Defined Contribution Statement of Investment Principles for the Airbus Group UK Pension Scheme February 2023

1. Introduction

This Defined Contribution Statement of Investment Principles ("DC SIP") sets out the policy of Airbus UK Pension Trustee ("the Trustee") on various matters governing decisions about the investments of the Defined Contribution ("DC") sections of the Airbus Group UK Pension Scheme ("the Scheme"), including Additional Voluntary Contributions ("AVCs").

A separate Default Arrangement Statement of Investment Principles (''DASIP'') sets out details of the default investment arrangement for members who do not wish to make their own investment decisions.

The DC SIP is designed to meet the requirements of Section 35 (as amended) of the Pensions Act 1995 ("the Act"), the Occupational Pension Schemes (Investment) Regulations 2005, and the Occupational Pension Schemes (Charges and Governance) Regulations 2015. The DC SIP also reflects the Trustee's response to the Myners voluntary code of investment principles.

This DC SIP has been prepared after obtaining and considering written professional advice from LCP, the Scheme's investment adviser, whom the Trustee believes to be suitably qualified and experienced to provide such advice. The advice takes into account the suitability of investments including the need for diversification, given the circumstances of the Scheme, and the principles contained in this DC SIP. The Trustee has consulted with the principal employer in producing this DC SIP.

The Trustee will review this DC SIP from time to time and, with the help of its advisers, will amend it as appropriate. These reviews will take place as soon as practicable after any significant change in investment policy, or in the demographic profile of the relevant members, and at least once every three years. This DC SIP replaces the previous DC SIP dated November 2021.

- Appendix 1 contains brief details of the respective responsibilities of the Trustee, investment advisers and investment managers. It also contains a description of the basis of remuneration of the investment adviser and the investment managers.
- Appendix 2 sets out the Trustee's policy towards risk measurement and management.
- Appendix 3 sets out the Scheme's investment manager arrangements.
- Appendix 4 sets out details of the lifestyle arrangements available to members.

This SIP contains the information required by legislation, and also considers the Pension Regulator's guidance on investments.

2. Investment objectives

The Trustee's primary objectives are to provide members with access to:

- an appropriate range of investment options, reflecting the membership profile and the variety of ways that members can draw their benefits in retirement; and

- a default investment option that the Trustee believes to be reasonable for those members who do not wish to make their own investment decisions. The objective of the default option is to generate returns above inflation whilst members are some distance from retirement, but then to switch automatically and gradually to lower risk investments as members near retirement.

- an asset allocation at the target retirement date that is appropriate and consistent with how most members are expected to take their retirement savings.

3. Investment strategy

The Trustee, with the input of its advisers and in consultation with the principal employer, began reviewing the default investment strategies in January 2020, finalising the review in September 2020, taking into account the objectives described in Section 2 above. The Trustee has also reviewed the approach to climate risk mitigation within the funds as part of a fund review that began in September 2022 and made a decision to improve this in the Airbus Global Equity Fund (implemented in March 2023). The next investment strategy review is due to commence in late 2023.

Members who join the Airbus Group UK Retirement Plan (Schedules 4 and 5) who do not choose an investment option are automatically invested in the default option for the Airbus Group UK Retirement Plan, the Airbus Drawdown Lifestyle. The default option for the members of the Airbus Group UK Pension Scheme (Schedules 1, 2 and 3) who have a Retirement Account or AVCs is the 'Airbus Cash Lifestyle'. These default options are set up as "lifestyle strategies" (i.e. they automatically combine investments in proportions that vary according to the time to retirement age). Until 5 years before a member's target retirement age the lifestyles have the same asset mix profile. Then the default lifestyle strategies follow different investment pathways, to target the desired retirement objective; transfer to income drawdown, or taking a full lump sum cash withdrawal. There is also one other lifestyle strategy available to members, the Airbus Annuity Lifestyle, which targets buying an annuity at retirement. Members are free to select any of the three lifestyle options.

As an alternative to the lifestyle strategy options, members are offered a range of self-select funds through Legal and General Assurance Society Limited in which to invest. These funds have different levels of risk and expected return, including equity, bond, property and cash based funds. Investment management of the funds is delegated to Legal and General Investment Management ("L&G") and several external investment managers. Details of the lifestyle strategies and other investment options available to members are set out in Appendix 4.

