AECOM Retirement Savings Plan (the "Plan"): Outcome of Consultation on auto-enrolment Changes

We wrote to you on 28 June 2023 to tell you about a change that AECOM (the "**Company**") was proposing to make to our auto-enrolment arrangements (the "**Proposal**").

What did the Proposal involve?

As a reminder, the Proposal involved:

1. increasing the auto-enrolment default contribution rate for the Plan for both employees and AECOM by 1% (i.e. your contribution rate will increase from 3% to 4% with AECOM's contribution rate rising from 5% to 6% (the **"New Default Contribution Rates**")); and

2. collecting contributions via salary sacrifice (which could simplify your tax arrangements and result in lower National Insurance contributions ("**NICs**")),

with effect from 1 November 2023.

However:

3. you would still be able to choose to maintain your contributions at their current rate and/or opt out of salary sacrifice, if you so wished; and

4. if moving to salary sacrifice would take your gross salary below the National Living Wage (if you're age 23 or over) / National Minimum Wage (if you're under age 23), we would collect your contributions on a non-salary sacrifice, "relief at source" basis instead.

Consultation feedback and outcome

We have been consulting active and prospective members of the Plan to get their feedback on our Proposal. During the consultation period, we ran webinars delivered by Tisco Financial Planning Ltd ("**Tisco**"), a firm of independent financial advisers appointed by AECOM, to explain the proposed changes and help to answer your questions, a recording of which was placed on the Tisco website. We also monitored the consultation mailbox for questions. We would like to thank those of you who took the time to ask questions during the consultation. The consultation ended on 31 August 2023.

We only received a handful of responses to the consultation, and these were asking for clarification of the current process and the Proposal. As we did not receive any objections we have therefore decided to proceed with the Proposal effective from 1 November 2023.

Do I have to do anything?

No, unless you do not want the New Default Contributions Rates to apply via salary sacrifice. For more information on your options moving forward, please read the Appendix. For those of you who have already updated your choices in MyFlex these will continue to apply until you make a further change.

If you have any questions, please raise a case via the **Employee Center**.

Yours sincerely

Andy Barker
Chief Operating Officer, Europe & India
Date: 11 September 2023

APPENDIX

1. **Can I move to salary sacrifice now and/or change my contributions?**

Yes. As a reminder, employees can choose between two contribution tiers:

- Employee contribution 3%, AECOM contribution 5%; or
- Employee contribution 4%, AECOM contribution 6%.

You can also elect to pay additional employee contributions, but these will not attract additional contributions from AECOM.

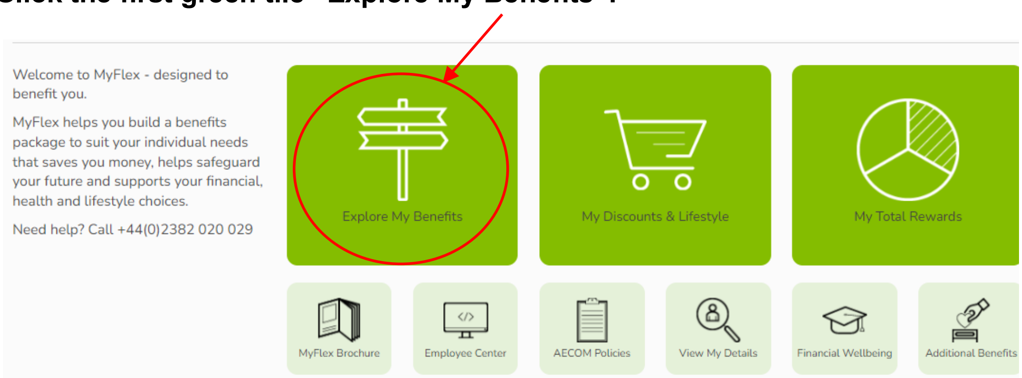
Any contributions selected on MyFlex will operate via salary sacrifice unless there are National Living Wage or National Minimum Wage considerations that prevent this (please see question 3 below).

You have the option to switch to pay your pension contributions by salary sacrifice through MyFlex and/or vary your contributions at any time (with your choice becoming effective from the 1st of the next month).

