

# Aon Defined Contribution

## The Aon MasterTrust

Expert guidance gives your employees' DC journey the direction it needs



## ► 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.

For further information on our capabilities and to learn how we empower results for clients, please visit <http://aon.mediaroom.com>.



Defined Contribution (DC) pensions are set to become an even more important source of income for UK retirees in the future than they are today. As a result, schemes are under enormous pressure to perform — both from the Government and from the Pensions Regulator. As regulatory pressures to improve governance and performance of their schemes grow, employers will also be required to demonstrate how they are positioning their schemes to deliver better member outcomes.

## What are the challenges facing employers and their members?

### What do members want?

- A steady, secure income for retirement
- Support with investment decisions to build a retirement fund
- Flexibility to continue investing beyond retirement
- Sensibly-priced pension products
- A clear, engaging and flexible member experience with a range of tools and support

### What do employers want?

- Reduced governance burden, supported by independent experts
- A charge cap compliant pension scheme
- Value for members
- Robust investment options to drive better member outcomes
- Positive employee experience through strong customer service, education and support
- Future-readiness through technology, innovation and development

## Meeting the challenges with a master trust

Joining a master trust is one step employers may take to improve their scheme governance and performance and to meet their monitoring and reporting requirements.

A master trust is a multi-employer occupational trust-based pension scheme where each employer has its own section within one ‘master’ trust. Decision-making is retained by an independent professional trustee board, for investment strategy, fund selection, administration features and communication tools. Employers retain control of decisions on benefits and contribution levels.



# The Aon MasterTrust

The Aon MasterTrust provides an opportunity to access a professionally-managed occupational pension scheme. It supports employers to meet their pension governance and performance responsibilities and to deliver better outcomes for their members.

It can also help minimise administrative workloads and costs and position employers to respond, now and in the future, to increasingly frequent and complex pension developments.

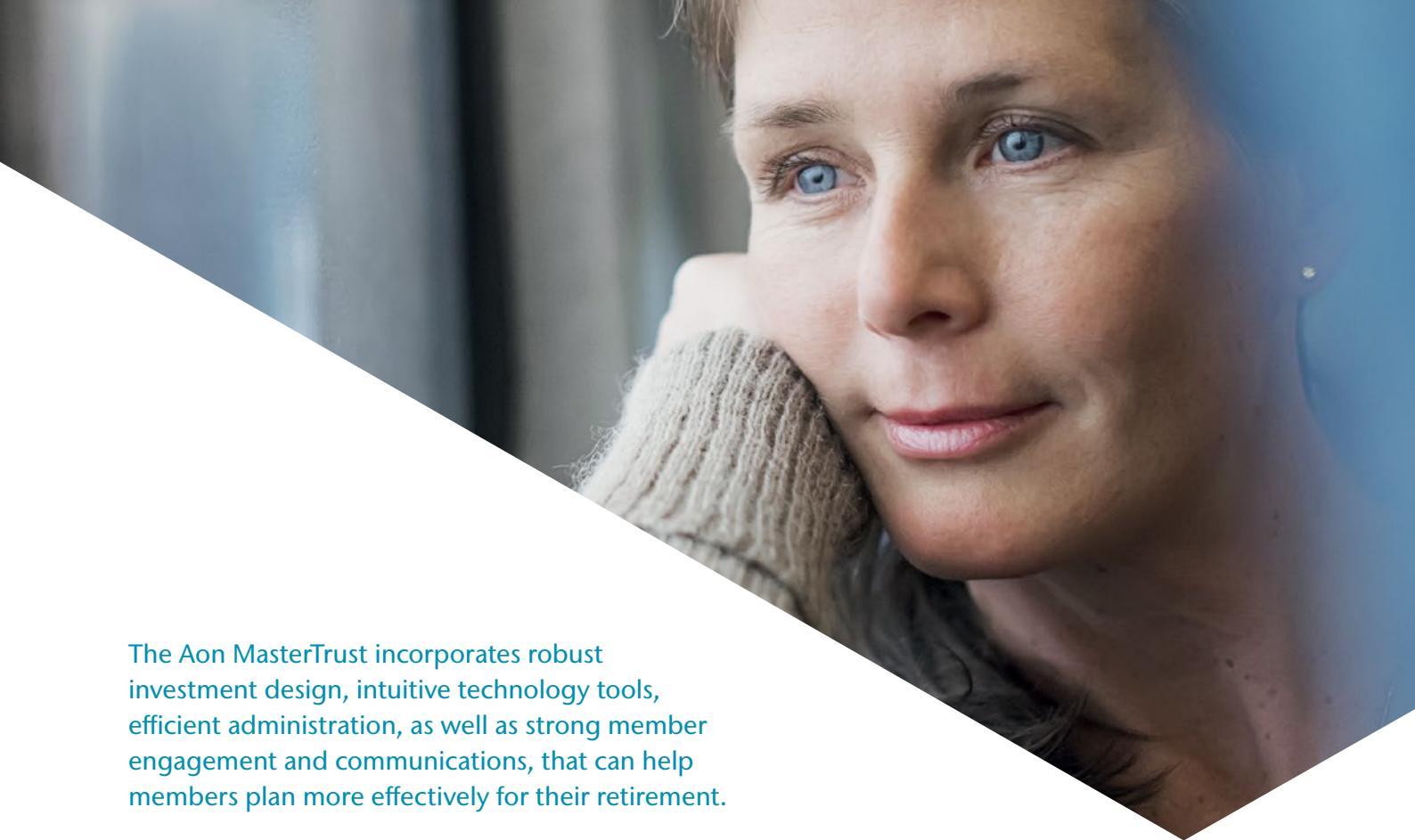
It combines robust investment design with a service delivered by experts and offers a unique member experience, with stronger engagement, through its cutting-edge tools and technology.