Each member is responsible for specifying one or more funds for the investment of their account, having regard to their attitude to the risks involved. If a member does not choose an investment option, their account will be invested into the default options, which are managed as "lifestyle strategies". Please refer to the DASIP for more information on the default arrangements.

The Trustee will review the strategy used for the default options and the other investment options at least every three years and as soon as practicable after any significant change in investment policy, or the demographic profile of relevant members. The Trustee will also monitor the relevant members' behaviour to check whether assumptions made about how members will access their benefits are borne out in practice.

3.1 Retirement Accounts/AVCs

Members of Schedule 1 of the Scheme receive employer contributions to provide additional money purchase benefits, known as Retirement Accounts. The Scheme also provides a facility for members of Schedules 1, 2 and 3 to pay Additional Voluntary Contributions ("AVCs") into the Scheme in order to provide additional benefits on a money purchase basis.

3.2 Schedules 4 and 5 (Airbus Group UK Retirement Plan)

Schedules 4 and 5, known as the Airbus Group UK Retirement Plan, provides solely money purchase benefits.

4. Considerations made in determining the investment arrangements

When deciding how to invest the Scheme's assets, the Trustee considers a number of risks, including, but not limited to, those set out in Appendix 2. Some of these risks are more quantifiable than others, but the Trustee has tried to allow for the relative importance and magnitude of each risk.

The Trustee considered a wide range of asset classes for investment, and the expected returns and risks associated with those asset classes, as well as the Trustee's beliefs about investment markets and which factors are most likely to impact investment outcomes. The primary ways that the Trustee manages investment risk is via diversification, ensuring that professional written advice is received prior to making any material investment decision, and via the Trustee's ongoing monitoring and oversight of the investments. For the DC Sections investment risk is measured as standard deviation. Expected returns on gilts are based on observed market yields.

The key financial assumptions for the long-term excess returns over gilts on other asset classes, to assist in determining the investment strategy, were as follows, based on market conditions as at 30 September 2021:

- average excess return on equities: 4.8% p.a.
- average excess return on diversified growth funds: 2.9% p.a.
- average excess return on corporate bonds: 0.7% p.a.

In determining the investment arrangements the Trustee also took into account:

- the overall best interests of members and beneficiaries;
- the profile of the membership and what this was likely to mean for the choices members might make upon reaching retirement;
- the risks, rewards and suitability of a number of possible asset classes and lifestyle strategies and whether the return expected for taking any given investment risk is considered sufficient given the risk being taken;
- the need for appropriate diversification within the default strategies and between the other investment options offered to members to ensure that, for each such option, both the overall level of investment risk and the balance of individual asset risks are appropriate;
- the need for appropriate diversification between and, where appropriate, within the other investment options offered to members.

The Trustee also considers any other factors which it believes to be financially material over the applicable time horizons to the accumulation of the DC Sections' benefits, including environmental, social and governance ("ESG") factors and the risks and opportunities relating to the transition to a low carbon economy.

The Trustee's key investment beliefs, which influenced the setting of the investment arrangements, are as follows:

- asset allocation is the primary driver of long-term returns;
- costs may have a significant impact on long-term performance and therefore obtaining value for money from the investments is important;
- investment managers who can consistently spot and profitably exploit market opportunities are difficult to identify, and therefore passive management is usually better value;
- risk-taking is necessary to achieve return, but not all risks are rewarded. Equity, credit, and illiquidity are the primary rewarded risks. Risks that do not have an expected reward should generally be avoided, hedged, or diversified;
- ESG factors should be considered when making investment decisions, as managers may be able to improve risk-adjusted returns by doing this;
- climate change is a financially material systemic issue that presents risks and opportunities for the DC Section over the short, medium and long term;
- aligning the Scheme's assets with net zero greenhouse gas emissions by 2050 where practicable is expected to help reduce the risks to the Scheme from climate change;
- voting and engagement are important and can create long term value which is in the best interest of Scheme members and therefore we encourage managers to improve their voting and engagement practices.

5. Implementation of the investment arrangements

Before investing in any manner, the Trustee obtains and considers proper written advice from its investment adviser on the question of whether the investment is satisfactory, having regard to the need for suitable and appropriately diversified investments.