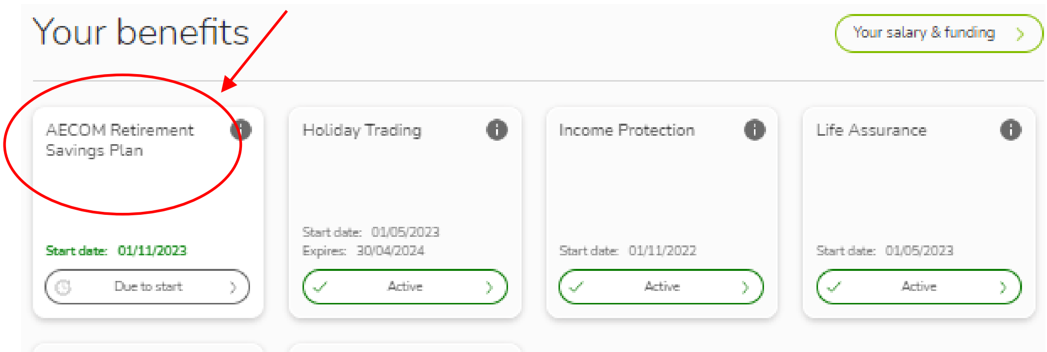
If you are already paying contributions at the rate of 3% and 5%, the AECOM Retirement Savings Plan tile will be **visible in MyFlex from 1 October 2023**. Clicking on this tile allows you to easily see your contributions and change the contribution percentage from the New Default Contribution Rates. The tile will show a "start date" and this relates to the date when the New Default Contribution Rates applies, i.e. 1 November 2023. Remember, if you update your contributions before 31 October 2023, the change would be effective from 1 November 2023.

If you want to make a change to the Default Contribution Rate percentage so that the change is effective from 1 November go into **MyFlex** **after 1 October (but before 31 October)** and follow the steps below.

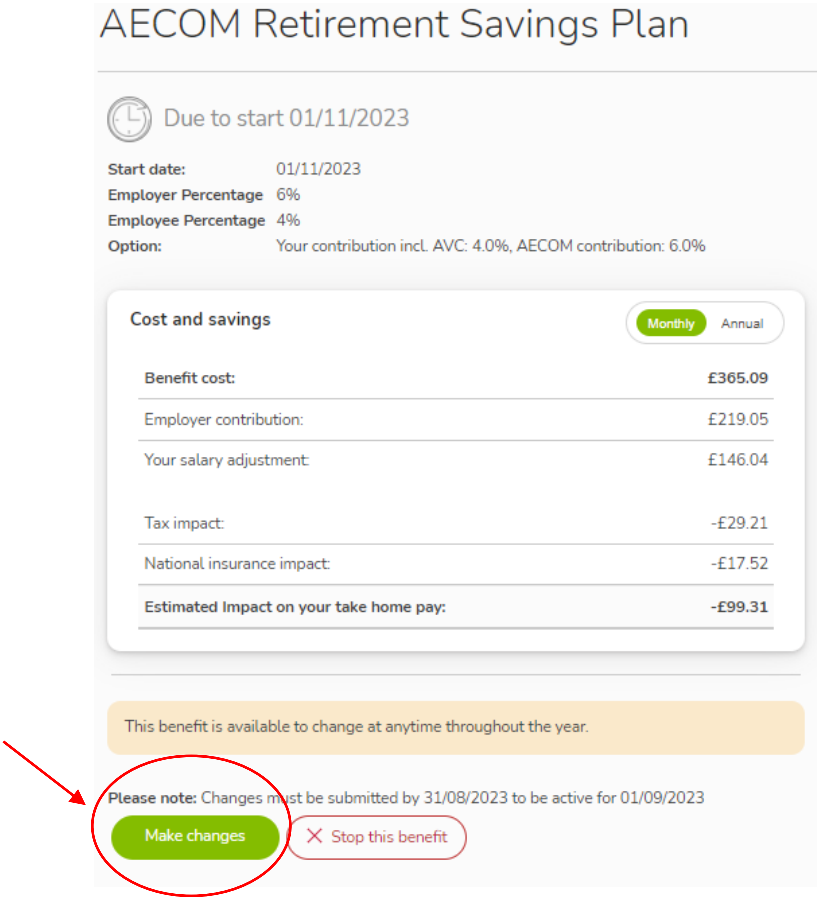
a) Click the first green tile "Explore My Benefits":



