10-Year Lifestyle Strategy

Age of member at the start of the reporting period:	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
25	18.2	9.8
45	18.2	9.8
55	13.8	0.3

Source: L&G (underlying returns) and Aon (age-related investment returns)

(ii) L&G Multi-Asset Lifestyle Strategy

Age of member at the start of the reporting period:	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
25	11.1	4.0
45	11.1	4.0
55	11.1	4.0

Source: L&G (underlying returns) and Aon (age-related investment returns)

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Net investment returns (continued)

DC Section (continued)

AVC policies (continued)

(iii) Self-select funds

Fund	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
Aegon Cash	3.2	2.4
Aegon High Equity With Profit	3.5	2.5
Aegon Mixed	12.3	4.7
Aegon With Profit Endowment	0.0	0.0
Aviva Pension Assured (PM)	0.3	0.2
Aviva Asia Pacific ex Japan Equities	29.5	4.8
Aviva AXA Framlington Global Sustainable Managed	6.3	3.7
Aviva Baillie Gifford Managed	3.5	-0.8
Aviva Cash	3.9	3.0
Aviva Ethical Distribution	1.8	-0.8
Aviva Europe ex UK Equities	7.2	7.6
Aviva Fixed Interest	3.0	-2.7
Aviva Global Distribution	10.3	4.0
Aviva Global Equities	14.9	10.4
Aviva Global Managed	13.8	8.0
Aviva Higher Income	19.0	8.7
Aviva Index-Linked	3.6	-7.3
Aviva Japan Equities	23.7	4.8
Aviva JPM UK Equity Growth	14.5	8.0
Aviva Managed	12.7	7.0
Aviva My Future Consolidation	6.5	3.5
Aviva Overseas	14.8	10.2
Aviva Property	8.3	3.6
Aviva Reserve	6.3	2.1

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Net investment returns (continued)

AVC policies (continued)

Self-select funds (continued)

Fund	Net return to 31 March 2026	
	1 year (%)	5 years (% p.a.)
Aviva Lifestyle Retirement 2030	13.9	8.0
Aviva Lifestyle Retirement 2035	17.9	9.6
Aviva Lifestyle Retirement 2040	18.0	9.7
Aviva Retirement Distribution	10.3	3.9
Aviva UK Equity	19.7	11.0
Aviva UK Tracker	21.0	10.4
Aviva With Profits	7.8	6.2
L&G All Stocks Gilts Index	1.8	-4.8
L&G Asia Pacific ex Japan Equity Index	52.9	9.6
L&G Cash	3.7	2.9
L&G Europe (Ex-UK) Equity Index	14.4	7.8
L&G Global Equity 30:70 Index Currency Hedged	18.2	9.9
L&G Managed	12.0	5.8
L&G Multi-Asset	11.1	4.0
L&G North America Equity Index	12.7	11.6
L&G Over 15 Year Gilts Index	-0.6	-11.1
L&G Sustainable Property	5.2	1.1
L&G UK Equity Index	21.7	10.6
Phoenix Life With-Profits	0.0	0.0
Prudential Deposit	4.3	3.3
Scottish Widows With Profits	2.5	2.0
Standard Life Pension Millennium With Profits	2.8	1.7
Standard Life UK Equity	21.3	9.3
Standard Life Pension With Profits	4.0	4.0
Zurich With-Profits 90:10	0.0	0.0

Source: Providers and Financial Express Analytics

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Value for members assessment

In accordance with legal requirements, the Trustee carries out an annual review of the charges and transaction costs incurred by members with DC benefits, in order to assess whether or not these charges and transaction costs represent good value for members. There is no legal definition of "good value", so the process of determining good value is a subjective one.

The Trustee carries out its assessments for the CRISP Section and the DC Section with the help of its relevant external consultants, by looking at how the investment management charges that apply to members' investments compare to market data on alternative investment managers and platform providers for similar pension arrangements in the case of the CRISP Section and for the wider market in the case of the DC Section.

CRISP Section

Following the end of the Plan year, on 17 August 2026 the Trustee, working with its advisers, Mercer, assessed the charges paid by members of the CRISP Section during the Plan year based on:

- Typical institutional fees for funds of equivalent size.
- Mercer Manager Research Ratings, as an assessment of manager skill and potential for future outperformance.
- Historical performance of CRISP Section fund options.
- The TER for each fund option, which (as described) covers Aviva administration charges, fund manager charges and other expenses.
- The Trustee concluded that the funds offered to CRISP Section members remained highly rated by their independent consultants and were being offered to members at competitive fees, relative to alternative funds available to other pension schemes. Performance of the funds was considered to be "good" over a three-year period, with the majority of funds performing in line with expectations. Three-year performance figures are not available for most funds that make up the default arrangement (which was updated in December 2025). However, the previous default Growth phase fund, Mercer Growth, had performed in line with its absolute return benchmark.

In carrying out the assessment, the Trustee also considered the other benefits members receive which include:

- The oversight and governance of the Trustee in ensuring compliance with relevant legislation and monitoring, including considering any material issues that may impact members.
- The efficiency of administration processes and the extent to which the administrator met or exceeded its service level standards during the Plan year.
- The range of investment options.
- The design of the default investment option and how this reflects the expected needs of the majority of members.
- The range and quality of communications and tools available to help members plan for their retirement.

The Trustee also reviewed the transaction costs as part of the value for money for members. Meaningful assessment is difficult to undertake due to the lack of an industry standard for comparison, but based on advice from Mercer, the Trustee believes that transaction costs paid by CRISP Section members appear to be reasonable and therefore represent good value for members. The Trustee will continue to work with its advisers to monitor and assess the reasonableness of transaction costs incurred by members.

Overall, the Trustee concluded that the charges paid by members of the CRISP Section represented good value for members over the longer term. The Trustee will continue to monitor ongoing performance and charges paid by members on a regular basis, with formal reviews being carried out at least annually.

DC Section

The Trustee engaged its investment consultant, Aon, to carry out an assessment of the money purchase policies held with L&G and Scottish Widows, and the AVC arrangements held with Aegon, Aviva, L&G, Phoenix Life, Prudential, Scottish Widows, Standard Life and Zurich for the year ended 5 April 2026.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Value for members assessment (continued)

DC Section (continued)

The assessment found that the charges paid by members, where disclosed, are broadly in line with market rates. Although no benchmarking information is available for transaction costs, those reported in this statement appear reasonable compared to costs seen reported for other schemes.

The Trustee also considered the benefits of membership for the DC Section members under the categories of governance, investment, administration and member communications and support. Benchmarking, relative to other pension arrangements and/or best practice guidelines was undertaken as part of the assessment.

Governance – The Trustee receives advice in respect of actuarial, legal and investment matters specifically relating to the DC benefits and has an SLA in place with XPS which specifically identifies the key activities and core financial transactions in relation to the DC benefits. SLA performance for these tasks is included in XPS's quarterly administration reports that are presented at each of the Plan's quarterly GOC meetings. The Trustee also has an SLA in place with L&G which covers the key administration processes and core financial transactions in relation to the DC and AVC arrangements held with them. L&G provides a quarterly governance and investment report which is discussed at the quarterly GOC and Investment Committee ('IC') meetings as relevant. As noted on page 7 in the section 'Requirements for processing Core Financial Transactions', during the Plan year the Trustee completed its first Own Risk Assessment (ORA) to assess the effectiveness of each of its processes and policies under its Effective System of Governance (ESOG) and concluded that it has a suitable governance framework in place to manage the potential risks inherent in operating the Plan.

Investment – The investment strategy set for the DC funds at the point of transfer to L&G and subsequent triennial reviews has considered the needs of members, and how they are likely to access these funds. During this reporting period, the Trustee removed the L&G Sustainable Property Fund from the range of available funds following the increase in charges on the Fund. The Trustee has delegated oversight of the performance of the L&G DC and AVC funds to the IC, which reviews the performance of all investment options against the benchmarks set by L&G on a quarterly basis.

A review of the performance of the Scottish Widows With Profits Fund and the non-L&G AVC funds is undertaken for the Trustee by Aon as part of the formal triennial review of the investment strategy for the DC and AVC funds. The last review was presented to the Trustee on 5 September 2023 and Aon concluded that they had no major concerns over the performance of these funds. As at the date of this statement, the next review is now due and the Trustee is currently discussing the scope of it with its advisers. The intention is that it will be completed by the end of 2026.

Administration – As noted under Governance, the Trustee has an SLA in place with the Plan's administrators, XPS, and SLA performance is monitored on a quarterly basis. This enables the Trustee to monitor the level of administration and turnaround times of the DC and AVC providers and to flag any major delays or service issues. No issues were identified during the Plan year. Also, as noted under Governance, the Trustee has an SLA in place with L&G which covers the key administration processes and Core Financial Transactions in relation to the DC and AVC arrangements. Under the current SLA, L&G aim to complete all Core Financial Transactions within five working days. Over the Plan year ended 5 April 2026, L&G achieved the timescales set out in the SLA for 100% of core financial transactions. The quarterly governance report from L&G presented at each quarterly DCC meeting enables the Trustee to monitor performance against the SLA.

Member communications and support – All DC and AVC members receive an annual SMPI from the administrators, XPS. They also receive tailored retirement warm-up communications from XPS. On an annual basis, all members receive the newsletter from the Trustee which flags any matter particularly of relevance to DC and AVC funds.