Details of the investment managers, their objectives, investment guidelines, and custody arrangements are set out in Appendix 3.

The Trustee has entered into a contract with a platform provider, who makes available the range of investment options to members. There is no direct relationship between the Scheme and the underlying investment managers of the DC investment funds.

The Trustee and investment managers to whom discretion has been delegated exercise their powers to giving effect to the principles in this Statement of Investment Principles, so far as is reasonably practicable.

The Trustee has limited influence over managers' investment practices because all the Scheme's assets are held in pooled funds, but it encourages its managers to improve their practices where appropriate within the parameters of the fund they are managing.

The Trustee's view is that the fees paid to the investment managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high quality service that meets the stated objectives, guidelines and restrictions of their fund. However, in practice managers cannot fully align their strategy and decisions to the (potentially conflicting) policies of all their pooled fund investors in relation to strategy, long-term performance of debt/equity issuers, engagement and portfolio turnover.

It is the Trustee's responsibility to ensure that the managers' investment approaches are consistent with its policies before any new appointment, and to monitor and to consider terminating any existing arrangements that appear to be investing contrary to those policies. The Trustee expects investment managers, where appropriate, to make decisions based on assessments of the longer term performance of debt/equity issuers, and to engage with issuers to improve their performance (or where this is not appropriate to be able to explain why). It assesses this when selecting and monitoring managers.

The Trustee evaluates investment manager performance over both shorter and longer term periods as available. The duration of a manager's appointment will depend on strategic considerations and the outlook for future performance. Generally, the Trustee would be unlikely to terminate a mandate on short-term performance grounds alone.

The Trustee's policy is to evaluate each of its investment managers by reference to the manager's individual performance as well as the role it plays in helping the Scheme meet its overall long-term objectives, taking account of risk, the need for diversification and liquidity. Each manager's remuneration, and the value for money it provides, is assessed in light of these considerations.

The Trustee recognises that portfolio turnover and associated transaction costs are a necessary part of investment management. Since the impact of portfolio turnover costs is reflected in performance figures used in the assessment of the investment managers, the Trustee does not explicitly monitor portfolio turnover. The Trustee expects its investment consultant to incorporate portfolio turnover and resulting transaction costs as appropriate in its advice on the Scheme's investment mandates.

6. Realisation of investments

The investment managers have discretion over the timing of realisation of investments of the Scheme and in considerations relating to the liquidity of investments. The Trustee's policy is to invest in funds that offer daily dealing to enable members to readily realise and change their investments.

7. Consideration of financially material and non-financial matters

The Trustee has considered how environmental, social, governance ("ESG") and ethical factors (including but not limited to climate change) should be taken into account in the selection, retention and realisation of investments, given the time horizon of the Scheme and its members.

The Trustee expects its investment managers to take account of financially material considerations (including climate change and other ESG considerations) within the parameters of the mandates they are set. The Trustee seeks to appoint managers that have appropriate skills and processes to do this, and from time to time reviews how its managers are taking account of these issues in practice.

The Trustee has limited influence over managers' investment practices where assets are held in pooled funds, but it encourages its managers to improve their practices where appropriate.

The Trustee does not take into account any non-financial matters (ie matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments. The Trustee recognises that some members may wish for non-financial matters to be taken into account in their investments and therefore has made available the L&G Ethical Global Equity Index Fund and the L&G Fossil Fuel Free Climate Equity Index Fund as a investment options to members.

8. Stewardship

The Trustee believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. The Trustee has delegated to its investment managers the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, risks and ESG considerations.

The Trustee does not monitor or engage directly with issuers or other holders of debt or equity. It expects the investment managers to exercise ownership rights and undertake monitoring and engagement in line with the managers' general policies on stewardship, as provided to the Trustee from time to time, taking in to account the long-term financial interests of the beneficiaries. The Trustee expects the managers to communicate their policies on stewardship from time to time, and provide the Trustee with reporting on the results of their engagement and voting activities regularly and at least once a year.

