

Allen & Overy Pension Scheme (the “Scheme”) – DC Section

Market Summary

You will shortly be receiving your annual benefit statement, which will reflect the value of your retirement savings as of 1 January 2023 and projected value at your selected retirement age (“SRA”).

High levels of inflation, rising interest rates and Russia’s invasion of Ukraine resulted in 2022 being a challenging environment for all asset classes. The value of UK government bonds was particularly volatile during September and October 2022 because of the measures announced by the former UK Chancellor. It is likely that all these events will have impacted the value of your retirement savings during 2022.

Since the start of 2023, improving economic data and falling levels of inflation have been beneficial to the equity strategies utilised within the lifecycle strategy that you have selected. However, rising interest rates continued to put downward pressure on the performance of the government and corporate bond funds.

As you have selected to invest in a lifecycle strategy, the exposure that you have to equities and bonds will be dependent on the number of years you have left until your SRA.

We encourage you to check your DC account via the online portal to see your latest position, where your funds are currently invested as well as information on all of the Scheme’s investment options: www.hartlinkonline.co.uk/allenover/hopl.chi/wui/tilepgui.html

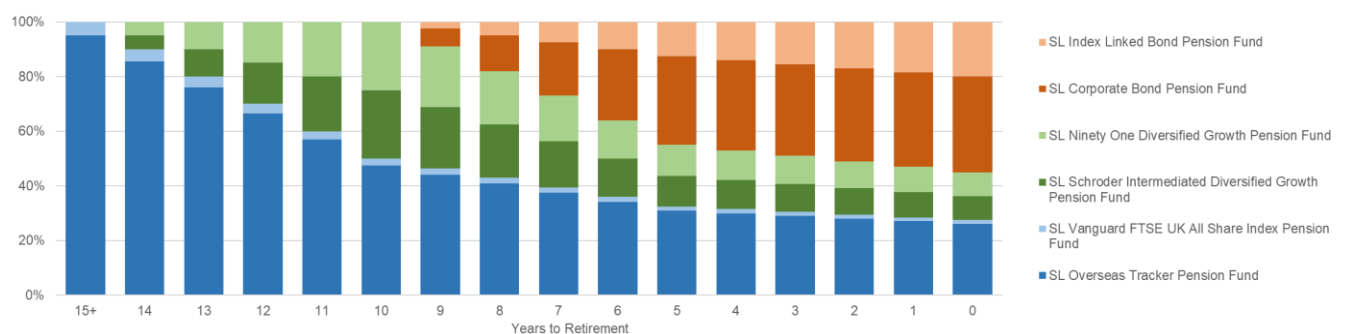
Introduction to the Scheme’s Lifecycle Strategies

Throughout your retirement savings journey, it is likely that both your investment objectives and risk tolerances are likely to change. This means that the way your pension savings are invested should also change with age.

A lifecycle strategy is designed to automatically change the way that your savings for retirement are invested to mitigate some of the risks your funds are exposed to during your savings journey.

You can select from one of three lifecycle strategies, each one targeting a different form of benefit upon reaching retirement:

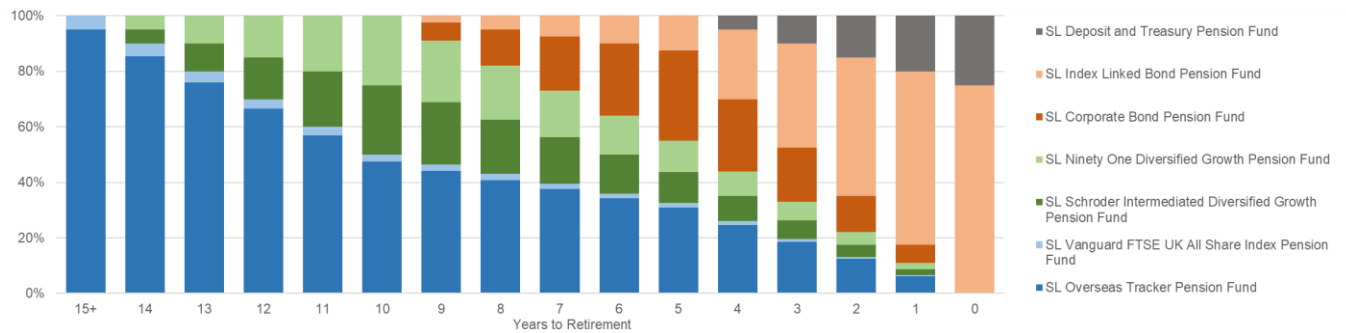
Multi-Asset Lifecycle Strategy



The Multi-Asset Lifecycle Strategy is designed for members who do not know how they are going to take their benefits, or those who wish to take flexible drawdown at retirement (note that this would involve transferring funds to an external arrangement at retirement).

