

Aon Integrated Pensions

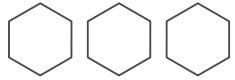
Your journey towards success





Contents





What is Integrated Pensions and how could it benefit me?

What the events of 2020 have demonstrated, is that resilience in turbulent and uncertain times is critical. A reliable service co-ordinated by a dedicated client manager can help you in such times.

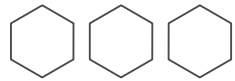
Our integrated approach brings the best of Aon to our clients spanning administration, actuarial, investment and governance services. It is all about putting your needs and objectives at the heart of how we work with you.

At Aon we believe that better outcomes are achievable for every pension scheme, no matter how big or small. You only have to look at our track record to see that's the case. Using analysis of our own clients, we can demonstrate that there is no discernible size factor in funding outcomes, consistent with our objective of delivering better outcomes irrespective of size. Through our experience of working with pension schemes of all sizes and profiles, we can give you affordable access to the industry's most effective solutions – with absolute transparency over fees. Integrated Pensions is a simpler way of working. You will find a joined up and streamlined approach that is tailored to you, with a senior point of contact. That means one person with absolute accountability for bringing together a team that is capable of delivering an outstanding service and meeting your long-term goals.

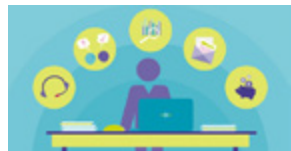


“Good advice, clear explanations to Trustees of reasons for advice or pros and cons of decisions facing them.”





The foundation of a strong integrated service to our clients is our pensions administration service and the COVID-19 pandemic crisis has highlighted how important and valued the administration teams are. The operating model we have developed over recent years, and continue to invest in, resonates with The Pensions Regulator’s recent comments that this crisis has highlighted just how vital a strong and resilient pensions administration service is in delivering for pension scheme members.



We support David Fairs’ comments that *“the work of administrators isn’t just admin – it’s vital to savers”*

and we take very seriously our responsibility to “provide savers with the services and pensions they deserve”. [See article.](#)

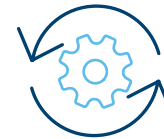
Throughout the COVID-19 pandemic crisis, we are very proud to have maintained a high quality, consistent and stable service to the clients and members we serve. This includes:



Our team transitioning to **100% homeworking** prior to UK lockdown, with colleagues invited to reimburse the cost of additional homeworking kit (including second monitors) required to work comfortably (having already been provided with laptops in recent years).



Our **Pensions Contact Centre** also successfully transitioning to a flexible homeworking environment, with around **95%** of members rating their **call experience ‘excellent’ or ‘good’**, and over **80%** of members able to resolve their request on their first call (our **‘first call resolution’** measure) during the crisis.



Remaining **fully operational** across all aspects of our service, teams and locations, with no need to call on work prioritisation plans.



Continuing to **support key strategic projects** for clients, including GMP reconciliation and equalisation, member options exercises and risk settlement transactions.



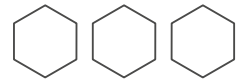
Maintaining productivity so that once volumes of work settled close to pre-crisis levels there was **no deterioration in service or member experience.**



Rolling out **online ID verification** on death, retirement and transfer-out cases, and a **non-post facility** for members to send documents.



An **uninterrupted** scanning, printing and post service through our third-party provider, Adare.

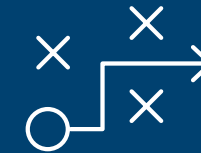


Pensions Administration

We are trusted to guide current and former employees through some of their most important decisions – and that is not something we take lightly.

Pensions administration is a crucial part of what we do, along with ensuring your members have a positive experience. That is at the forefront of how we run your scheme; in fact, at the forefront of everything we do.

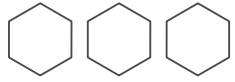
We are proud to have built a high-quality and resilient administration service around providing your members with a consistently positive experience which we describe as our PACT with them.



How we are different:

- More than 70 years experience helps us deliver better results for our clients.
- Over 600 specialists in our Pensions Administration business serving around 250 schemes across 200 clients totalling around 500,000 members.
- Market-leading Eq Administrator software and a business that is streamlined into three centres of excellence.
- Dedicated member service centre with trained specialists, handling 285,000 calls a year with a 80% ‘first time resolution’ rate. Rated by 95% of members as excellent or good.
- Market-leading member web service to improve member engagement and facilitating 150,000 early retirement quotes, 100,000 payslip views and 7,000 transfer value quotes annually.
- A proven transition process, supported by a 70-strong team of specialists and dedicated project management.