The Trustee has selected some priority ESG themes to provide a focus for its monitoring of investment managers' voting and engagement activities. The Trustee reviews the themes regularly and update them if appropriate. The Trustee communicates these stewardship priorities to its managers and also confirm its more general expectations in relation to ESG factors, voting and engagement.

If the Trustee's monitoring identifies areas of concern, it will engage with the relevant manager to encourage improvements. The Trustee will set objectives and target dates for each formal engagement, review progress, and have an escalation process which it will follow if progress is unsatisfactory. The Trustee seeks to appoint managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code issued by the Financial Reporting Council, and from time to time the Trustee reviews how these are implemented in practice.

Responsibilities, decision-making and fees

The Trustee has decided on the following division of responsibilities and decision-making for the Scheme. This division is based upon the Trustee's understanding of the various legal requirements placed upon it, and its view that this division allows for efficient operation of the Scheme overall, with access to an appropriate level of expert advice and service. The Trustee's investment powers are set out within the Scheme's governing documentation.

1. Trustee

In broad terms, the Trustee is responsible in respect of investment matters for:

- setting the investment strategy, in consultation with the principal employer;
- developing a mutual understanding of investment and risk issues with the employer;
- reviewing the investment policy as part of any review of the investment strategy;
- setting the policy for rebalancing between asset classes;
- appointing (and, when necessary, dismissing) investment managers, custodians, investment advisers, actuary and other advisers;
- monitoring the exercise of the investment powers that they have delegated to the investment managers and monitoring compliance with Section 36 of the Act;
- formulating a policy on socially responsible investment issues;
- formulating a policy in relation to financially material considerations, such as those relating to ESG considerations (including but not limited to climate change);
- formulating a policy on taking account of non-financial matters in the selection, retention and realisation of investments;
- formulating a policy on voting rights;
- communicating with members as appropriate on investment matters, such as the Trustee's assessment of its effectiveness as a decision-making body, the policies regarding responsible ownership and how such responsibilities have been discharged;
- putting effective governance arrangements in place and documenting these arrangements in a suitable form; reviewing the content of this DC SIP from time to time and modifying it if deemed appropriate; and
- consulting with the principal employer when reviewing the DC SIP.

In carrying out these responsibilities the Trustee may delegate some or all of the duties to an Investment Sub Committee ("the ISC"). The principal aims of the ISC will be to consider matters on behalf of the Trustee and make recommendations to the Trustee for authorisation. From time to time the Trustee may delegate decision making powers to the ISC.

2. Platform provider

The investment platform provider will be responsible for:

- providing access to a range of funds managed by various investment managers; and

- providing the Trustee with regular information concerning the management and performance of the assets.

3. Investment managers

In broad terms, the investment managers will be responsible for:

- managing the portfolios of assets according to their stated objectives, and within the guidelines and restrictions set out in their respective investment manager agreements and/or other relevant governing documentation;
- taking account of financially material considerations (including climate change and other ESG considerations) as appropriate when managing the portfolios of assets;
- exercising rights (including voting rights) attaching to investments and undertaking engagement activities in respect of investments;
- providing the Trustee / investment platform provider with regular information concerning the management and performance of their respective portfolios; and
- having regard to the provisions of Section 36 of the Act insofar as it is necessary to do so.

The custodians of the portfolios (whether there is a direct relationship between the custodian and the Trustee or not) are responsible for safe keeping of the assets and facilitating all transactions within the portfolios.

4. Investment adviser

In broad terms, the investment adviser will be responsible, in respect of investment matters, as requested by the Trustee, for:

- advising on a suitable fund range and default strategies for the Scheme, and how material changes to legislation or within the Scheme’s benefits and membership may impact this;
- advising on the selection, and review, of the investment managers, incorporating its assessment of the nature and effectiveness of the managers’ approaches to financially material considerations (including climate change and other ESG considerations); and
- participating with the Trustee in reviews of this DC SIP.

5. Fee structures

The Trustee recognises that the provision of investment management and advisory services to the Scheme results in a range of charges to be met, directly or indirectly, by deduction from the Scheme’s assets.

The Trustee has agreed Terms of Business with the Scheme’s investment advisers, under which work undertaken is charged for by an agreed fixed fee or on a “time-cost” basis.

