The Aramark CCT Pension Plan

Statement of Investment Principles – August 2020

Introduction

The Trustee of the Aramark CCT Pension Plan (the "Plan") has drawn up this Statement of Investment Principles (the "Statement") to comply with the requirements of the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005. The Statement is intended to affirm the investment principles that govern decisions about the Plan's investments. In preparing this Statement the Trustee has consulted Aramark Limited (the "Sponsoring Employer") on the Trustee's investment principles.

Governance

The Trustee makes all major strategic decisions including, but not limited to, the Plan's asset allocation and the appointment and termination of investment managers. The process for making investment decisions is as follows:

- Identify appropriate investment objectives
- Agree the level of risk consistent with meeting the objectives
- Implement an investment strategy and investment manager structure in line with the level of risk and objectives agreed

When making such decisions, and when appropriate, the Trustee takes proper advice. The Trustee's investment consultants, Capita Employee Benefits ("Capita"), are qualified by their ability in and practical experience of financial matters, and have the appropriate knowledge and experience to provide such advice.

Investment Objectives

The Trustee is required to invest the Plan's assets in the best interest of members, and its main objectives with regard to investment policy are:

- To achieve, over the long term, a return on the Plan's assets which is sufficient in conjunction with the Plan's existing aseets and contributions paid by both members and the employer to pay all members' benefits in full;
- To ensure that sufficiently liquid assets are available to meet benefit payments as they fall due; and
- To consider the interests of the Sponsoring Employer in relation to the size and volatility of the Sponsoring Employer's contribution requirements.

The Trustee understands, following discussions with the Sponsoring Employer, that it is willing to accept a degree of volatility in the company's contribution requirements in order to reduce the long-term cost of the Plan's benefits.

Risk Management and Measurement

The Trustee is aware of and pays close attention to a range of risks inherent in investing the assets of the Plan. The Trustee believes that the investment strategy provides for adequate diversification both within and across different asset classes. The Trustee further believes that the current investment strategy is appropriate given the Plan's liability profile. The Trustee's policy on risk management is as follows:

- The primary investment risk faced by the Plan arises as a result of a mismatch between the Plan's assets and its liabilities. This is therefore the Trustee's principal focus in setting investment strategy, taking into account the nature and duration of the Plan's liabilities.

- The Trustee recognises that whilst increasing risk increases potential returns over a long period, it also increases the risk of a shortfall in returns relative to that required to cover the Plan's liabilities as well as producing more short-term volatility in the Plan's funding position. The Trustee has taken advice on the matter and (in light of the objectives noted previously) considered the implications of adopting different levels of risk.

- The Trustee recognises the risks that may arise from the lack of diversification of investments. Subject to managing the risk from a mismatch of assets and liabilities, the Trustee aims to ensure the asset allocation strategy in place results in an adequately diversified portfolio. Due to the size of the Plan's assets and recognising the need to diversify, investment exposure is obtained via pooled vehicles.

- The documents governing the managers' appointment include a number of guidelines which, among other things, are designed to ensure that only suitable investments are held by the Plan.

- The safe custody of the Plan's assets is delegated to professional custodians via the use of pooled vehicles.

Should there be a material change in the Plan's circumstances, the Trustee will review whether the current risk profile remains appropriate.

Investment Strategy

Given its investment objectives the Trustee has agreed to the asset allocation detailed in the Appendix. The Trustee believes that the investment risk arising from the investment strategy is consistent with the overall level of risk being targeted.

Any cash flows will be disinvested from the equity funds in line with the strategic allocations set out in the table in the Appendix or invested into the BlackRock Aquila Life All Stocks UK Index-Linked Gilt Index Fund. The Trustee may decide to change this cash flow policy from time-to-time, subject to receiving the necessary written advice from their Investment Consultant.

Expected Return

The Trustee expects the return on assets to be consistent with the investment objectives and investment strategy outlined above.

The Trustee expects to generate a return, over the long term, of circa 1.9% per annum, net of expenses, above a portfolio of long-dated UK Government bonds – which are considered to change in value in a similar way to the Plan's liability value. This return is a "best estimate" of future returns that has been arrived at given the Plan's asset allocation and in the light of advice from the investment consultant.

The Trustee recognises that performance may deviate significantly from this long term expectation. This "best estimate" will also generally be higher than the estimate used for the actuarial valuation of the Plan's Technical Provisions. For the Technical Provisions a more prudent estimate of returns will generally be agreed in the Statement of Funding Principles on the basis of advice from the Scheme Actuary.

Investment Mandates

The Trustee has selected the following manager (the "Investment Manager") to manage the assets of the Plan.

- BlackRock Investment Management ("BlackRock")

The Investment Manager is regulated under the Financial Services and Markets Act 2000. Details of the Plan's Investment Manager mandates are set out in the Appendix.

The Trustee has a rolling contract with its Investment Manager.

The Trustee monitors the performance of its Investment Manager on a quarterly basis. This monitoring is contained in a report provided by its investment consultant.

The Trustee has set performance objectives, including time periods, consistent with the investment strategy set out in this statement.

Investment Manager Remuneration

The Trustee monitors the remuneration and incentives, that are paid to the Investment Manager and how it rewards its key staff who manage client funds, along with how remuneration and incentives motivate employees who manage client funds.