*Figures correct at July 2020



Secretariat Services and Good Governance

The role of a Scheme Secretary is pivotal in ensuring that schemes are run effectively and efficiently, driving forward schemes towards their objectives, whatever bumps there are along the road. The Pensions Regulator commissioned its own research in 2014 that found the gap between well governed schemes and those with poorer governance structures resulted in a difference in financial performance of 1-2% per annum. It's when times are difficult that the governance framework is tested most and having a robust approach has never been more important.

Our scheme secretaries have significant pensions experience and expertise, and seek to build strong and strategic relationships with you and all the stakeholders to the Scheme to ensure there is an effective team working together in the best interests of the Scheme, whatever challenges you may face.

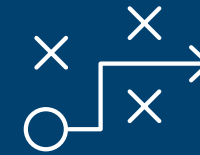
So why Aon?

- A focus on you and your objectives, and a deep understanding of the breadth of opportunities and risks facing the scheme in that journey.
- An approach that integrates the strategic aims for the scheme and risk management, and uses that to drive meeting agendas and activities.

- A governance framework designed to overcome behavioural biases, driving effective decision-making and ensuring that time is spent where you can add most value.
- Access to a range of specialists across the pensions areas, in addition to specialists in developing areas of focus for pension schemes, e.g. the importance of skills and experience diversity and the impact that can have on results.

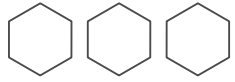


“Strong client relations team that LISTENS to client requirements and responds quickly when asked to.”



How we are different:

- A client management system that ensures everything is coordinated and focused on achieving your goals.
- Governance through leadership that includes our ViewPoints tool and work on understanding behavioural bias.
- **Implemented consulting**, to free up your time and let you focus on more strategic matters.
- Aon Pensions Organiser, a secure app and web-based tool to help improve the efficiency of your meetings, decision-making and document storage.
- Support to help you deal with the rising risk of cyber.



Actuarial Consultancy

The integration of funding, investment and covenant is fundamental to the successful risk management of any scheme – not to mention ensuring your scheme stays resilient and on track to meet its long term objectives.

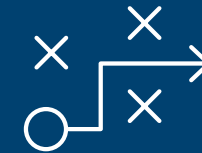
With Integrated Pensions, your Scheme Actuary, Investment Consultant and Covenant Adviser all work together with you, united with one clear goal. Our joined up approach gives you consistency of advice, efficient delivery and seamless communication.

Your triennial funding valuations are important milestones on your journey, and will determine the level of contributions payable by the sponsor. We have invested in technology to make the valuation process faster and more efficient, by enabling you to alter assumptions and see the immediate impact. But the benefits don't stop there; you will also have access to real time risk and funding monitoring via web and smartphone, extensive experience and specialist expertise, such as our Alternative Financing team.



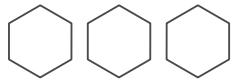
“We will focus on your objectives. We will work with you and the sponsor to agree objectives and then work together so that the funding actions and investment strategy are consistent with these.”

John Sydenham, Partner



How we are different:

- Leading technology such as our Risk Analyzer enabling you to make faster, more informed decisions.
- Access to specialist teams, including Covenant Assessment, GMP equalisation and Corporate Pensions Accounting.
- Access to our Demographic Horizons longevity analytics model to support you in setting mortality and dependants' assumptions.
- Funding, investment and covenant specialists using shared modelling to bring resilient integrated risk management.



Investment



In a time when the world of pensions is becoming increasingly broad and complex and markets are uncertain, partnering with the right advisor is key.

Daniel Carpenter, Principal Consultant

How you navigate the challenges ahead will have a big impact on your success in meeting your long-term objectives and securing members' benefits. Gaining an insight into your investment objectives and beliefs is therefore paramount, and we use our innovative integrated framework, ViewPoints, to help us do this.

By using our real-world investment experience and global research capabilities, your consultant will build a strategic plan, which will not only look at the appropriate levels of investment risk and return along the journey but will also explore how the latest developments in the pensions environment could help to achieve your objectives. We then provide clients with a full range of implementation choice from bespoke advisory to fund solutions and fiduciary management. Our solution has helped to deliver better outcomes for our clients, irrespective of their size and governance budget.



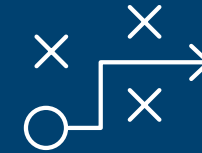
"Asset outperformance is an important factor in moving towards your end game."



Testimonial

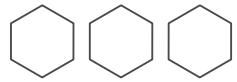
At a time of unprecedented market turbulence, timely advice delivered in a clear and unambiguous way has been very welcome. The proposed strategy has provided a level of protection for comfort, and an element of growth to help achieve long term targets, it met our requirements well.