The Aon MasterTrust supports employers to address their challenges and concerns around cost, risk, time, investment design and pensions freedom. It draws on our UK and global expertise and knowledge of how to design the most advantageous investment structures, of how to engage members effectively and to help them make the best possible pension and investment decisions.

## Our services

The Aon MasterTrust draws on a combination of Aon's expertise in DC within the UK and globally, our market-leading investment expertise, and credentials in building strong governance frameworks. We offer a service delivered by experts and our expert guidance positions schemes to deliver better outcomes for their members — now and in the future.





The Aon MasterTrust incorporates robust investment design, intuitive technology tools, efficient administration, as well as strong member engagement and communications, that can help members plan more effectively for their retirement.

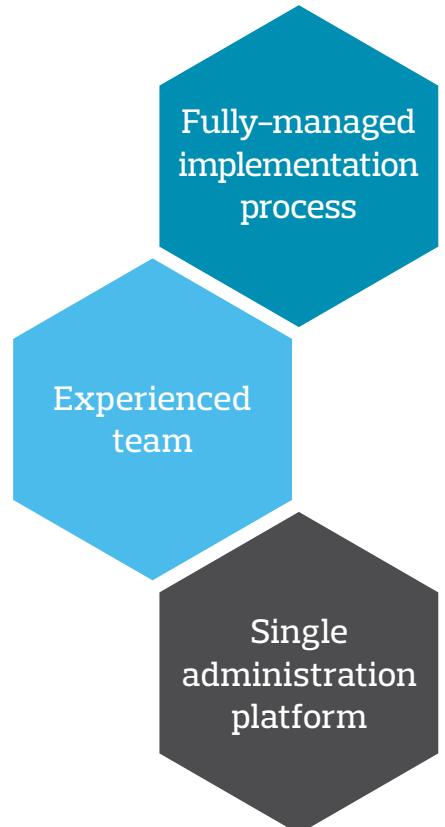
## Service delivered by experts

The Aon MasterTrust has a fully independent and experienced trustee board, offering governance and operational oversight, to give employers total reassurance that members are looked after – today and tomorrow.

The professional structure of The Aon MasterTrust enables it to comply fully with regulatory requirements for protecting members and makes this a simple process, with real-time performance and monitoring reporting for employers.

The Aon MasterTrust provides a complete and fully-managed service, incorporating:

- Dedicated programme management support, to achieve a smooth transition from existing administrators and providers
- Automatic enrolment, delivered by a fully-automated online enrolment solution
- Asset transition, managed by one of the world's leading investment managers



## Robust investment design

Many members of DC schemes have access to very limited and simplistic investment options, which may not be suitable for their needs.

By contrast, The Aon MasterTrust draws on Aon's global investment management capabilities and the strength and breadth of our independent manager research teams.