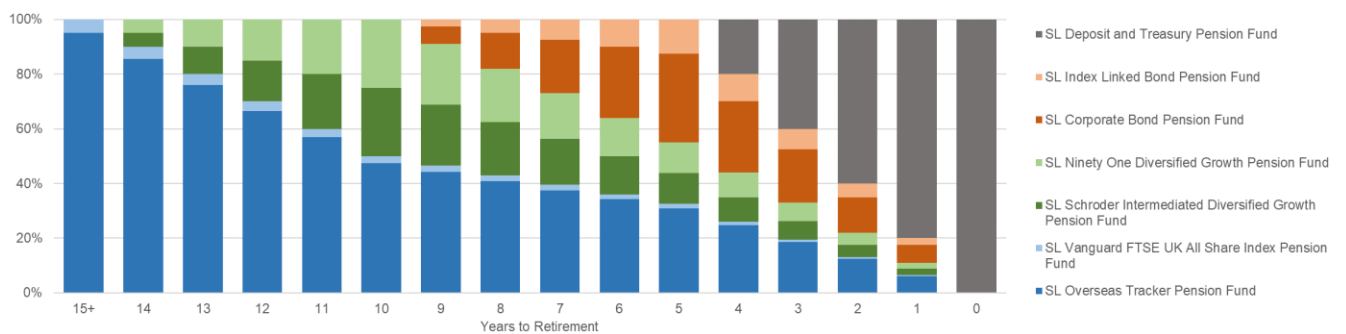
This strategy is the primary default arrangement since 10 November 2021. If you joined the DC Scheme after this date and did not provide investment instructions at the time of joining, your pension contributions would have been automatically made into this strategy.

Annuity Lifecycle Strategy



The Annuity Lifecycle Strategy is designed for members who wish to target an annuity purchase (and taking 25% tax free cash) at retirement.

Cash Lifecycle Strategy



The Cash Lifecycle Strategy is designed for members who wish to target a full cash out on retirement.

How are your savings currently invested

Based on your current selected retirement age ("SRA"), you are currently in the **Accumulation Phase** (more than 15 years from your SRA) of the strategy you are invested in.

The focus of the accumulation phase is to maximise the growth of your savings, which is achieved by solely investing your assets into global equities.

As you approach retirement, you will enter the **Transition Phase** (15 to 5 years from your SRA) of the lifecycle strategy, where your pensions savings will be invested across a broader range of asset classes which aims to reduce the ups and downs in the value of your pensions savings.

The underlying fund allocations for each of the three lifecycle strategies remains identical throughout the Accumulation and Transition Phases to facilitate simple switching between the lifecycles. We recommend taking advice before switching lifestyles if you are not sure how you intend to take your retirement savings.

Where can I get more information about my pension savings?

You can view where your pension savings are currently invested and find further information on all investment options, including the lifecycle strategies, via the 'My Pension' area of the Scheme website here: www.myallenoverypension.com/booklet/AOHome.asp

You can contact the Scheme's administrators Capita on 01227 774654 or by email on AllenOvery@capita.co.uk.

Your expected retirement date is outlined in your email. When referring to 'retirement', we mean the date we expect you to take your benefits. This is normally age 65 but there are options to take your benefits earlier or later. This is explained further here: www.myallenoverypension.com/investment/AOInvestRetDate.asp

It is important to update this if you intend to retire at a different point in time. You can do this via the online portal: www.hartlinkonline.co.uk/allenover/hopl.chi/wui/tilepgui.html

Do I need to take any action?

While there is currently no action for you to take, we strongly encourage you to check your DC account regularly to ensure that your chosen investment and selected retirement age remain appropriate for you.

Before making changes to your selected retirement age or investments, **we recommend you seek independent financial advice first.**

You can seek guidance on MoneyHelper and Pension Wise, and/or seek independent financial advice from a financial adviser who will help you to consider all options available to you. There is information on MoneyHelper to help you find an independent financial adviser.

The Trustee of the Scheme cannot provide you with financial advice.

If you have any questions, please contact us via Capita using the details set out above.

Yours sincerely

Jeremy Parr

Chair of the Trustee