Susan Andrews
Professional Trustee



How we are different:

- Our client centric approach ensures that we consult in a way that creates better understanding, strategic decision making and efficient operational processes.
- Our consultants are equipped with the depth of research and support from our specialist teams in asset allocation, risk and modelling and manager research to provide the right advice for the specific circumstances.
- We advise a wide variety of clients on all aspects of their investment arrangements and through all stages of their respective journeys to date.
- Our innovative integrated framework, ViewPoints, will ensure your objectives are clear, based on your beliefs, and will enable you to monitor progress against a plan.
- We offer a full range of solutions from advisory services to fund solutions and fiduciary management for schemes of all sizes.



Member Experience



For most members, their pension ranks alongside a house as their most valuable financial lifetime asset. Members' decisions can have a huge impact on a scheme's funding outcomes and sponsor costs.

Kelly Hurren, Principal Consultant

We firmly believe that delivering a better member experience leads to improved member decisions. This is especially important now given the ever-changing environment where there is so much uncertainty.

Engaging with your members throughout their retirement journey is key. Our work with behavioural insight agency Behave London puts us in a unique position to provide effective communications – written or digital.

Onboarding your scheme onto the market-leading Aon Retirement Options Model (AROM) will allow your members to explore and compare their retirement options – improving engagement and maximising member understanding. The direct links between AROM and Pensions Administration ensures a seamless service for your members.

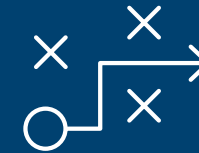
The provision of independent financial advice can be key to **support your members** through the decision-making process. We have a wealth of experience to support through the selection process of appointing an IFA.

Pension scams remain a worrying issue in the pensions universe, and we work closely with Pensions Administration to help educate and **protect your members**.

We continually innovate, improve and expand our services to optimise the member experience, and have numerous case studies that we can share with you.



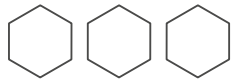
"Market leading expertise to engage, support and protect your members"



How we are different:

- Most active consultancy in supporting member options outcomes, with a 50 strong team of specialists
- Award-winning communications practice and links to Behave London
- Market leading technology to improve member outcomes
 - AROM provided to 25,000 members and 60 clients live/onboarding
- Dedicated IFA selection specialists
 - Over the last 2 years Aon have facilitated 60+ IFA selection processes – the most in the market
 - Ability to offer economies of scale and negotiate lower IFA fees
- Fully integrated exercises with Pensions Administration, a key part of our team
- Financial wellbeing solutions

*Figures correct at June 2020



Risk Settlement

Integrating Risk Settlement within a scheme's long-term strategy will ensure that the bulk annuity market is accessed at the optimal time, and will deliver independence from the sponsor as early as possible.

From the very start, our Integrated Pensions team will work with you to identify and define your own unique objectives. That way we can ensure all advisors are working together and focused on achieving the same outcome.

Throughout your journey, Pensions Administration will ensure the necessary data cleansing and benefit specification is completed and your Investment Consultant will manage your asset allocation to ensure it is optimised for pursuing a strategic bulk annuity purchase as soon as it is beneficial to do so. To ensure you get the results you want, your Scheme Actuary will be there to make sure your funding target reflects your objectives, while monitoring your funding position in real time against the latest bulk annuity pricing.

This end-to-end process finishes with the transaction itself, following our tried and tested Compass process. Throughout every stage, we will leverage our position as market leaders to optimise the competitive tender process and secure better pricing and preferential terms.

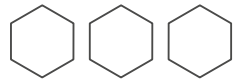


All advisors are working together and focused on achieving the same outcome



How we are different:

- The biggest team of dedicated Risk Settlement experts in UK pensions, routinely advising on the largest transactions, including more than half of FTSE 100 settlement transactions, down to transactions of less than £1M.
- Lead advisor on a number of the top ten buy-in and buy-out transactions every year for the last ten years.
- Lead advisor on over half of all UK pension longevity swaps.
- Aon's Bulk Annuity Compass – innovative and market-leading broking approach.
- 100% success from Pathway pre-negotiated insurance contracts.
- Bulk Annuity Market Monitor – enabling real opportunistic risk settlement.



What about the future?