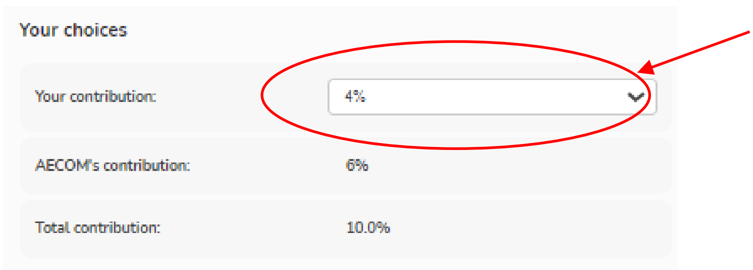
b) Click the "AECOM Retirement Savings Plan" tile:



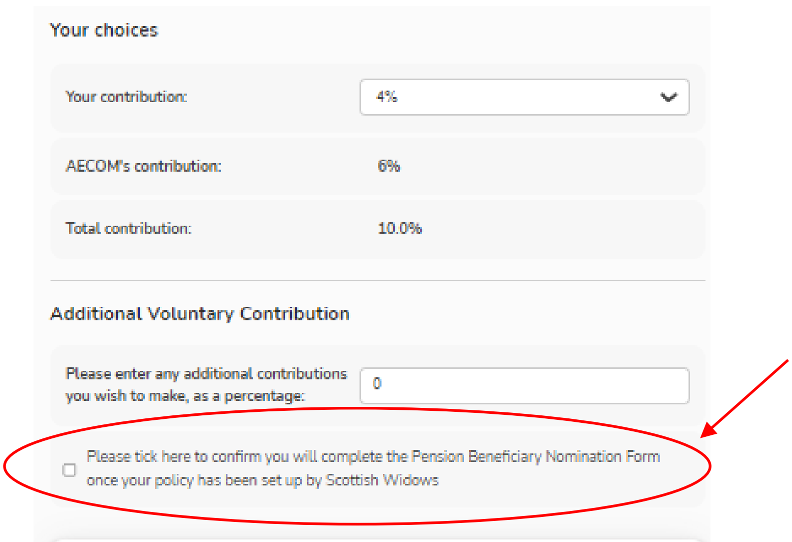
c) Click “Make Changes” button:



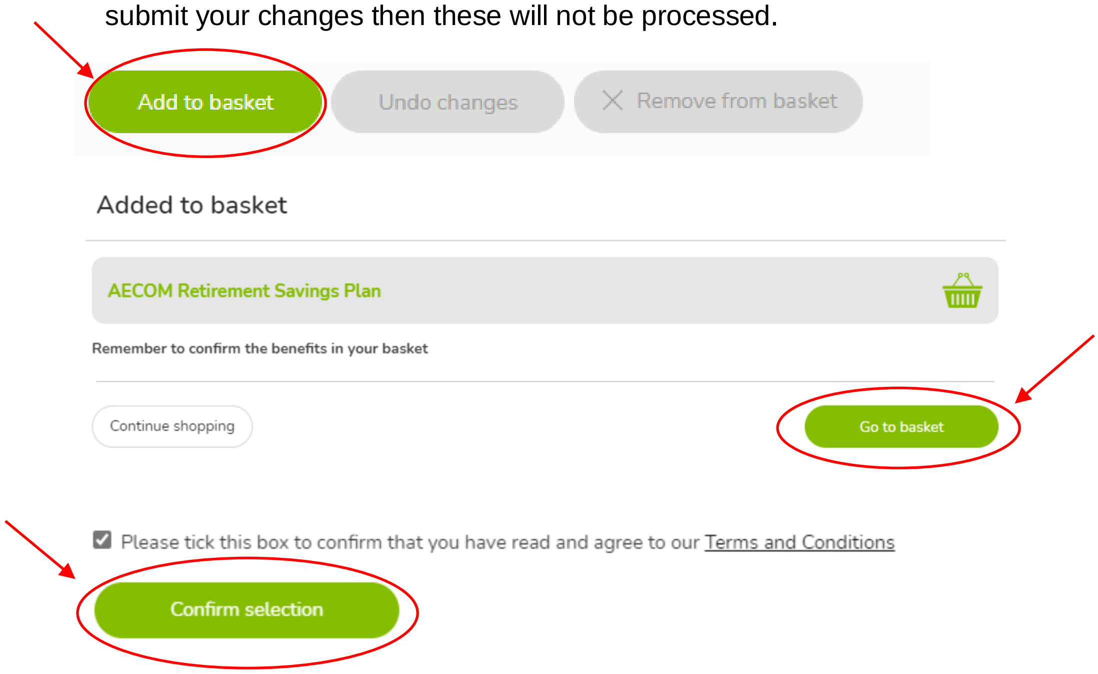
d) Use the drop-down arrow to select “your contribution”.