The investment managers and platform provider receive fees calculated by reference to the market value of assets under management. The fee rates are believed to be consistent with the managers’ general terms for institutional clients and are considered by the Trustee to be reasonable when compared with those of other similar providers. In particular, the Trustee is satisfied that the charges for the Scheme’s default lifestyle strategies are below the statutory charge cap.

The fee structure used in each case has been selected with regard to existing custom and practice, and the Trustee's view as to the most appropriate arrangements for the Scheme. However, the Trustee will consider revising any given structure if and when it is considered appropriate to do so.

6. Performance assessment

The Trustee is satisfied, taking into account the external expertise available, that there are sufficient resources to support its investment responsibilities. The Trustee believes that it has sufficient expertise and appropriate training to carry out its role effectively.

It is the Trustee's policy to assess the performance of the Scheme's investments, investment providers and professional advisers from time to time. The Trustee will also carry out periodically an assessment of its own effectiveness as a decision-making body and will decide how this may then be reported to members.

7. Working with the Scheme's employer

When reviewing matters regarding the Scheme's investment arrangements, such as the DC SIP, the Trustee seeks to give due consideration to the employer's perspective. While the requirement to consult does not mean that the Trustee needs to reach agreement with the employer, the Trustee believes that better outcomes will generally be achieved if the Trustee and employer work together collaboratively. The employer has provided the Trustee with a copy of the Airbus Responsibility and Sustainability Charter and it was noted that there was no strong steer in any particular area.

Policy towards risk, risk measurement and risk management

The Trustee considers that there are a number of different types of investment risk that are important for the Scheme. These include, but are not limited to:

1. Risk of inadequate returns

As members' benefits are dependent on the investment returns achieved, it is important that investment options are available which can be expected to produce adequate real returns over the longer term. Accordingly, equity and equity-based funds, which are expected to provide positive returns above inflation over the long term, have been made available to members and feature in the growth phase of the default strategies. To reduce the chance of a sharp deterioration in members' benefits close to retirement, the Trustee has made the default options "lifestyle" strategies.

2. Risk from lack of diversification

This is the risk that failure of a particular investment, or the general poor performance of a given investment type, could materially adversely affect the Scheme's assets. The Trustee believes that the Scheme's DC default strategies are adequately diversified between different asset classes and within each asset class and the DC options provide a suitably diversified range for members to choose from. This was a key consideration when determining the Scheme's investment arrangements.

3. Investment manager risk

This is the risk that an investment manager fails to meet its investment objectives. Prior to appointing an investment manager, the Trustee receives written advice from a suitably qualified individual, and will typically undertake an investment manager selection exercise. The Trustee monitors the investment managers on a regular basis.

4. Liquidity/marketability risk

This is the risk that core financial transactions, such as investing members' contributions, are not processed promptly due to lack of liquidity in the investments. The Trustee manages this risk by only using pooled funds with daily dealing within the default strategies and diversifying the strategies across different types of investment.

5. Climate-related risks

Climate change is a source of risk, which could be financially material over both the shorter and longer term. This risk relates to the transition to a low carbon economy, as well as the physical risks associated with climate change (e.g. extreme weather). The Trustee seeks to appoint investment managers who will manage this risk appropriately, and from time to time review how this risk is being managed in practice.

6. Other Environmental, social and governance (ESG) risks

ESG factors are sources of risk to the Scheme's investments, some of which could be financially significant, over both the short and longer term. These potentially include risks relating to factors such as unsustainable business practices and unsound corporate governance. The Trustee seeks to appoint investment managers who will manage these risks appropriately on their behalf and from time to time reviews how these risks are being managed in practice.

7. Risk from excessive charges

If the investment management charges together with other charges levied on, for example, transfers or early retirement are excessive, then the value of a member's account would be reduced unnecessarily. The Trustee is comfortable that the charges applicable to the Scheme are in line with market practice and assess regularly whether these represent good value for members.

8. Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Scheme is subject to credit risk because it invests in bonds via pooled funds. The Trustee manages its exposure to credit risk by only investing in pooled funds that have a diversified exposure to different credit issuers, and only invests in bonds that are classified as "investment grade".

9. Equity risk

Equity represents (part) ownership of a company. Equity risk is the risk that the value of this holding falls in value.