All DC Section members have access to XPS's online member portal, MyPension. At 30 June 2026, 35% of the Plan's DB membership across all categories – active, deferred and pensioner – had registered to go digitally. In addition, members of the L&G arrangement are able to view their policies via the L&G website.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Value for members assessment (continued)

DC Section

Member communications and support (continued)

The Plan's Rules allow members with DC funds to take their entitlement to tax free cash from their DC funds and use the remainder to buy a Plan pension or an annuity on the open market. At retirement, members are informed by the administrators, XPS, that they have the right to shop around and to buy an annuity from the provider of their choice. They are referred to Pension Wise at MoneyHelper and the online retirement adviser directory to find an independent financial adviser. Members are not assisted in a search of the open market option. The Plan's Rules also allow members to use their AVCs towards their tax-free cash.

On the basis of the advice the Trustee has received during the current Plan year, and consideration of the needs of members, the Trustee's overall conclusion is that the DC Section policies do represent good value for members.

Trustee knowledge and understanding

The comments in this section relate to the Plan as a whole and not solely to the CRISP Section and the DC Section.

The law requires the Plan's trustee directors to maintain an appropriate level of knowledge and understanding that, together with professional advice available to them, enables them to properly exercise their functions and duties in relation to the effective running of the Plan.

The trustee directors are conversant with, and have a working knowledge of, all relevant Plan documents and current policies, including the trust deed and rules, and maintain this working knowledge through legal updates on a quarterly basis.

The trustee directors also have an appropriate level of knowledge and understanding of the law relating to pensions and trusts, and the relevant principles relating to funding and investment of occupational pension scheme assets.

The trustee directors are aware of the requirements to comply with the Task Force on Climate-related Financial Disclosures ('TCFD') reporting. Following the buy-in transaction, the Plan's relevant net assets for mandatory reporting have fallen below the threshold and no climate-related disclosures report was prepared for the last Plan year.

The trustee directors completed a skills analysis self-assessment in December 2025 as part of the annual trustee effectiveness review. The assessment covered Plan specific knowledge, soft skills and experience and high scores were attained across all criteria. Following on from this assessment, the trustee directors completed a training needs analysis, and a training plan was developed and agreed for 2026 which reflected not only their feedback but also suggestions from the Plan's advisers on training in relation to regulations and legislation expected to come into effect in 2026.

The trustee directors receive formal training from the Plan's advisers on designated training days, virtually between trustee meetings and at trustee/committee meetings as appropriate on specific agenda items. The training day held in January 2026 covered the DC market and evolving policy with reference to the current and future DC strategy for the Plan. The trustee directors had presentations and discussions around the government's vision for DC, the Pensions Commission's next steps for automatic enrolment, collective defined contribution (CDC) schemes, the impact of the government's inheritance tax changes on pension savings, pensions dashboards, salary sacrifice and the Pension Schemes Bill, as well as their roles and responsibilities around DC.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Trustee knowledge and understanding (continued)

At each quarterly meeting of the GOC and the DCC, the trustee directors receive updates and training in relation to legal developments and their impact. Specific areas covered in the Plan year have included the new Value for Money framework, targeted support and guided retirement for DC members as they approach retirement, the government's changes to its initial proposals for inheritance tax on pension savings, the Pensions Regulator's expectations with respect to administration and AI, proposed changes to the transfer regulations and the own risk assessment (ORA) framework. Training on the ORA meant that the trustee directors were well prepared to complete their first ORA on 5 April 2026, well in advance of the due date of 5 July 2026.

In addition, the trustee directors are made aware of, and are encouraged to attend, formal training conducted by professional pensions organisations. A record of training undertaken by the trustee board collectively and by each trustee director individually is maintained.

The Trustee also requires that all trustee directors complete the relevant parts of The Pensions Regulator's Trustee Toolkit. A formal induction training plan is in place for all new trustee directors which comprises training sessions from the Plan's administrators and advisers to provide them with an appropriate level of knowledge and understanding to enable them to exercise their duties in relation to the running of the Plan. The new company appointed trustee director who joined the trustee board on 1 June 2025 has undertaken induction training and completed the Trustee Toolkit. There were no new member nominated trustee directors.

The Board has two professional trustee directors, Philip Whittome (Chairman) and Christopher Clayton, who are both representatives of Capital Cranfield Pension Trustees Limited and have specific areas of expertise in addition to those held by all the trustee directors.

Philip Whittome has particular expertise from a background in investment and was a full-time professional fund manager for fourteen years. He is a Diploma Member of the Pensions Management Institute (DipPMI), an Associate of the Society of Investment Professionals (ASIP) and holds the PMI (Pensions Management Institute) Trustee Certificate qualification.

Christopher Clayton has expertise from a background in corporate finance and is a member of the Chartered Institute of Securities and Investment. Both are fully APPT (Association of Professional Pension Trustees) Accredited, complete 'Continuing Professional Development' requirements annually and attend Capital Cranfield's quarterly training days.

Taking account of actions taken individually and as a trustee body, the two professional trustee directors' expertise and the professional advice available to them, the trustee directors consider that they are properly enabled to fulfil their duties as a board with a good working knowledge of the Plan's trust deed and rules, current policies, pensions and trust law, and funding and investment principles. All the scheme documents are also available to the trustee directors in an easily accessible on-line database.

The Statement regarding DC governance was approved by the Board of the Trustee on 16 September 2026 and signed on its behalf by:

Philip Whittome

Philip Whittome, Chairman

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles

1. Introduction

The Trustee of the Compass Retirement Income Savings Plan ("CRISP" or the "Plan") has drawn up this Statement of Investment Principles (the "Statement") to comply with the requirements of

- the Pensions Act 1995, as amended by the Pensions Act 2004;
- the Occupational Pension Schemes (Investment) Regulations 2005, as amended by the Occupational Pension Schemes (Charges and Governance) Regulations 2015; and
- subsequent legislation.

The Statement is intended to affirm the investment principles that govern decisions about the Plan's investments. The Trustee's investment responsibilities are governed by the Plan's Trust Deed and Rules, subject to applicable legislation. If necessary, the Trustee will take appropriate legal advice regarding the interpretation of these. The Trustee notes that, according to the law, the Trustee has ultimate power and responsibility for the Plan's investment arrangements.

In preparing this Statement the Trustee has consulted a suitably qualified person by obtaining written advice from Mercer Limited ("Mercer"). In addition, consultation has been undertaken with Compass Group PLC (the "Company") as sponsor of the Plan, acting on behalf of all the participating employers, and will do so whenever the Statement is updated. However, the Trustee's fiduciary obligation to Plan members will take precedence over the Company's wishes should these ever conflict.

2. Decision Making Structure

Members of the Plan are able to invest in a range of unit-linked funds through the Trustee's long-term insurance policy with Aviva Life & Pensions UK Limited ("Aviva"). The Trustee has established the following decision-making structure for the Plan:

The Trustee:

- Sets structures and processes for carrying out its role;
- Selects investment structures and their implementation;
- Selects and monitors investment advisers and funds;
- Selects and monitors direct investments; and,
- Makes on-going decisions relevant to the principles of the Plan's investment strategy.

Mercer, the investment adviser:

- Advises on all aspects of the investment of the Plan's assets, including implementation;
- Advises on this Statement;
- Provides relevant required training;
- Advises the Trustee on the suitability of each fund's structure, composition and benchmark; and
- Monitors investment managers.

Aviva, the bundled services platform provider for the Plan:

- Operates within the terms of this Statement and the written long-term insurance contract with the Trustee;
- Provides access to a platform through which third party funds can be accessed by the Trustee, for the Plan's members; and
- Provides pension administration services for the Plan.

COMPASS GROUP PENSION PLAN

CHAIR'S STATEMENT REGARDING DC GOVERNANCE (continued)

Appendix A – CRISP Statement of Investment Principles (continued)

Mercer Workplace Savings (MWS):

- Provides advice in selecting the bundled services platform provider;
- Provides on-going governance monitoring services (i.e. on the platform provider); and
- Provides investment governance of the platform provider's fund range.

3. Investment Objectives and Policy

The Trustee's objectives for the Plan are as follows:

- To maximise the value of members' assets at retirement.
- To maintain the purchasing power of members' savings.
- To provide protection for members' accumulated assets in the year approaching retirement against sudden (downward) volatility in capital value; and
- fluctuations in the (implicit and explicit) costs of securing retirement benefits.

The investment choices available under the Plan have been chosen by the Trustee based on its understanding of different member needs. These have been grouped by the following approaches – 'do it for me', 'help me do it' and 'leave me to it'.

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives. The Trustee also recognises that members have different attitudes to risk. The Trustee believes that members should make their own investment decisions based on their individual circumstances. The Trustee regards its duty as making available a range of investment options sufficient to enable members to tailor their investment strategy to their own needs, with the aim to ensure the security, quality, liquidity and profitability of a member's portfolio as a whole.

The Trustee also recognises that members may not believe themselves qualified to take investment decisions. As such, the Trustee makes available a default investment option. The default investment option places the emphasis on aiming to deliver a good level of real return over members' working lifetimes and also encompasses a switch into asset classes designed to provide some protection against equity market falls in the years approaching the member's selected target retirement age. Further information on the 'do it for me', 'help me do it' and 'leave me to it' approaches are provided in Sections 5, 6 and 7 respectively.

Members determine the balance between the different kinds of investments they hold. This balance will determine the expected return on member's assets and should be related to the member's own risk appetite and tolerances.

Mercer has been selected as the Delegated Investment Manager for the Plan, and is responsible for the day-to-day management of the assets in funds provided by Mercer. The Trustee has also selected a number of externally managed funds to be made available to members and is directly responsible for the governance and monitoring of these funds.

The Trustee regularly monitors and reviews the suitability of the funds provided and from time to time may change the investment options.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

4. The Trustee's Policy with Regard to Risk

The Trustee has considered investment risk from a number of perspectives. The below list is not exhaustive but covers the main risks that the Trustee considers and how they are managed and measured in the Plan as a whole.