e) Tick to confirm you will update your Beneficiary Form.



f) **Add to basket, tick that you have read the terms and conditions and confirm your basket selection. You will receive an email from MyFlex confirming your action.** If you do not receive this email it is likely that you have not submitted your changes in **[MyFlex](#)**. If you do not submit your changes then these will not be processed.



If you don't want to wait until 1 November and want changes to take place from 1 October instead, then go into **MyFlex** and submit your changes **before 30 September 2023.** You will need to click the green tile "Explore My benefits" and then click "Shop for Benefits" to find the AECOM Retirement Savings Plan tile. Then follow the steps from d) above to select your contribution and submit your pension contribution selection.

2. **I have already made pension changes in MyFlex, how does this affect me?**

If you have already opted to join the Plan using MyFlex and selected your contributions, then your selections will not be impacted and you will remain on that contribution tier unless until you change that option in MyFlex. For example, if you have selected to pay 3% employee contributions via MyFlex, then that rate will continue until you make a further change. Remember, if you have chosen to make selections via MyFlex you will always receive an email confirming your action. If you do not receive this email it is likely that you have not submitted your changes in **MyFlex**. If you do not confirm your selection by submitting the basket then these will not be processed.

3. **In some cases you will not contribute via salary sacrifice. Why is that?**

Salary sacrifice must not take your salary below the National Living Wage (if you're age 23 or over)/ National Minimum Wage (if you're under age 23). If necessary, we will not operate salary sacrifice to prevent your gross pay falling below these minimum levels.

Please note that you can choose other salary sacrifice benefits as part of your remuneration package (for example, dental insurance). When calculating whether your gross salary meets the requirements of the National Living Wage or National Minimum Wage, we will look at all of your salary sacrifice benefits – including your pension contributions. If your gross salary would otherwise fall below the minimum levels, we will adjust your benefit selections and, if necessary, will not operate salary sacrifice in relation to your pension contributions. You will be notified if this applies to you.

Where can I find more information about salary sacrifice?

For more information about how salary sacrifice works and the possible effects, please visit the Government website at https://www.gov.uk/guidance/salary-sacrifice-and-the-effects-on-paye

A Question and Answer leaflet on salary sacrifice is available on **MyFlex** under the AECOM Retirement Savings Plan "Useful Links" section.

If you're in any doubt about whether salary sacrifice is suitable for you, you may wish to contact an independent financial adviser. If you don't have a financial adviser, the website MoneyHelper can help you to find one in your local area or you can contact Tisco.

4. **I do not want to move to salary sacrifice from 1 November 2023 what should I do?**

Your decision	What you would need to do
You wish to move to the New Default Contribution Rates but opt out of salary sacrifice	You would need to raise a case via the **Employee Center** and send the following statement by the 31 October 2023. *I wish to increase my contributions to 4% but continue to pay via the **non-salary sacrifice** method.* *I understand that I am able to change my choice at any time (and that my choice will become effective from the 1st of the next month).*
You do not want to adopt the New Default Contribution Rates and you want to opt out of salary sacrifice	You would need to carry out two actions to make both changes. Step 1 - make your contribution change selection via MyFlex following the actions outlined in the examples set out in question 1 above. Step 2 - to opt out of salary sacrifice raise a case via the **Employee Center** and send the following statement by the 31 October 2023 *I wish to continue to make contributions to my pension via the **non-salary sacrifice** method at 3%. I understand that AECOM will continue to contribute at 5%.* *I understand that I am able to change my choice at any time (and that my choice will become effective from the 1st of the next month).*