The Trustee believes that equity risk is a rewarded investment risk, over the long term.

The Trustee considers exposure to equity risk in the context of the Scheme's overall investment strategy and believes that the level of exposure to this risk is appropriate.

10. Currency risk

Whilst the majority of the currency exposure of the Scheme's assets is to Sterling, the Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets.

The Trustee considers the overseas currency exposure in the context of the overall investment strategy, and believes that the currency exposure that exists diversifies the strategy and is appropriate.

11. Other non-investment risks

The Trustee recognises that there are other, non-investment, risks faced by the Scheme, and takes these into consideration as far as practical in setting the Scheme's investment arrangements.

Investment manager arrangements

Appendix 3

Details of the investment managers, their objectives, investment guidelines and custody arrangements are set out below.

1. Fund options offered under Schedule 1 (Retirement Accounts), Schedules 1, 2 and 3 (AVCs), and Schedule 4 and 5 (the Airbus Group UK Retirement Fund).

The Trustee makes available the following funds with the objective of tracking their benchmark return to within the specified tolerance net of fees. The relevant members are provided with clear information on the investment options and their characteristics that will allow the members to make an informed choice.

The table below illustrates the self-select fund options available to members. In addition to the Fund Management Charge, there is a 0.14% administration fee payable by all members except those in Schedule 5 (where the 0.14% is paid directly by the employer via invoice from L&G).

Fund	Benchmark	Active / Passive	Fund Management Charges (% pa)
Airbus Global Equity Fund	Solactive L&G Low Carbon Transition Global Index	Passive	0.07
L&G UK Equity Index Fund	FTSE All-Share Index	Passive	0.10
L&G Global Equity Fixed Weights 50:50 Index Fund	Composite Benchmark[1]	Passive	0.10
L&G World (ex UK) Equity Index Fund	FTSE - World (ex-UK) Index	Passive	0.12
L&G World Emerging Markets Equity Index Fund	FTSE Emerging Index	Passive	0.25
L&G Diversified Fund	FTSE Developed World Index (50% hedged to GBP)	Active	0.29
L&G AAA-AA-A Corporate Bond Over 15 Year Index	iBoxx £ Non-Gilts (ex-BBB) Over 15 Year Index	Passive	0.12
L&G Over 5 Year Index-linked Gilt Fund	FTSE A Index-Linked (Over 5 Year) Index	Passive	0.08
L&G Over 15 year Gilts Index Fund	FTSE A Government (Over 15 Year) Index	Passive	0.08
L&G Sustainable Property Fund	Composite benchmark[2]	Active	1.16
L&G Cash Fund	SONIA	Passive	0.09
HSBC Islamic Global Equity Index Fund	Dow Jones Islamic Titans Index	Passive	0.35
L&G Ethical Global Equity Index Fund	FTSE4Good Global Equity Index	Passive	0.30
L&G Future World Annuity Aware Fund[3]	FTSE Annuities Index	Passive	0.12
L&G PMC Invesco Perpetual Global Targeted Returns[4]	SONIA + 5% pa	Passive	0.75
L&G PMC Veritas Global Focus Fund	MSCI World Index	Active	0.84

[1] 50% FTSE All-Share Index, 17.5% FTSE AW Developed Europe Ex UK Index, 17.5% FTSE AW Developed North America Index, 8.75% FTSE AW Japan Index, 6.25% FTSE AW Asia-Pacific Ex Japan Index

[2] 87% ABI Sector – UK Direct Property– Pension Sector and 13% FTSE EPRA / NAREIT Developed Real Estate Index

[3] As of 1 May 2022, the Invesco Global Targeted Returns Fund is closed to new members.

[4] As of 20 February 2023, the L&G Pre-Retirement Fund is closed to new members.

[5] The Columbia Threadneedle Responsible Global Equity Fund and L&G Fossil Fuel Free Climate Equity Index Fund were added to the self-select fund range on 10 February 2023.