As a result members have access to a menu of flexible investment options, which include:

- Aon-designed target date funds
- Alternative lifestyle strategies
- Finely-tuned default fund strategies
- White-labelled self-select funds

The Aon MasterTrust provides a range of comprehensive investment reports and fund factsheets, giving members the information they need to make the most appropriate investment decisions for their future retirement income.





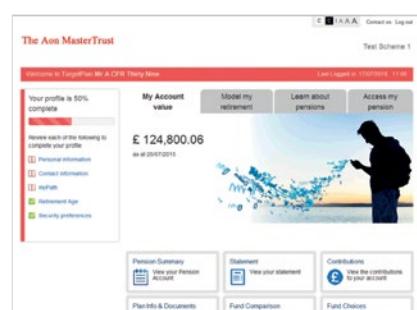
## Unique member experience for better-informed decisions

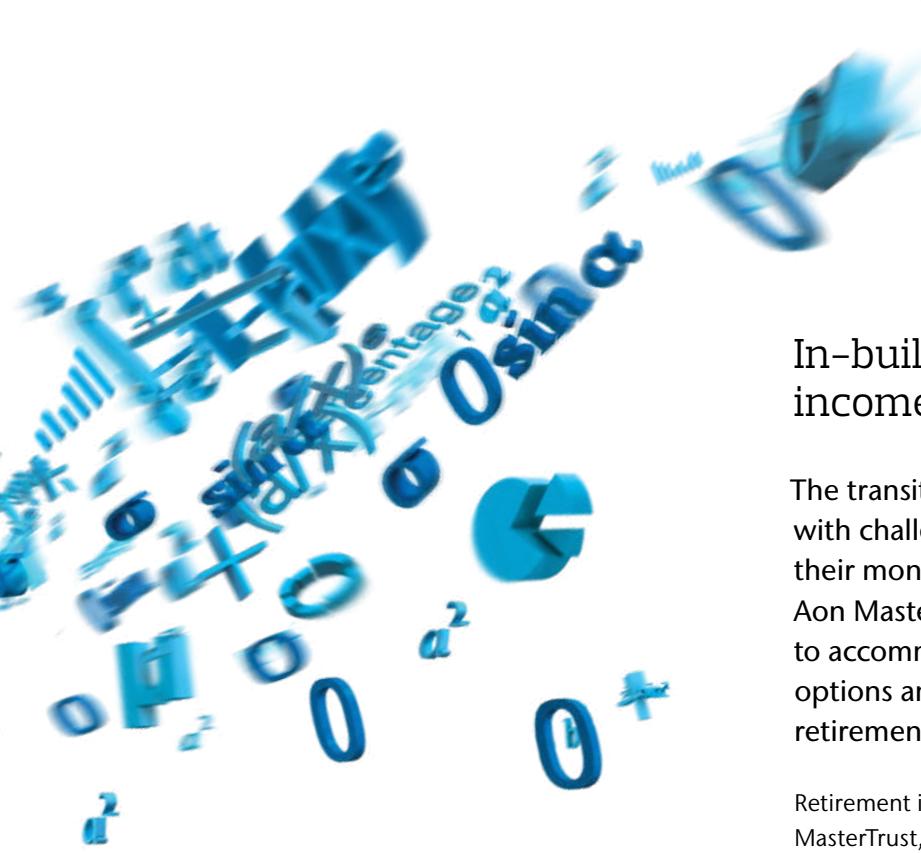
It can be difficult for members to aggregate all their financial information in one place or to know when to take actions through their pension journey. This can limit their ability to make informed retirement decisions.

The Aon MasterTrust addresses this challenge with Aon's unique communications tools and technology.

- Intelligent, trigger-based communications so members can make timely investment decisions
- An aggregated view of their online banking, credit and loan accounts and other assets such as property, savings and other pension schemes
- Online access to resources and educational materials

This is all backed by an effective communications strategy, from joining through to retirement and beyond.