Type of Risk	Risk	Description	How is the risk monitored and managed?
Market risks	Inflation risk	The risk that the investment return over members' working lives will not keep pace with inflation and does not, therefore secure an adequate pension.	The Trustee makes available a range of funds, across various asset classes, with the majority expected to keep pace with inflation.
	Currency risk	The risk that fluctuations in foreign exchange rates will cause the value of overseas investments to fluctuate.	Use of currency hedging in some assets to reduce the influence of currency fluctuation in foreign investments.
Market risks	Credit risk	The risk that the issuer of a financial asset, such as a bond, fails to make the contractual payments due.	Members are able to set their own investment allocations, in line with their risk tolerances.
	Interest rate risk	The risk that unfavourable interest rate movements, particularly in the years just prior to retirement may lead to a reduction in the amount of income that the member's retirement account can secure.	
	Concentration risk	The risk that an adverse influence on investment values from the poor performance of a small number of individual investments	Within active funds management of many of these market risks is delegated to the investment manager.
	Equity, property and other price risk	The risk that investment market movements lead to a substantial reduction in the anticipated level of the benefit.	
Environmental, Social and Corporate Governance risk		The risk that environmental, social or corporate governance concerns, including climate change, have a financially material impact on the return of the Plan's assets.	The management of ESG related risks is delegated to investment managers. See Section 8, below, for the Trustee's responsible investment and corporate governance statement.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Type of Risk	Risk	Description	How is the risk monitored and managed?
Investment Manager risk		The risk that the investment manager underperforms its objectives, fails to carry out operational tasks, does not ensure safe-keeping of assets or breaches agreed guidelines.	The Trustee regularly reviews performance of investment funds.
Liquidity risk		The risk that the Plan's assets cannot be realised at short notice in line with member demand.	The Plan is invested in daily dealt and daily priced pooled funds. Units in the pooled funds in which the Plan invests are believed to be readily redeemable.
Pension Conversion risk		The risks that the member is invested in a strategy that does not reflect the way in which they intend to take their benefits at retirement.	The Trustee makes available three lifestyle strategies for DC members. Lifestyle strategies automatically switch member 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 retirement age.

The Trustee believes that the investment objectives and risks outlined in this Statement are in relation to what the Trustee considers financially material considerations. The Trustee believes the appropriate time horizon for which to assess these considerations within should be viewed at a member level. This will be dependent on the members' age and when they expect to retire.

5. Do it for me (the default investment option)

The "Av MyM Mercer Target Cash Path" is the default investment option for the Plan. Typically, a proportion of members will actively choose the default investment option because they feel it is most appropriate for them. However, the vast majority of members do not make an active investment decision and are invested in the default investment option. It is suitable for members that do not feel comfortable making their own investment decisions and who plan to take cash in retirement (i.e. take all of their retirement benefits as cash).

The default investment option aims to generate investment returns, in a risk-controlled manner, which are sufficient to provide a reasonable level of retirement benefits for members, given the level of contributions paid over their lifetime in the Plan.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

The objectives of the default investment option, and the ways in which the Trustee seeks to achieve these objectives, are detailed below:

- To generate returns in excess of inflation during the growth phase of the strategy whilst managing downside risk.

If the member is more than eight years away from their expected retirement date and has opted for the default investment option, contributions will be invested in the Av MyM Mercer Growth/Balanced Risk Fund. The Av MyM Mercer Growth/Balanced Risk Fund invests in a diversified mix of assets (equities, fixed income securities and non-traditional assets), both active and passive, with the objective of providing an above inflationary return, broadly in line with equities, over the long term with some downside protection and some protection against inflation erosion. The downside risk from an equity market downturn is mitigated through asset diversification away from equities.

Fund name	Investment Objective	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer Growth /Balanced Risk	The fund seeks to achieve medium to high levels of capital growth over the long-term with medium to high levels of risk by investing predominantly in a diversified mix of bonds, equities and other asset types.	FTSE GBP 1 Month Eurodeposit Index +4% p.a.	0.44

*The total expense ratio includes the Annual Management Charge (AMC) and other expenses associated with the running and management of the fund, including administration services. The total expense ratios are stated as at 31 March 2021.

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

As a member's pot 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. Moreover, as members approach retirement, the Trustee believes the primary aim should be to provide protection against a mismatch between assets and the expected retirement benefits they will be used to provide.

In view of the above, the Trustee considers the level of risk within the default investment option in the context of the variability of returns in absolute terms.

Hence, eight years before their target retirement date (or Normal Retirement Date if no target has been specified), members who have opted for the default investment option will have their holdings transferred into an Av MyM Mercer Target Cash Fund based on the expected date of retirement. The Av MyM Mercer Target Cash Funds aim to gradually move investments from high-risk growth-seeking assets to cash-like investments (such as short dated fixed interest securities) that are more suitable for targeting cash in retirement.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Fund name	Investment Objective	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer Target Cash 20XY	The fund is aimed at investors looking to retire in 20XY who expect to take all their savings as cash at retirement. The fund seeks to move investors gradually from assets with the potential for medium to high growth/risk (such as a diversified mix of shares and other growth assets) to assets with expected lower growth/risk such as bonds and money market assets.	Composite benchmark which varies over time	0.34 - 0.44

*The total expense ratio includes the Annual Management Charge (AMC) and other expenses associated with the running and management of the fund, including administration services. The total expense ratios are stated as at 31 March 2021.

- To provide exposure, at retirement, to assets that are broadly appropriate for an individual planning to use their savings in the Plan to take cash in retirement.

At the start of the year of their expected retirement, members' accumulated savings in the default investment option will be moved to the Av MyM Mercer Cash Retirement Fund. The Av MyM Mercer Cash Retirement Fund aims to provide an element of capital preservation and to broadly "match" cash benefits.

Fund name	Investment Objective	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer Cash Retirement	The fund seeks to achieve returns linked to sterling money markets and is aimed at investors who expect to take all their savings as cash at retirement. The fund will hold money market assets that are expected to achieve low growth/risk.	100% Seven Day Sterling LIBID	0.32

*The total expense ratio includes the Annual Management Charge (AMC) and other expenses associated with the running and management of the fund, including administration services. The total expense ratios are stated as at 31 March 2021.

The Trustee's policies in relation to the default investment option are detailed below:

- The default investment option manages investment risks through a diversified strategic asset allocation consisting of traditional and alternative assets. Risk is not considered in isolation, but in conjunction with expected investment returns and retirement outcomes for members. In designing the default investment option, the Trustee has explicitly considered the trade-off between risk and expected returns.
- In particular, when reviewing the investment strategy of the default investment option, the Trustee considers risk quantitatively in terms of the variability of investment returns and potential retirement outcomes for members. From a qualitative perspective, the Trustee also considers risk in terms of the (mis)alignment of investments with the retirement benefits targeted by the default investment option.
- Assets in the default investment option are invested in the best interests of members and beneficiaries, taking into account the profile of members. In particular, the Trustee considered the profile of the Plan's membership and the likely size of member pension pots at retirement. Based on this understanding of the membership, a default investment option that targets cash in retirement is considered appropriate.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

- Members are supported by clear communications regarding the aims of the default investment option and the access to alternative investment approaches. If members wish to, they can opt to choose their own investment strategy or an alternative lifestyle strategy on joining but also at any other future date. Moreover, members do not have to take their retirement benefits in line with those targeted by the default investment option; the target benefits are just used to determine the investment strategy held pre-retirement.
- Assets in the default investment option are invested in a long-term insurance contract. The assets underlying the insurance contract are invested in daily traded pooled funds which hold highly liquid assets. The pooled funds are commingled investment vehicles which are managed by various underlying fund managers. The selection, retention and realisation of assets within the pooled funds are delegated to the respective underlying fund managers in line with the mandates of the funds. Likewise, the underlying fund managers have full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments. The Trustee's full policies on social, environmental or ethical considerations are detailed in Section 8 of this Statement.
- Any investment in derivative instruments (either directly or within the underlying pooled funds) contributes to risk reduction, or efficient portfolio management.

Within the Av MyM Mercer Target Cash Path, units across the underlying pooled funds are bought and sold according to the table below:

Time to Retirement (years)	Av MyM Mercer Growth/Balanced Risk Fund (%)	Av MyM Mercer Target Cash Funds (%)	Av MyM Mercer Cash Retirement Fund (%)
>8	100.00	0.00	0.00
<8, >0	0.00	100.00	0.00
0	0.00	0.00	100.00

The Plan offers alternative lifestyle investment options (known as Av MyM Mercer Target Paths) which target different retirement benefits than that targeted by the default investment option, namely annuity purchase (including an allowance for tax-free cash benefits of 25%) and drawdown. [See Section 6]

In addition, a range of self-select funds are offered to members. [See Section 7]

Taking into account the demographics of the Plan's membership and the Trustee's views of how the membership will behave at retirement, the Trustee believes that the current default investment option is appropriate and will continue to review this over time, at least triennially, or after significant changes to the Plan's demographic, if sooner.

Additional default arrangements

In accordance with the Occupational Pension Schemes (Charges and Governance) Regulations 2015, the Plan has identified the investment options listed in the table below as 'default arrangements' (as defined by these regulations) in addition to the current default investment option in which new entrants to the Plan are directed.