Airbus Pension Scheme Short Dated Credit Fund	SONIA + 1.5% pa	Active	0.17
L&G Fossil Fuel Free Climate Equity Index Fund[5]	FTSE All-World TPI with exclusions	Passive	0.20
Columbia Threadneedle Responsible Global Equity Fund[5]	MSCI World Index	Active	0.75

Lifestyle options

Appendix 4

1. Default Lifestyle options

The default lifestyle strategy (Airbus Drawdown Lifestyle) for those Schedule 4 and Schedule 5 members who do not wish to make their own choices is set out in the table below:

Years to retirement	**Airbus Pension Scheme Global Equity Fund %**	**L&G Diversified Fund %**	**L&G AAA-AA-A Corporate Bond Over 15 Year Index %**	**Airbus Pension Scheme Short Dated Credit Fund %**
16+	100.0	0.0	0.0	0.0
15	100.0	0.0	0.0	0.0
14	96.0	2.0	2.0	0.0
13	92.0	4.0	4.0	0.0
12	88.0	6.0	6.0	0.0
11	84.0	8.0	8.0	0.0
10	80.0	10.0	10.0	0.0
9	76.0	12.0	12.0	0.0
8	72.0	14.0	14.0	0.0
7	68.0	16.0	16.0	0.0
6	64.0	18.0	18.0	0.0
5	60.0	20.0	20.0	0.0
4	55.0	20.0	20.0	5.0
3	50.0	20.0	20.0	10.0
2	45.0	20.0	20.0	15.0
1	40.0	20.0	20.0	20.0
0	35.0	20.0	20.0	25.0

The Airbus Cash Lifestyle is the default option for members of Schedule 1 (Retirement Accounts) and Schedules 1, 2 and 3 (AVCs). It is set out in the table below:

Years to retirement	Airbus Pension Scheme Global Equity Fund %	L&G Diversified Fund %	L&G AAA-AA-A Corporate Bond Over 15 Year Index %	Airbus Pension Scheme Short Dated Credit Fund %	L&G Cash Fund %
16+	100.0	0.0	0.0	0.0	0.0
15	100.0	0.0	0.0	0.0	0.0
14	96.0	2.0	2.0	0.0	0.0
13	92.0	4.0	4.0	0.0	0.0
12	88.0	6.0	6.0	0.0	0.0
11	84.0	8.0	8.0	0.0	0.0
10	80.0	10.0	10.0	0.0	0.0
9	76.0	12.0	12.0	0.0	0.0
8	72.0	14.0	14.0	0.0	0.0
7	68.0	16.0	16.0	0.0	0.0
6	64.0	18.0	18.0	0.0	0.0
5	60.0	20.0	20.0	0.0	0.0
4	48.0	16.0	16.0	10.0	10.0
3	36.0	12.0	12.0	20.0	20.0
2	24.0	8.0	8.0	30.0	30.0
1	12.0	4.0	4.0	40.0	40.0
0	0.0	0.0	0.0	50.0	50.0

2. Alternative Lifestyle option

The Airbus Annuity Lifestyle is also available to members. It is set out in the table below:

Years to retirement	Airbus Pension Scheme Global Equity Fund %	L&G Diversified Fund %	L&G AAA-AA-A Corporate Bond Over 15 Year Index %	L&G Over 5 year Index Linked Gilts Index Fund %	L&G Over 15 year Gilts Index Fund %	L&G Cash Fund %
16+	100.0	0.0	0.0	0.0	0.0	0.0
15	100.0	0.0	0.0	0.0	0.0	0.0
14	96.0	2.0	2.0	0.0	0.0	0.0
13	92.0	4.0	4.0	0.0	0.0	0.0
12	88.0	6.0	6.0	0.0	0.0	0.0
11	84.0	8.0	8.0	0.0	0.0	0.0
10	80.0	10.0	10.0	0.0	0.0	0.0
9	76.0	12.0	12.0	0.0	0.0	0.0
8	72.0	14.0	14.0	0.0	0.0	0.0
7	68.0	16.0	16.0	0.0	0.0	0.0
6	64.0	18.0	18.0	0.0	0.0	0.0
5	60.0	20.0	20.0	0.0	0.0	0.0
4	48.0	16.0	21.0	5.0	5.0	5.0
3	36.0	12.0	22.0	10.0	10.0	10.0
2	24.0	8.0	23.0	15.0	15.0	15.0
1	12.0	4.0	24.0	20.0	20.0	20.0
0	0.0	0.0	25.0	25.0	25.0	25.0