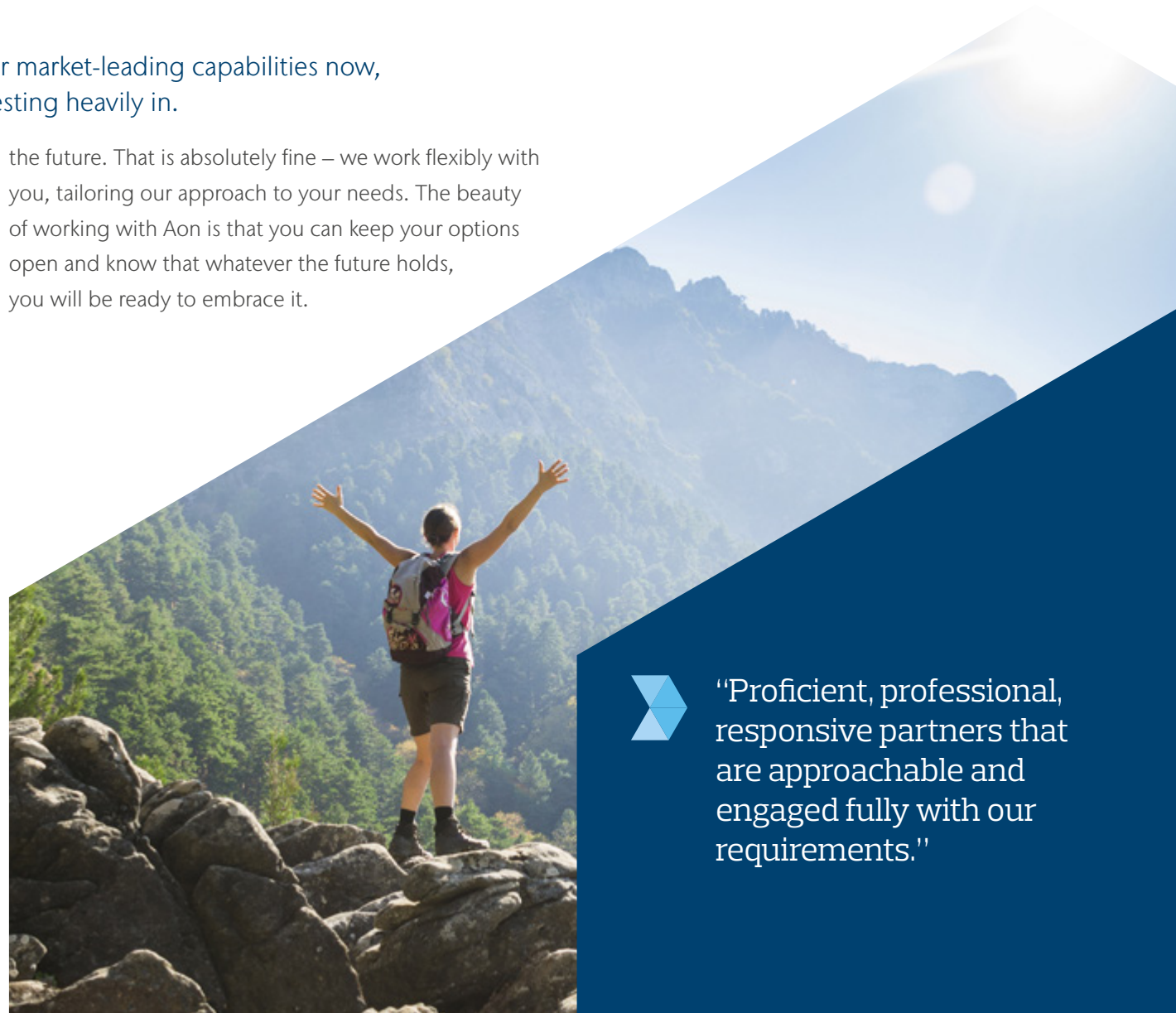
Choosing Aon will not only give you access to our market-leading capabilities now, but also to the future innovations that we are investing heavily in.

Innovations such as [Risk Analyzer](#), the [Aon Retirement Options Modeller](#), and our member web portal [PensionLine](#), are all focused on delivering better outcomes for you and your members, ensuring you are future-proofed against a rapidly evolving regulatory and economic landscape.

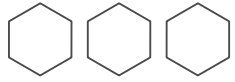
We continue to explore ways to generate better results for you, using your time and budget to best effect. This has led to the development of our [Implemented Consulting](#) solution, where we can step in on projects and handle some of the ‘heavy lifting’ for you. We are also developing how we support our clients when it comes to reviewing alternative pension scheme governance options, such as sole trustees and DB Mastertrusts, as well as looking at emerging trends in this area.

Of course, we understand that every element of our integrated offering may not be right for you today – such as perhaps Fiduciary Management or Risk Settlement – but may become crucial to your journey in

the future. That is absolutely fine – we work flexibly with you, tailoring our approach to your needs. The beauty of working with Aon is that you can keep your options open and know that whatever the future holds, you will be ready to embrace it.



“Proficient, professional, responsive partners that are approachable and engaged fully with our requirements.”



Contacts

Powering your journey towards success.

To find out more about how Integrated Pensions can deliver better outcomes for your scheme, please [email us](#) or contact one of the team using the contact details provided.

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About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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