These funds have been identified as 'additional default arrangements', as members' accrued funds and contributions have been automatically directed to these funds without members having instructed the Trustee. These funds are not default arrangements for the purposes of auto-enrolment; they are only defaults due to historic investment option changes, in this case the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund. Further information is provided in the table below.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Replacement Fund	Previous Fund	Reason for identification as a 'default arrangement'	Date
Av MyM Mercer Growth Fund	Av MyM BlackRock (50:50) Global Equity Index Fund	This default was created when funds were mapped following the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund for those members already invested in the Av MyM Mercer Growth Fund.	June 2020
Av MyM Mercer Target Cash 20XY	Av MyM BlackRock (50:50) Global Equity Index Fund	This default was created when funds were mapped following the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund for those members already invested in the relevant target date fund.	June 2020
Av MyM Mercer Cash Retirement	Av MyM BlackRock (50:50) Global Equity Index Fund	This default was created when funds were mapped following the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund for those members already invested in the Av MyM Mercer Cash Retirement Fund	June 2020
Av MyM Mercer Passive Global Equity	Av MyM BlackRock (50:50) Global Equity Index Fund	This default was created when funds were mapped following the closure of the Av MyM BlackRock (50:50) Global Equity Index Fund for those members who had only self-select funds.	June 2020

Prior to mapping members' investments across to the replacement funds, the Trustee took appropriate investment advice and considered these funds to be suitable for members and that the transfers would be in their best interests. The Trustee also took account of the demographics of the members invested in the funds. The Total Expense Ratios ('TERs'), which is the cost associated with the managing and operating these funds, are below the statutory charge cap requirement of 0.75% p.a. that applies to all default investment options.

In the case of mapping activity to those funds that comprise the default investment option the "Av MyM Mercer Target Cash Path", the Trustee's aims and policies in relation to these arrangements are set out in Section 5.

The Trustee's aims and policies in relation to the additional default arrangements are detailed below:

- Assets in the additional default arrangements are ultimately invested in daily traded pooled funds, which hold highly liquid assets. The pooled funds are commingled investment vehicles, which are managed by investment managers appointed by MWS. The selection, retention and realisation of assets within the pooled funds are delegated to the respective investment managers in line with the mandates of the funds. Likewise, the investment managers adhere full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical conditions are taken into account in the selection, retention and realisation of investments.
- Risks associated with these investments have been considered in line with the Trustee's Policy with Regard to Risk [Section 4].
- The Trustee reviews the default investment option (and will review the additional default arrangements) at least every three years and without delay after any significant change in the investment policy or the demographic profile of relevant members.
- The Trustee monitors the performance of the default investment option and additional default arrangements quarterly via monitoring reports and advice from its appointed Investment Consultant, which includes considering the investment performance net of management fees and whether the Trustee's aims and objectives have been met.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

6. Help me do it

The options in this category are aimed at members who wish to make a choice in where they invest, particularly in the lead up to retirement, but need help in choosing. The Trustee has chosen a simplified range of lifestyle arrangements, known as Av MyM Mercer Target Paths, (including the default investment option detailed in Section 5) to assist members with their investment and retirement objectives.

In addition to the Av MyM Mercer Target Cash Path, which is the default investment option, the Trustee has made available alternative Av MyM Mercer Target Paths; the Av MyM Mercer Target Annuity Path targets annuity purchase at retirement and the Av MyM Mercer Target Drawdown Path targets drawdown at retirement.

The growth phase for all three Av MyM Mercer Target Paths will be the same (the Av MyM Mercer Growth/Balanced Risk Fund), whereas different Av MyM Mercer Target Retirement Funds will be used within each path to achieve risk reduction as members approach retirement.

At retirement, members' investments in an Av MyM Mercer Target Path will be moved to a suitable fund – the Av MyM Mercer Annuity Retirement Fund for those targeting annuity purchase, or the Av MyM Mercer Diversified Retirement Fund (75%) and Av MyM Mercer Cash Retirement Fund (25%) for members wishing to pursue drawdown at retirement (and take their 25% tax free cash).

7. Leave me to it

The 'Self-select' funds are for members who are confident in making investment choices and want to tailor their investments to suit their own characteristics. In addition to the investment options under 'do it for me' and 'help me do it', members have complete freedom to select and build their own portfolio from a range of funds.

Higher Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM CRISP Active Emerging Markets equity	The fund seeks to achieve returns consistent with a diversified portfolio of mainly quoted global emerging markets equities across all economic sectors and industries.	MSCI Emerging Markets (NRD) Index Target to outperform by 2% p.a.	1.12

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Medium to Higher Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer High Growth/ Higher Risk	The fund seeks to achieve high levels of capital growth over the long-term, but with higher levels of risk by investing predominantly in equities.	FTSE GBP 1 Month Eurodeposit Index +4.5% p.a.	0.45
Av MyM CRISP Active International Equities	The fund seeks to achieve returns consistent with equities of companies worldwide, excluding the UK.	MSCI AC World ex UK	0.56
Av MyM BlackRock (30:70) Currency Hedged Global Equity	30% UK equities 60% overseas equities split between North America, Europe (ex-UK) and Asia Pacific with developed overseas currency exposure hedged back to sterling 10% emerging markets equities	30% FTSE All-Share Index 60% FTSE Developed (ex-UK) Index 10% MSCI Emerging Markets Index	0.32
Av MyM Legal & General (PMC) Ethical Global Equity Index Fund	Invests in worldwide shares within the FTSE4 Good Global Equity Index	FTSE 4 Good Global Equity Index	0.39
Av MyM BlackRock UK Equity Index	This fund invests in the shares of UK companies and aims to achieve a return that is in line with the benchmark.	FTSE All-Share Index	0.25
Av MyM Mercer Passive Global Equity	The fund invests in global equity securities that as far as possible reflect the component global equity securities of the MSCI World (Net Dividends Reinvested) Index.	MSCI World (NDR) Index	0.27

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Medium to Higher Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer Passive Shariah	The fund aims to offer investors the opportunity to grow their money in line with the performance of the Dow Jones Islamic Titans 100 Index.	Dow Jones Islamic Titans 100 Index	0.54
Av MyM CRISP Passive Sustainable Global Equity	The fund is a passively managed fund, which aims to seek income and long term growth of capital by investing predominantly in global equity and equity related securities that as far as possible and practicable reflect the component equity securities of the Solactive Sustainable Global Developed Equity EU Paris-Aligned Index.	MSCI World Index	0.30
Medium Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM Mercer Growth /Balanced Risk <i>This fund is the growth component in the default investment option.</i>	The fund seeks to achieve medium to high levels of capital growth over the long-term with medium to high levels of risk by investing predominantly in a diversified mix of bonds, equities and other asset types.	FTSE GBP 1 Month Eurodeposit Index +4% p.a.	0.44

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

Lower to Medium Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM BlackRock Over 5 Year Index-Linked Gilt Index	UK Government index-linked securities that have a maturity period of 5 years or longer	FTSE A Over 5 Year Index-Linked Gilts Index	0.24
Av MyM CRISP Active Bond	The fund aims to achieve a positive total return by investing in one or more actively managed underlying fund(s) that invests mainly in global corporate and government bonds.	100% Citigroup GBP 1 Month Euro Deposit Index	0.68
Av MyM Mercer Moderate Growth/ Moderate Risk	The fund seeks to achieve medium levels of capital growth over the long-term with medium levels of risk by investing predominantly in a diversified mix of bonds, equities and other asset types.	FTSE GBP 1 Month Eurodeposit Index +3% p.a.	0.45
Av MyM Mercer Pre-Retirement Fund	The fund aims to provide diversified exposure to assets that reflect the investments underlying a typical traditional level annuity product	Composite of gilts and corporate bond funds	0.31
Lower Risk Fund name	Investment Characteristics	Fund Benchmark/Target	Total Expense Ratio* (% p.a.)
Av MyM CRISP Money Market and Cash	High quality short-term money market instruments, issued by both UK and non-UK issuers but denominated in sterling	7 Day Sterling LIBID	0.24

*The total expense ratio includes the Annual Management Charge (AMC) and other expenses associated with the running and management of the fund. The total expense ratios are stated as at 31 March 2021.

Appendix A – CRISP Statement of Investment Principles (continued)

8. Responsible Investment and Corporate Governance

The Trustee believes that Environmental, Social, and corporate Governance (“ESG”) factors have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly require explicit consideration.

The Trustee supports the principle of good corporate governance and shareholder activism and, for relevant mandates, prefers its asset managers to have an explicit strategy, outlining the circumstances in which they will engage with a company or issuer of debt on relevant matters. These can include performance, strategy, capital structure, management of actual or potential conflicts of interest and another stakeholder, risks, social and environmental impact and corporate governance matters, along with how they will measure the effectiveness of this strategy.

The Trustee considers how ESG, climate change and stewardship is integrated within investment processes of investment managers accessed through a long-term insurance contract on the Aviva platform. The Trustee notes that due to the structure of the long-term insurance contract, Aviva ultimately hold the direct relationship with managers. The Trustee also notes that they invest in pooled vehicles and as such they may have more limited ability to impact the overall strategy of the managers.

Monitoring is undertaken on a regular basis by the Trustee and MWS for those funds managed under delegated relationship with MWS and by the Trustee for other non-delegated funds.

The Trustee expects that individual investment managers and those with additional oversight from the delegated relationship where applicable, take into account ESG, climate change and stewardship considerations alongside other investment responsibilities and will exercise voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

Implementation and Engagement

The Trustee believes that an understanding of, and engagement with, asset managers’ arrangements is required to ensure they are aligned with Trustee’s policy, including its Sustainable Investment policy. It is the Trustee’s policy to ensure that the following are understood and monitored:

- How asset manager arrangements incentivise asset managers to align their strategy and decisions with the Trustee’s policies

Underlying investment managers are appointed by the Trustee in the case of non-delegated funds and by MWS for delegated funds, based on their capabilities and their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected. The underlying investment managers are made aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustee or MWS (where applicable) is dissatisfied, then they will look to replace the manager. If the investment objective for a particular manager’s fund changes, the Trustee and MWS (where applicable) will review the fund appointment to ensure it remains consistent with the Trustee’s wider investment objectives and policies.