As part of the monitoring that the Trustee carries out on a regular basis, they ensure that this policy is in line with its investment strategy.

Investment Manager Philosophy and Engagement

The Trustee monitors the Investment Manager's process for assessing the businesses they invest in, and whether business performance over the medium to long-term involves a holistic look beyond mainly accountancy measures. The Trustee considers if the Investment Manager is incentivised to make decisions on a short-term basis or on a medium-to-long-term basis and whether this coincides with the business assessments being made. The Trustee is conscious of whether the Investment Manager is incentivised by the agreement with the Trustee to engage with the investee business and to what extent any engagement focuses on improving medium to long-term performance.

Investment Manager Portfolio Costs

The Trustee will monitor costs of buying, selling, lending and borrowing investments and it will look to monitor the costs breakdown annually, as long as the Investment Manager provides these costs using the Cost Transparency Initiative template. They will also ensure that, where appropriate, its Investment Manager monitors the frequency of transactions and portfolio turnover. If there are any targets then they will monitor compliance with these targets.

Financially material considerations over the Plan's time horizon

The Trustee believes that its main duty, reflected in its investment objectives, is to protect the financial interests of the Plan's members. The Trustee believes that environmental, social and governance ("ESG") considerations (including but not limited to climate change) and stewardship in the selection, retention and realisation of its investments is an integral part of this duty and can contribute to the generation of good investment returns. Legislation requires that the Trustee forms a view of the length of time that it considers is needed for the funding of future benefits by the investments of the plan. The Trustee understands that this is a defined benefit plan that is closed to new members. Nevertheless, the Trustee believes that an appropriate investment time horizon for the Plan could still be over 10 years, which gives plenty of scope for ESG considerations to be financially material.

The Trustee has elected to invest in pooled funds and cannot, therefore, directly influence the ESG policies, including the day-to-day application of voting rights, of the funds in which they invest. However, the Trustee will consider these policies in all future selections and will seek to deepen its understanding of its existing Investment Manager's policies by reviewing these at least annually. In cases where it is dissatisfied with their approach it will take this into account when reviewing them. It also requires that its Investment Manager is a signatory of the UN Principles of Responsible Investment, which is currently the case.

The Trustee believes that stewardship is important, through the exercising of rights (including voting rights) attaching to investments. The Trustee requires that its Investment Manager can explain when, and by what practical methods, it monitors and engages with relevant persons about relevant matters in this area. The Trustee will be liaising with its Investment Manager to obtain details of its voting behaviour (including the most significant votes cast on the Trustee's behalf and what proxy voting services have been used) and will then be reporting annually on this. They will do this by receiving reports from its Investment Manager.The Trustee requires that the Investment Manager is a signatory to the UK Stewardship Code. This is currently the case.

The Trustee is aware that ESG and stewardship considerations involve an ongoing process of education for itself and engagement with its Investment Manager. To that end it dedicates time regularly to the discussion of this topic and intends to review and renew its approach periodically with the help of its investment consultant, where required.

Non-financial matters, including members' views are currently not taken into account.

Employer-Related Investments

The Trustee's policy is not to hold any direct employer-related investments as defined in the Pensions Act 1995, the Pensions Act 2004 and the Occupational Pension Schemes (Investment) Regulations 2005.

Fee Structures

The Investment Manager is paid a management fee on the basis of assets under management. The investment consultant is paid on a fixed fee basis for providing ‘core services’. The Trustee can also request that Capita undertake ‘out-of-scope’ projects, which may be undertaken on a fixed fee or time-cost basis as agreed by the Trustee.

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. Any changes to this Statement will only be made after having obtained and considered the written advice of someone whom the Trustee believes to be reasonably 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.

Trustee Director

30 / 09 / 2020

Date

On Behalf of The Trustee of the Aramark CCT Pension Plan

Appendix – Investment Mandates

The Investment Manager has been appointed by the Trustee to manage the Plan's assets and are regulated under the Financial Services and Markets Act 2000. Their mandates are set out below:

Asset Class	Investment Manager	Fund Name	Active / Passive Management	Strategic Allocation %
Return-seeking Asset Types				**52.5**
UK Equities	BlackRock	BlackRock Aquila Life UK Equity Index Fund	Passive	26.25
Overseas Equities	BlackRock	BlackRock Aquila Life US Equity Index Fund	Passive	17.5
	BlackRock	BlackRock Aquila Life European Equity Index Fund	Passive	4.375
	BlackRock	BlackRock Aquila Life Japanese Equity Index Fund	Passive	2.1875
	BlackRock	BlackRock Aquila Life Pacific Rim Equity Index Fund	Passive	2.1875
Matching Asset Types				**47.5**
UK Gilts	BlackRock	BlackRock Aquila Life All Stocks UK Gilt Index Fund	Passive	20.0
UK Index-Linked Gilts	BlackRock	BlackRock Aquila Life All Stocks UK Index-Linked Gilt Index Fund	Passive	20.0
UK Corporate Bonds	BlackRock	BlackRock Aquila Life All Stocks Corporate Bond Index Fund	Passive	7.5