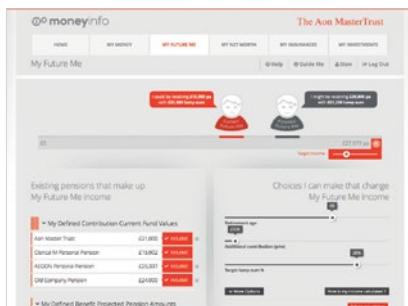
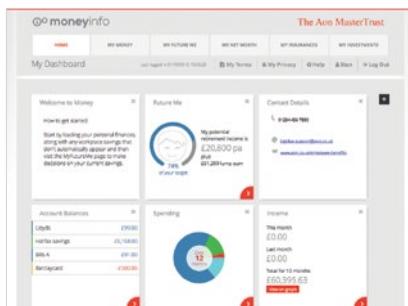
## In-built service for managing income through retirement

The transition to retirement can present members with challenges – especially in terms of accessing their money in a flexible, tax-efficient way. The Aon MasterTrust offers retirement income services to accommodate the new flexible drawdown options and to make the financial path to retirement as smooth as possible.

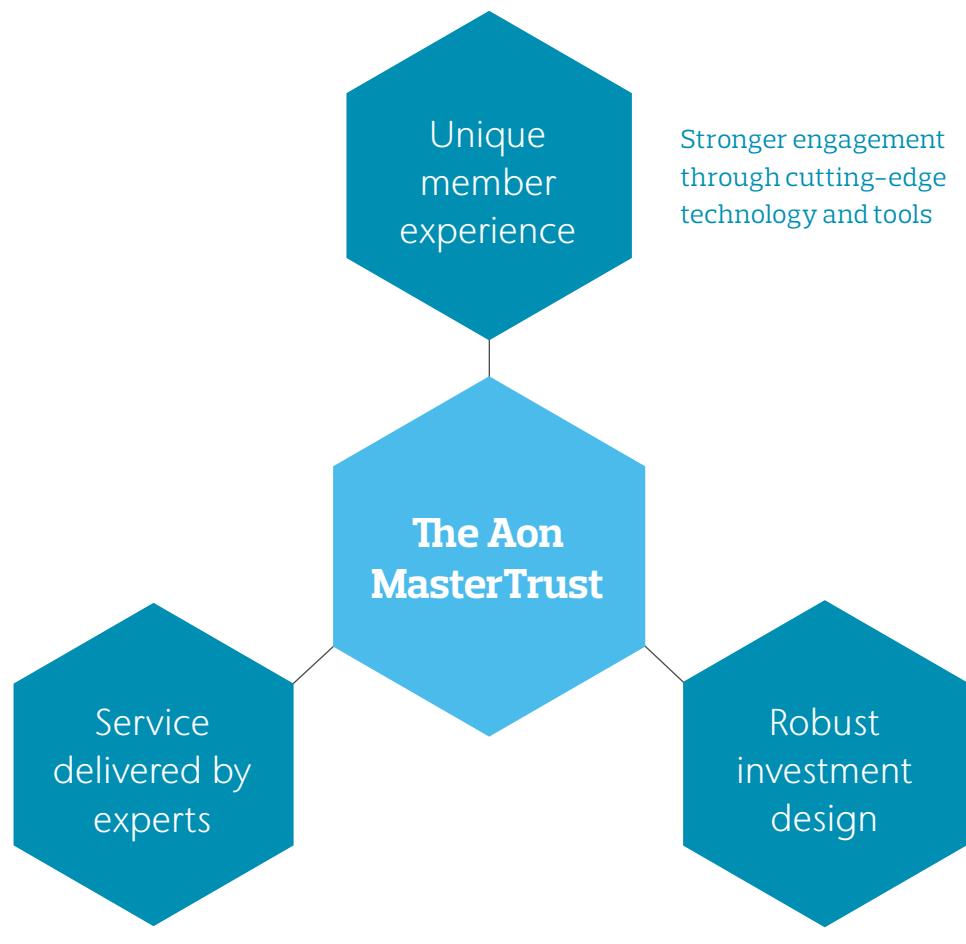
Retirement income services, available through The Aon MasterTrust, are based on an in-house drawdown and annuity broking facility, allowing members to:

- Stay invested in the same funds if they choose
- Choose the balance between tax-free cash and income
- Receive income on an annual, half-yearly, quarterly or monthly basis
- Request one-off payments at any time (up to 12 a year)

As a result, members can stay in control of their retirement finances through to retirement and beyond.



## Why choose The Aon MasterTrust?



Reassurance that members are looked after now and in the future

Fully customised and adaptable investment tools to deliver innovation with simplicity



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Registered Office:  
The Aon Centre  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AN

[aon.com](http://aon.com)