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

- How asset manager arrangements incentivise asset managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term

The Trustee considers the investment consultant's assessment of how each underlying investment manager embeds ESG into its investment process. This includes the underlying investment managers' policy on voting and engagement. The Trustee will seek to use this assessment in decisions around selection, retention and realisation of manager appointments. The Trustee expects voting and engagement activity to be used by investment managers to discuss the performance of an issuer of debt or equity. The Trustee and MWS (for the applicable funds) will monitor activity undertaken by managers and challenge decisions made including voting history and engagement activity of the underlying investment managers with issuers of debt or equity securities held where necessary. This is to try to ensure the best performance of assets over the medium to long term. If the Trustee and MWS (where applicable) is not satisfied with the answers provided by the manager or progress made in this regard they may seek to review the appointment of the investment manager.

- How the method (and time horizon) of the evaluation of asset managers' performance and their remuneration are in line with the Trustee's policies

While the Trustee's focus is on long-term performance, it also considers shorter-term performance. If an underlying manager is not meeting its performance objectives, or their investment objectives for a fund have changed, the Trustee may review the suitability of the manager and will change managers where required. Where funds are delegated, MWS will review and monitor this on behalf of the Trustee.

- Portfolio turnover costs incurred by the asset managers, in the context of the asset manager's targeted portfolio turnover (defined as the frequency within which the assets are expected to be bought or sold)

The Trustee considers portfolio turnover costs indirectly through consideration of transaction cost data as part of the annual Value for Members assessment. Though the Trustee does not currently define target portfolio turnover ranges for funds, they will engage with managers if the portfolio turnover and associated costs are higher than expected. Where funds are delegated, MWS will work with their underlying investment managers to set acceptable turnover ranges and help to monitor this on behalf of the Trustee.

The Trustee receives performance reports on a quarterly basis, which present performance information over three months and one, three and five years, and since inception for each fund option. The Trustee reviews the absolute performance, relative performance against a suitable benchmark index and against the underlying manager's stated target performance on a net of fees basis.

- Duration of the arrangement with the asset manager

All funds are open-ended with no set end date for the arrangement. The Fund Range and Default Strategies are reviewed on at least a triennial basis. An underlying manager appointment may be terminated if it is no longer considered to be optimal nor have a place in the default investment option or general fund range. These decisions will be made by MWS for all delegated funds.

Appendix A – CRISP Statement of Investment Principles (continued)

Consideration of non-financial matters

The Trustee believes that the investment managers have the necessary expertise and frameworks in place to effectively manage and monitor investments in line with the above areas. This does not mean that all investment managers will have the same principles with regard to ESG and climate change, as these will specifically relate to the mandate of the investment fund which they are managing.

The Trustee keeps the topic of corporate governance and responsible investment under periodic review and will review this policy regularly to ensure that the policy is applicable, appropriate and in line with expectations of the majority of the membership. These policies relating to responsible investment and corporate governance are applicable to both the default investment option and all other arrangements within the Scheme including the self-select range.

Non-financial matters refer to the views of the members and beneficiaries including (but not limited to) their ethical views and their views in relation to social and environmental impacts of investments and the future quality of life of members.

The Trustee will seek member views on ESG where necessary to inform their approach on an ongoing basis in the selection, retention and realisation of investments. The Trustee does not have a specific policy with regard to the regularity that it will seek member views.

The Trustee notes that some members may wish to invest in funds that have a particular focus on sustainable investing and ESG considerations in deciding in which companies to invest. Hence, the Trustee has made available a dedicated sustainable global equity fund option; the Av MyM CRISP Passive Sustainable Global Equity Fund, and an "Ethical" Fund option; the Av MyM Legal & General (PMC) Ethical Global Equity Index Fund) as self-select options.

In addition, the Trustee also wishes to ensure that members are able to invest their savings in accordance with the requirements of Shariah law and the principles of Islam, by making available a Shariah-compliant investment option; the Av MyM Mercer Passive Shariah Fund, as a self-select fund option.

9. Additional Voluntary Contributions ("AVCs")

Members have the option to invest AVCs in the same funds as above.

10. Compass Higher Income Plan ("CHIP")

Members have the option to invest CHIP in the same funds as above.

11. Day-to-Day Management of the Assets

The fund range offered to members of the Plan is accessed through MWS on the platform provided by Aviva. The Trustee has access to the platform via a long-term insurance contract with Aviva. Funds on the platform are managed by third parties (e.g. external investment management firms) and not by Aviva.

The Trustee recognises that it is not possible to specify investment restrictions where assets are managed via pooled funds and furthermore, that it is Aviva that has the direct relationship with the third parties offering the funds (and not the Trustee).

COMPASS GROUP PENSION PLAN

Appendix A – CRISP Statement of Investment Principles (continued)

The Pensions Act 1995 (and subsequent legislation) distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly, e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as direct investments.

The policy of the Trustee is to review its direct investments and to obtain written advice about them at regular intervals. When deciding whether or not to make any new direct investments the Trustee will obtain written advice and consider whether future decisions about those investments should be delegated to the fund managers.

The written advice will consider the issues set out in the Occupational Pension Plan (Investment) Regulations 2005 and the principles contained in this Statement. The advisor will have knowledge and experience required under section 36(6) of the Pensions Act 1995.

Day-to-day management of the underlying assets is delegated to professional investment managers who are all authorised or regulated. The Trustee expects these underlying investment managers to manage the assets delegated to them under the terms of their contracts.

The underlying investment managers have full discretion to buy and sell investments within the underlying funds (subject to agreed constraints and applicable legislation).

The underlying investment managers have appointed custodians for the safe custody of assets held within the underlying funds. The custodians are responsible for the safekeeping of the assets held and for performing various administrative duties, such as the collection of interest and dividends and dealing with corporate actions.

12. Realisation of Investments

The underlying investment managers have responsibility for the realisation and trading of the underlying assets. However, the day-to-day activities of the underlying investment managers are governed by the arrangements between the Investment Managers and Aviva. All funds available are daily priced and trade daily.

13. Review of this Statement

The Trustee will review this Statement at least once every three years and without delay after any significant change in investment policy or Plan demographics. Any change to this Statement will only be made after having obtained and considered the written advice of someone who the Trustee reasonably believes to be qualified by their ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension scheme investments.

Nigel Palmer

11/04/2022

Signed on behalf of the Trustee

Date

C Palmer Brown

03/05/2022

Signed on behalf of the Trustee

Date

APPENDIX B

Compass Group Pension Plan

Statement of Investment Principles for Defined Contribution default arrangements

The Trustee is required to prepare a statement of the principles governing investment decisions for assets held in the Compass Group Pension Plan ('the Plan'). This document describes the investment principles followed by the Trustee in relation to the Plan's defined contribution default arrangements.

This document has been prepared having obtained appropriate written advice from the Plan's investment consultants, Aon Solutions UK Limited ('Aon').

This document will be reviewed regularly and, in particular, when there is a significant change in the Plan's circumstances.

The defined contribution default arrangements apply to the following funds, unless members specified their own fund choice:

- Additional Voluntary Contribution funds transferred from Utmost Life and Pensions to Legal & General; and
- Defined Contribution funds transferred from M&G and Prudential to Legal & General.

Aims and Objectives

The key aim for the default arrangements is to provide a strategy that is likely to be suitable for meeting members' long and short-term investment objectives, taking into account members' term to retirement.

When setting the default arrangements, the Trustee considered the following:

- The need for appropriate diversification of asset classes.
- The differing investment priorities for members, depending upon their term to retirement.

For members who had not yet reached normal retirement age at the time of their transfer, the default arrangement was initially the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy. The Trustee moved members invested in the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy who were more than 10 years from selected retirement age to the Legal & General Cash Lifestyle Strategy on 28 May 2024. We refer to these strategies as the former primary default arrangement and the new primary default arrangement respectively in this statement.

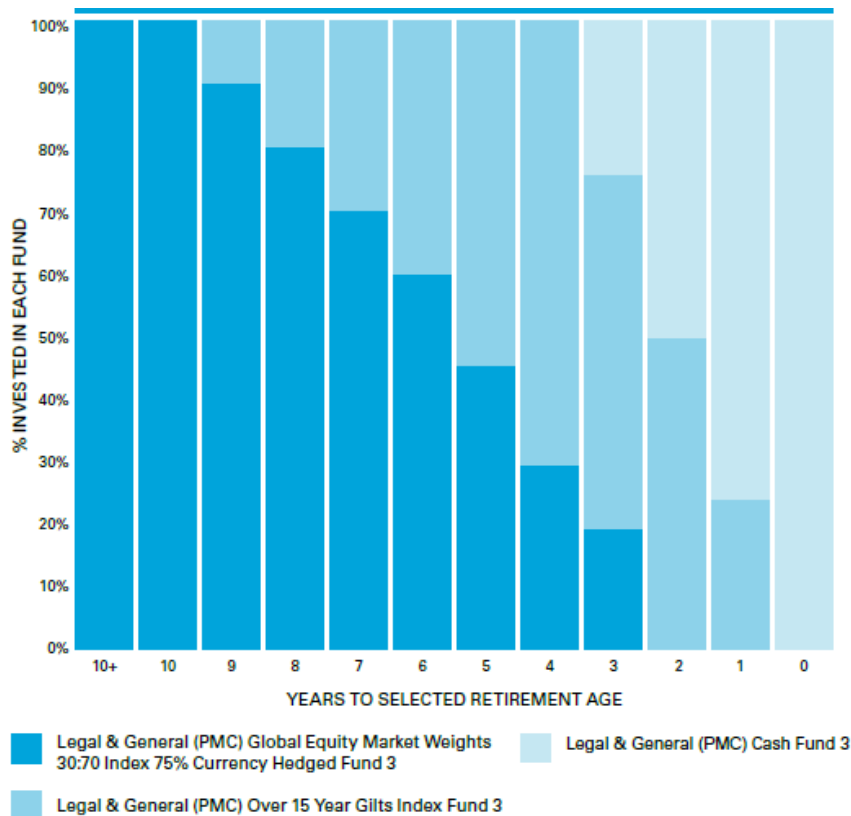
For members who were at or past normal retirement age at the time of their transfer, the default arrangement is the Legal & General (PMC) Cash Fund. This fund was chosen to minimise market volatility for members past retirement age, on the assumption they would take benefits in the very near future. Although the cash fund is not an ideal investment for members who intend to buy an annuity in the future, most of these members have a GMP underpin or are expected to take their funds as a cash lump sum. We refer to the Legal & General (PMC) Cash Fund as the secondary default in this statement.

The aim of the former primary default arrangement is to provide members with potential for higher levels of growth during the accumulation of their retirement savings through exposure to equities. Members who are more than 10 years from retirement age can withstand the volatility associated with equity investment as their fund has sufficient time to recover stock market losses. Investments are then gradually switched to lower risk investments with the aim of reducing volatility. The gradual switch to lower risk funds means members have a greater chance of recovering losses if their fund starts to switch when markets are at a low point.

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

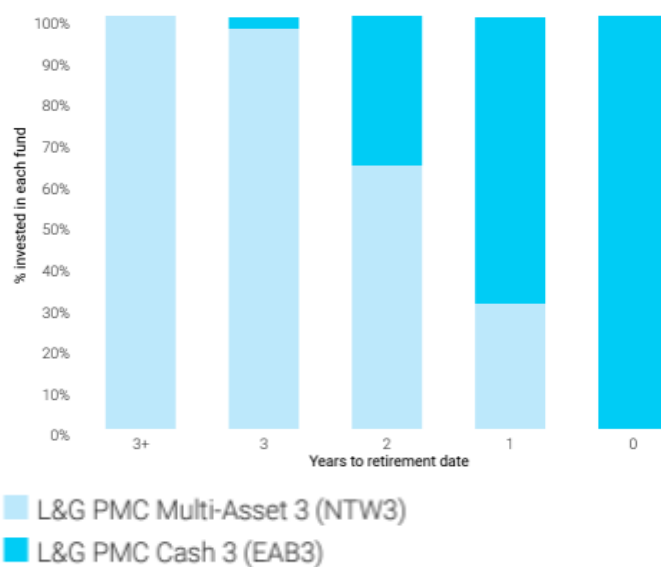
The structure of the Lifestyle Profile is shown in the chart below.



Source: Legal & General

The aim of the new primary default arrangement is to provide members with potential for long-term investment growth through exposure to a diversified range of asset classes whilst they are more than three years from retirement age. Investments are then gradually switched to the Legal & General (PMC) Cash Fund with the aim of reducing volatility.

The structure of the new primary default arrangement is shown in the chart below.



Source: Legal & General

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

The aim of the secondary default arrangement is to preserve the defined contribution pension savings members have built up in the Plan, ready for when they take retirement benefits.

The investment objectives for each fund used in the default arrangements are set out below.

Fund	Benchmark	Investment objective
Former primary default arrangement – the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy		
Legal & General (PMC) Global Equity Market Weights 30:70 Index 75% Currency Hedged	Composite benchmark	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 FTSE All World (ex UK) Index overseas while maintaining a fixed 30/70 weighting between the UK and the overseas assets. A total of 75% of the overseas assets (excluding emerging markets) will be currency hedged to sterling (exposure to emerging market currencies will be left unhedged).
Legal & General (PMC) Over 15 Year Gilts Index	FTSE A Government (Over 15 Year) Index	To track the performance of its benchmark index (before charges) to within +/- 0.25% each year for two years out of three
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.
New primary default arrangement – the Legal & General Cash Lifestyle Strategy		
Legal & General (PMC) Multi-Asset Fund	Not applicable	To provide long-term investment growth through exposure to a diversified range of asset classes.
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.
Secondary default arrangement – the Legal & General (PMC) Cash Fund		
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.

Source: Legal & General

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

Governance

The Plan is governed by its Trust Deed and Rules which sets out all of the benefits in detail and specifies the Trustee's investment powers. The investment powers do not conflict with this Statement.

The Trustee has set up a separate Investment Committee to monitor investment performance and to make recommendations on investment strategy and implementation to the full Trustee Board. The Investment Committee has certain limited decision-making powers which are set out in its Terms of Reference but these must then be reported in full to, and ratified by, the Trustee Board. Both the Trustee and the Company are represented at Investment Committee meetings.

However, the ultimate responsibility for deciding the Plan's investment policy lies solely with the Trustee, although it consults with the employer on these issues either direct or via discussions at Investment Committee meetings.

The Trustee is satisfied that it has sufficient expertise, information and resources, or access thereto, to carry out its role effectively.

Realising investments

The default arrangements are invested in liquid assets and funds are dealt daily. Members' pension savings can therefore be realised at short notice.

Risk

The Trustee recognises the key risk is that members will have insufficient income in retirement or an income that does not meet their expectations. The Trustee considered this risk when setting the default arrangements for the Plan.

In particular, the Trustee has considered the following risks in respect of the default arrangements:

- **Suitability** - the risk that the default arrangement will be unsuitable for the requirements of some members. The Trustee has taken steps to mitigate this risk by:
 - (i) offering defined contribution members the option to choose how their transfer would be invested, from the investment options available through the Legal & General arrangement.
 - (ii) Providing members with online access to their Legal & General pension accounts so they can easily switch to an alternative investment option and
 - (iii) by reviewing the suitability of the default arrangements, in view of the format in which members can take their benefits, and investment options available at the time, every three years.
- **Market risk** – the value of policies allocated for member benefits fluctuate with the movement in the underlying asset values. This means that when a member takes retirement benefits, there is a possibility that the fund will have to be realised to provide retirement benefits at an inopportune time. The default arrangement for members who have not reached normal retirement age automatically switches into lower risk funds as members approach retirement with the aim of reducing volatility. The default arrangement for members at, or past, normal retirement age aims to minimise market risk by holdings funds in cash.
- **Annuity purchase risk** – the Lifestyle Profile switches investments to gilts and then cash as members approach retirement. For members who purchase an annuity with their funds, more expensive annuity rates could coincide with a time when the members' DC funds have lost value due to market fluctuations. To help mitigate this risk, the Lifestyle Profile switches to cash over the 3 years to normal retirement age, however the Lifestyle Profile does not protect against the impact of annuity rate changes.
- **Credit risk** – the risk of the provider / manager being unable to meet its financial obligations. Although it has not been tested in practice, the funds held in the Legal & General policy would be protected by the Financial Services Compensation Scheme, if Legal & General were unable to meet its obligations. The Trustee seeks to mitigate this risk further by offering only internally managed Legal & General funds to members and by considering the financial strength of Legal & General in the review undertaken every three years.

APPENDIX B (continued)

- **Inflation risk** – the absolute return on investments, and hence the value of the members' pension savings may be diminished by inflation. To help mitigate this risk, the fund used during the growth phase invests entirely in equities with the aim of providing real growth (in excess of inflation) over the long term.
- **Manager risk** - the failure of the fund managers to meet their objectives. The Trustee has sought to minimise this risk by using passively managed funds wherever feasible in the default arrangements.
- **Operational risk** – i.e., the risk of fraud, poor advice or acts of negligence. The Trustee has sought to minimise such risk by ensuring that all advisers and third-party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

Due to the complex and interrelated nature of these risks, the Trustee considers the majority of these risks in a qualitative rather than quantitative manner as part of each formal investment strategy review (normally triennially).

Review and Control

The Trustee is satisfied that it has adequate resources to monitor the investment arrangements.

The Trustee receives, on a quarterly basis, a written report on the returns of the default arrangements together with supporting analysis such as benchmark returns.

The Trustee reviews from time to time the services provided by Aon, Legal & General and other service providers as necessary to ensure that the services provided remain appropriate for the Plan.

Some areas of review and control are delegated to the Investment Committee. The areas in which this committee can act are set out in its Terms of Reference.

Cost and Transparency

The Trustee recognises the importance of monitoring the level of investment costs incurred in the management of their assets and the impact these can have on the value of the assets. Although 'net of all costs' performance assessments provide an incentive on investment managers to manage these costs the Trustee believes that regular and consistent monitoring of the costs will help to reduce any inefficiencies in the cost structure.

Cost Transparency

Investment management fees are determined as fixed percentages, which do not include performance elements. The Trustee believes that this is the most appropriate way in which to remunerate Legal & General.

The investment consulting fees payable to Aon are invoiced separately and are not borne by members.

The Trustee expects Legal & General to provide full cost transparency in line with industry standard templates.

The Trustee assesses the remuneration of Legal & General on an annual basis. This involves asking Legal & General to provide details of the costs incurred in managing the defined contribution default arrangements, using industry disclosure templates. These costs include portfolio turnover costs (transaction costs). Where the disclosed costs are out of line with expectations, Legal & General will be asked to explain the rationale, including why it is consistent with their investment strategy.

Portfolio Turnover

The Trustee accepts that transaction costs will be incurred to drive investment returns and that the level of these costs varies across asset classes and by manager style within an asset class. In both cases, a reasonable level of transaction costs is acceptable as long as it is consistent with the asset class characteristics and manager's style and historic trends. Where the Trustee's monitoring identifies a lack of consistency the mandate will be reviewed.

Evaluation of Performance and Remuneration

The Trustee undertakes analysis of the Plan's costs and performance for their active managers on at least a triennial basis by receiving benchmarking analysis comparing the Plan's specific costs and performance of the underlying managers relative to those of the wider market. This is in line with the Trustee's policies on reviewing the kinds and balance of investments to be held.

APPENDIX B (continued)

Responsible Investment

The Trustee believes that in order to fulfil its commitment to act in the best financial interests of the Plan and its beneficiaries, it must act as a responsible steward of the assets in which the Plan invests.

Environmental, social and governance considerations

The Trustee further acknowledges that an understanding of 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.

As part of its delegated responsibilities, the Trustee expects the Plan's investment managers to take into account corporate governance, social, and environmental considerations (including long-term risks posed by sustainability concerns including climate change risks) in the selection, retention and realisation of investments. Any decision should not apply personal ethical or moral judgments to these issues but should consider the sustainability of business models that are influenced by them.

The Trustee is taking the following steps to monitor and assess ESG related risks and opportunities:

- The Trustee will have periodic training on Responsible Investment to understand how ESG factors, including climate change, could impact the Plan's defined contribution default arrangements.
- As part of ongoing monitoring of Legal & General, the Trustee will use ESG ratings information provided by Aon, where relevant and available, to monitor the level of integration of ESG on a periodic basis.
- Regarding the risk that ESG factors including climate change negatively impact the value of investments held if not understood and evaluated properly. The Trustee considers this risk that ESG factors including climate change negatively impact the value of investments held if not understood and evaluated properly by taking advice from Aon when monitoring Legal & General's performance and suitability.
- The Trustee will include ESG-related risks, including climate change, on the Plan's risk register as part of ongoing risk assessment and monitoring.

Stewardship – Voting and Engagement

The Trustee recognises the importance of its role as a steward of capital and the need to ensure the highest standards of governance and promotion of corporate responsibility in the underlying companies and assets in which the Plan invests, as this ultimately this creates long-term financial value for defined contribution members.

The Trustee regularly reviews the suitability of Legal & General and takes advice from Aon with regard to any changes. This advice includes consideration of broader stewardship matters and the exercise of voting rights by Legal & General. If Legal & General is found to be falling short of the standards the Trustee has set out in its policy, the Trustee undertakes to engage with Legal & General and seek a more sustainable position but may look to replace Legal & General.

The Trustee reviews the stewardship activities of Legal & General on an annual basis, covering both engagement and voting actions. The Trustee will review the alignment of the Trustee's policies to those of Legal & General and ensure Legal & General uses its influence as major institutional investors to carry out the Trustee's rights and duties as a responsible shareholder and asset owner. This will include voting, along with – where relevant and appropriate – engaging with underlying investee companies and assets to promote good corporate governance, accountability, and positive change.

The defined contribution default arrangements are invested in pooled funds, which may result in indirect exposure to sectors or companies with higher ESG risks. The Trustee's expectation is that Legal & General will actively engage with companies it invests in to improve standards and influence behaviours.

The Trustee, through Aon, will engage with Legal & General as necessary for more information, to ensure that robust active ownership behaviours, reflective of their active ownership policies, are being actioned.

APPENDIX B (continued)

Stewardship – Voting and Engagement (continued)

The transparency for voting should include voting actions and rationale with relevance to the defined contribution default arrangements, in particular, where: votes were cast against management; votes against management generally were significant and votes were abstained. Where voting is concerned the Trustee expects its asset managers to recall stock lending, as necessary, in order to carry out voting actions.

From time to time, the Trustee will consider the methods by which, and the circumstances under which, they would monitor and engage with Legal & General and other stakeholders. This may be on matters concerning an underlying asset, including its performance, strategy, risks, social and environmental impact and corporate governance, the capital structure, and management of actual or potential conflicts of interest.

Policy on investing in illiquid assets

Whilst the Trustee does not invest in illiquid assets directly, the Trustee may hold illiquid investments on behalf of DC members within wider pooled funds in the new default arrangement.

The Trustee expects the vast majority of the underlying holdings in the Legal & General (PMC) Multi-Asset Fund to be liquid, but on occasion the underlying investment managers may allocate to underlying illiquid investments. Specifically, the Legal & General (PMC) Multi-Asset Fund may invest in private equity, infrastructure and forestry, for example. These are at the discretion of the investment manager, and the allocations may increase or decrease over time.

Whilst the Trustee recognises that illiquid investments may be associated with higher costs and liquidity risks, it nevertheless believes that the benefits of diversification and access to an illiquidity premium should benefit members in the long term. The Trustee also believes the underlying managers are best placed to use their discretion as to the appropriateness of holding illiquid investments in the Fund at any particular time, and to use the liquid portions of the Fund to ensure members have sufficient access to liquidity. Overall, each underlying fund is still expected to provide full daily liquidity.

Arrangements with Legal & General

The Trustee monitors the defined contribution default arrangements to consider the extent to which the investment strategy and decisions of Legal & General are aligned with the Trustee's policies. This includes monitoring the extent to which Legal & General:

- make decisions based on assessments about medium- to long-term financial performance of an issuer of debt or equity; and
- engage with issuers of debt or equity in order to improve their performance in the medium- to long-term.

The Trustee is supported in this monitoring activity by Aon.

The Trustee receives annual stewardship reports on the monitoring and engagement activities carried out Legal & General, which supports the Trustee in determining the extent to which the Plan's engagement policy has been followed throughout the year. This is incorporated into the Plan's Implementation Statement.

The Trustee shares the policies, as set out in this SIP, with Legal & General, and requests that Legal & General reviews and confirms whether its approach is in alignment with the Trustee's policies.

Before appointment of a new investment manager, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies. Where possible, the Trustee will seek to amend that documentation so that there is more alignment. Where it is not possible to make changes to the governing documentation, for example if the defined contribution funds are to be invested in a collective vehicle, then the Trustee will express its expectations to the investment managers by other means (such as through a side letter, in writing, or verbally at meetings).

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

Arrangements with Legal & General (continued)

The Trustee believes that having appropriate governing documentation, setting clear expectations to Legal & General by other means (where necessary), and regular monitoring of Legal & General's performance and investment strategy, is in most cases sufficient to incentivise it to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial and non-financial performance.

Where Legal & General is considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustee will typically first engage with Legal & General but could ultimately replace it where this is deemed necessary.

There is no set duration for arrangements with Legal & General, although its continued appointment will be reviewed periodically, and at least every three years.

The Trustee believes it has a duty as institutional investors to invest in a responsible manner and where appropriate will query managers on the rationale for holding positions in companies who contribute significant negative externalities to society.

Non-Financial Factors

In setting and implementing the investment strategy for the defined contribution default arrangements, the Trustee does not explicitly take into account the non-financial factors.

P N Whittome

20/09/2024

Signed on behalf of the Trustee

Date

APPENDIX B

Compass Group Pension Plan

Statement of Investment Principles for Defined Contribution default arrangements

The Trustee is required to prepare a statement of the principles governing investment decisions for assets held in the Compass Group Pension Plan ('the Plan'). This document describes the investment principles followed by the Trustee in relation to the Plan's defined contribution default arrangements.

This document has been prepared having obtained appropriate written advice from the Plan's investment consultants, Aon Solutions UK Limited ('Aon').

This document will be reviewed regularly and, in particular, when there is a significant change in the Plan's circumstances.

The defined contribution default arrangements apply to the following funds, unless members specified their own fund choice:

- Additional Voluntary Contribution funds transferred from Utmost Life and Pensions to Legal & General; and
- Defined Contribution funds transferred from M&G and Prudential to Legal & General.

Aims and Objectives

The key aim for the default arrangements is to provide a strategy that is likely to be suitable for meeting members' long and short-term investment objectives, taking into account members' term to retirement.

When setting the default arrangements, the Trustee considered the following:

- The need for appropriate diversification of asset classes.
- The differing investment priorities for members, depending upon their term to retirement.

For members who had not yet reached normal retirement age at the time of their transfer, the default arrangement was initially the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy. The Trustee moved members invested in the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy who were more than 10 years from selected retirement age to the Legal & General Cash Lifestyle Strategy on 28 May 2024. We refer to these strategies as the former primary default arrangement and the new primary default arrangement respectively in this statement.

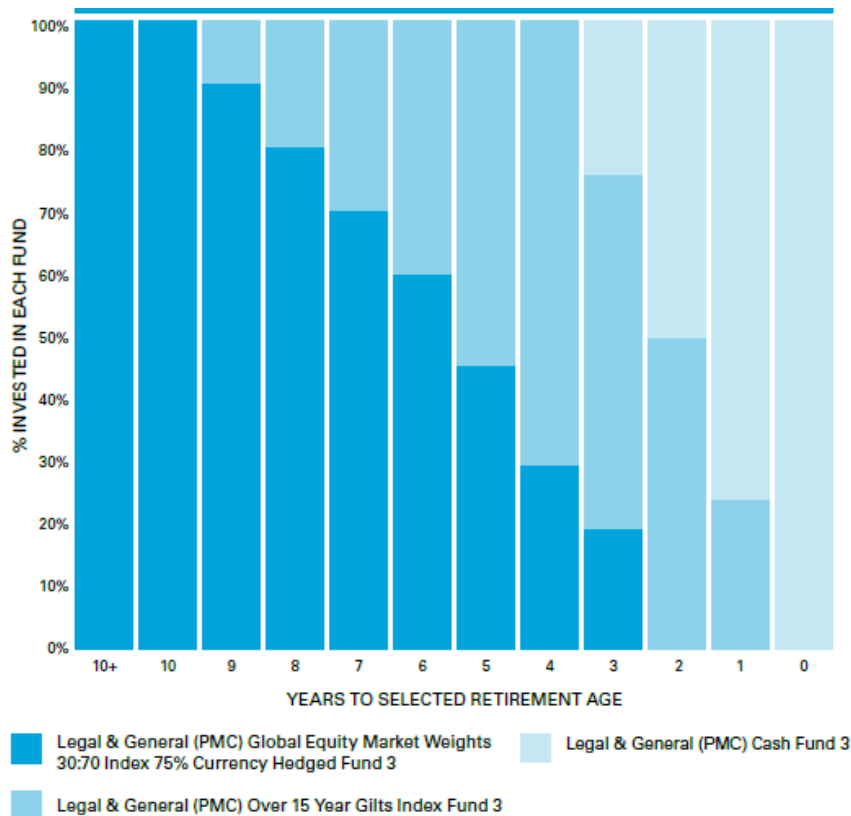
For members who were at or past normal retirement age at the time of their transfer, the default arrangement is the Legal & General (PMC) Cash Fund. This fund was chosen to minimise market volatility for members past retirement age, on the assumption they would take benefits in the very near future. Although the cash fund is not an ideal investment for members who intend to buy an annuity in the future, most of these members have a GMP underpin or are expected to take their funds as a cash lump sum. We refer to the Legal & General (PMC) Cash Fund as the secondary default in this statement.

The aim of the former primary default arrangement is to provide members with potential for higher levels of growth during the accumulation of their retirement savings through exposure to equities. Members who are more than 10 years from retirement age can withstand the volatility associated with equity investment as their fund has sufficient time to recover stock market losses. Investments are then gradually switched to lower risk investments with the aim of reducing volatility. The gradual switch to lower risk funds means members have a greater chance of recovering losses if their fund starts to switch when markets are at a low point.

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

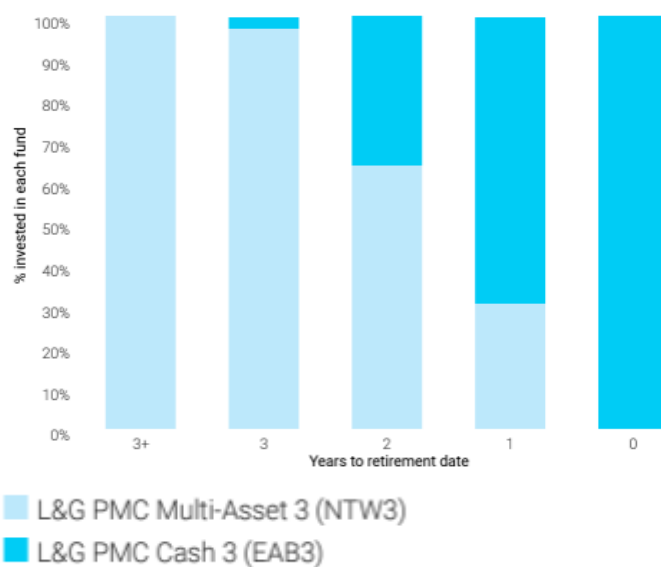
The structure of the Lifestyle Profile is shown in the chart below.



Source: Legal & General

The aim of the new primary default arrangement is to provide members with potential for long-term investment growth through exposure to a diversified range of asset classes whilst they are more than three years from retirement age. Investments are then gradually switched to the Legal & General (PMC) Cash Fund with the aim of reducing volatility.

The structure of the new primary default arrangement is shown in the chart below.



Source: Legal & General

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

The aim of the secondary default arrangement is to preserve the defined contribution pension savings members have built up in the Plan, ready for when they take retirement benefits.

The investment objectives for each fund used in the default arrangements are set out below.

Fund	Benchmark	Investment objective
Former primary default arrangement – the Legal & General (PMC) Global Equity Mixed Weights 30:70 Index 75% Currency Hedged 10 Year AVC Lifestyle Strategy		
Legal & General (PMC) Global Equity Market Weights 30:70 Index 75% Currency Hedged	Composite benchmark	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 FTSE All World (ex UK) Index overseas while maintaining a fixed 30/70 weighting between the UK and the overseas assets. A total of 75% of the overseas assets (excluding emerging markets) will be currency hedged to sterling (exposure to emerging market currencies will be left unhedged).
Legal & General (PMC) Over 15 Year Gilts Index	FTSE A Government (Over 15 Year) Index	To track the performance of its benchmark index (before charges) to within +/- 0.25% each year for two years out of three
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.
New primary default arrangement – the Legal & General Cash Lifestyle Strategy		
Legal & General (PMC) Multi-Asset Fund	Not applicable	To provide long-term investment growth through exposure to a diversified range of asset classes.
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.
Secondary default arrangement – the Legal & General (PMC) Cash Fund		
Legal & General (PMC) Cash	IA Short Term Money Market	To provide capital protection with growth at short term interest rates.

Source: Legal & General

COMPASS GROUP PENSION PLAN

APPENDIX B (continued)

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The Trustee is satisfied that it has sufficient expertise, information and resources, or access thereto, to carry out its role effectively.

Realising investments

The default arrangements are invested in liquid assets and funds are dealt daily. Members' pension savings can therefore be realised at short notice.

Risk

The Trustee recognises the key risk is that members will have insufficient income in retirement or an income that does not meet their expectations. The Trustee considered this risk when setting the default arrangements for the Plan.

In particular, the Trustee has considered the following risks in respect of the default arrangements:

- **Suitability** - the risk that the default arrangement will be unsuitable for the requirements of some members. The Trustee has taken steps to mitigate this risk by:
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 - (v) Providing members with online access to their Legal & General pension accounts so they can easily switch to an alternative investment option and
 - (vi) by reviewing the suitability of the default arrangements, in view of the format in which members can take their benefits, and investment options available at the time, every three years.
- **Market risk** – the value of policies allocated for member benefits fluctuate with the movement in the underlying asset values. This means that when a member takes retirement benefits, there is a possibility that the fund will have to be realised to provide retirement benefits at an inopportune time. The default arrangement for members who have not reached normal retirement age automatically switches into lower risk funds as members approach retirement with the aim of reducing volatility. The default arrangement for members at, or past, normal retirement age aims to minimise market risk by holdings funds in cash.
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APPENDIX B (continued)

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Portfolio Turnover

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APPENDIX B (continued)

Responsible Investment

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The defined contribution default arrangements are invested in pooled funds, which may result in indirect exposure to sectors or companies with higher ESG risks. The Trustee's expectation is that Legal & General will actively engage with companies it invests in to improve standards and influence behaviours.

The Trustee, through Aon, will engage with Legal & General as necessary for more information, to ensure that robust active ownership behaviours, reflective of their active ownership policies, are being actioned.

APPENDIX B (continued)

Stewardship – Voting and Engagement (continued)

The transparency for voting should include voting actions and rationale with relevance to the defined contribution default arrangements, in particular, where: votes were cast against management; votes against management generally were significant and votes were abstained. Where voting is concerned the Trustee expects its asset managers to recall stock lending, as necessary, in order to carry out voting actions.

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Policy on investing in illiquid assets

Whilst the Trustee does not invest in illiquid assets directly, the Trustee may hold illiquid investments on behalf of DC members within wider pooled funds in the new default arrangement.

The Trustee expects the vast majority of the underlying holdings in the Legal & General (PMC) Multi-Asset Fund to be liquid, but on occasion the underlying investment managers may allocate to underlying illiquid investments. Specifically, the Legal & General (PMC) Multi-Asset Fund may invest in private equity, infrastructure and forestry, for example. These are at the discretion of the investment manager, and the allocations may increase or decrease over time.

Whilst the Trustee recognises that illiquid investments may be associated with higher costs and liquidity risks, it nevertheless believes that the benefits of diversification and access to an illiquidity premium should benefit members in the long term. The Trustee also believes the underlying managers are best placed to use their discretion as to the appropriateness of holding illiquid investments in the Fund at any particular time, and to use the liquid portions of the Fund to ensure members have sufficient access to liquidity. Overall, each underlying fund is still expected to provide full daily liquidity.

Arrangements with Legal & General

The Trustee monitors the defined contribution default arrangements to consider the extent to which the investment strategy and decisions of Legal & General are aligned with the Trustee's policies. This includes monitoring the extent to which Legal & General:

- make decisions based on assessments about medium- to long-term financial performance of an issuer of debt or equity; and
- engage with issuers of debt or equity in order to improve their performance in the medium- to long-term.

The Trustee is supported in this monitoring activity by Aon.

The Trustee receives annual stewardship reports on the monitoring and engagement activities carried out Legal & General, which supports the Trustee in determining the extent to which the Plan's engagement policy has been followed throughout the year. This is incorporated into the Plan's Implementation Statement.

The Trustee shares the policies, as set out in this SIP, with Legal & General, and requests that Legal & General reviews and confirms whether its approach is in alignment with the Trustee's policies.

Before appointment of a new investment manager, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies. Where possible, the Trustee will seek to amend that documentation so that there is more alignment. Where it is not possible to make changes to the governing documentation, for example if the defined contribution funds are to be invested in a collective vehicle, then the Trustee will express its expectations to the investment managers by other means (such as through a side letter, in writing, or verbally at meetings).

APPENDIX B (continued)

Arrangements with Legal & General (continued)

The Trustee believes that having appropriate governing documentation, setting clear expectations to Legal & General by other means (where necessary), and regular monitoring of Legal & General's performance and investment strategy, is in most cases sufficient to incentivise it to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial and non-financial performance.

Where Legal & General is considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustee will typically first engage with Legal & General but could ultimately replace it where this is deemed necessary.

There is no set duration for arrangements with Legal & General, although its continued appointment will be reviewed periodically, and at least every three years.

The Trustee believes it has a duty as institutional investors to invest in a responsible manner and where appropriate will query managers on the rationale for holding positions in companies who contribute significant negative externalities to society.

Non-Financial Factors

In setting and implementing the investment strategy for the defined contribution default arrangements, the Trustee does not explicitly take into account the non-financial factors.

P N Whittome

20/09/2024

Signed on behalf of the Trustee

Date