

Section 172(1) statement

The Company is a separate legal entity and is overseen by a Board of Directors ("the Board"). This s172 disclosure describes how the Board has considered the following matters set out in s172 (a) to (f) of the Companies Act 2006:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the Company's employees;
- (c) the need to foster the Company's business relationships with suppliers, customers and others;
- (d) the impact of the Company's operations on the community and the environment;
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the Company.

The Board consolidated their understanding of their obligations under s172 of the Companies Act 2006 by approving revised and updated Board terms of reference which include reference to s172 requirements.

(a) The likely consequences of any decision in the long term

The Board is collectively responsible for managing the affairs of the Company to contribute to the achievement of the long-term success of its sole parent, acting in its capacity as trustee of the Fund. The Board's focus on implementing the strategy, monitoring investment performance and establishing ethical standards ultimately contributes to the prosperity of the Fund's superannuation and pension members.

The Board holds scheduled meetings at least three times per year, and additional meetings on an ad hoc basis when required by business needs. The Board met six times during the year and reviewed and updated its Terms of Reference in May 2025, taking into account the potential long-term impacts of their decisions on the Parent and the Company's other key stakeholders.

Focus on Members is a key area of the culture of the Company. All colleagues are required to have a member objective. The Fund has a Members First programme which aims to equip all colleagues with member knowledge to drive empathy, engagement and enable action in the best financial interests of members. All colleagues are required to attend at least one Member Immersion event each financial year outside of their day-to-day role.

**STRATEGIC REPORT
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During the year, the Board's key decisions ensured the Company fulfilled its financial responsibilities and considered the impact of business performance; employees and their continued employment; investments to enhance working practices and systems; suppliers and partners and the broader supply chain; and its contractual obligations.

Amongst other things, during the year the Board approved:

- The payment of a dividend of £9,500,000 to the Company's Parent. Consideration was given to:
 - o The Company's financial performance;
 - o The Company's capital structure and liquidity;
 - o Shareholder value; and
 - o Legal and regulatory considerations.
- The application of a UK-specific Risk Profile and Risk Appetite Statement, calibrated to local regulatory and operational conditions, which have been applied in alignment with the Parent's overarching risk framework and risk principles;
- The implementation of an enhanced Compliance Monitoring Program to monitor Financial Conduct Authority ("FCA") requirements. The program complements existing assurance frameworks aimed at monitoring business activities to ensure compliance with FCA rules and regulations, and internal policies and procedures; and
- The Company's three-year plan which sets out the Company's strategy and focuses on continued growth of the Company, reflecting the global strategy of the Parent.

(b) The interests of the Company's employees

At the end of the year, the Company had 176 employees, increasing from 121 at the beginning of the year. Recruitment efforts were focussed on bringing in investment capability with headcount increasing 45% year on year. Fund Services also saw commensurate headcount growth in line with building out the platform to support investments.

The Board is committed to engaging the Company's employees to help contribute to the future success of the Company, and continues to listen to employees and keep them informed in several ways, notably:

- A colleague survey as the major feedback channel for employees;
- The new Blended Work Policy, to which employees contributed, which confirms flexibility regarding hybrid working arrangements;
- Investment in employee training and development programs as well as annual performance reviews;
- A range of health and well-being programs and tools to assist employee wellbeing;
- An internal Workplace Health & Safety audit, with appropriate action taken on findings; and
- Continued development and optimisation of workspaces to meet new demands, including completion of a substantial expansion of the Company's offices.

(c) The need to foster the Company's business relationships with suppliers, customers and others

While the Company's stakeholder range is limited, consisting primarily of the employees, the Parent, investments managed by the Company and other suppliers of goods and services, the Board recognises the importance of these key stakeholder views and ensures their views are considered as part of the Company's strategic decision-making.

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The Company's sole customer/client is the Parent, on behalf of the Fund. The Fund is a large entity in Australia that produces its own Financial Statements and Annual Report which detail how it engages with all its key stakeholders, including its members. Full details can be found in the AustralianSuper Financial Statements Annual Report which are publicly available from the registered office at Level 30, 130 Lonsdale Street, Melbourne, Victoria 3000, Australia, and here: australiansuper.com/about-us/governance-and-reporting.

The Parent is also the Company's key service provider, with the services provided by the Parent having been deemed material and subject to FCA requirement SYSC 8. A service level review of the material support services is conducted quarterly by the Company and reported to the Board at each Board meeting.

The relationship with the Parent is covered by two agreements between the Company and the Parent:

1. Investment Services Agreement
 - Governs the investment services provided by the Company to the Parent.
2. Support Services Agreement
 - Governs the support services provided by and to the Parent and the Parent's various subsidiaries, including support services that the Parent provides the Company.

The Company has a limited supply chain of other suppliers but nonetheless takes appropriate steps to foster relationships with those suppliers, including by adopting a rigorous procurement process that includes due diligence and risk analysis of potential suppliers, and a dedicated Vendor Relationship Manager who is responsible for managing key supplier relationships.

(d) The impact of the Company's operations on the community and the environment

The Fund believes companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. The Fund considers a range of ESG issues but prioritises those which it believes are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact.

During the year, the Company established the UK Sustainability and Community Group (SCG) which promotes a variety of volunteering activities for colleagues to participate in. The Company provides each employee with one day of paid volunteer leave each year.

Colleagues used their volunteer leave in FY25 to undertake 30 days of community service activities. Colleagues were also involved in various donation drives and office space was provided to a charity for use outside business hours. The Company also participated in King's Cross Estate's initiative to reduce the Estate's carbon footprint.

(e) The desirability of the Company maintaining a reputation for high standards of business conduct

The Parent has systems and processes in place that are appropriate to its circumstances, and which enable the organisation, including the Company, to pursue its purpose effectively and meet its obligations under the law. This includes the Company having dedicated, local Risk and Compliance, Governance and Legal teams. The Parent sets and oversees a global approach for relationships with regulators, which are administered and managed locally by the teams.

The Company follows and maintains this governance framework so that all colleagues are supported to make good decisions and meet obligations under the law. This includes a risk and compliance framework that sets out the Company's business risks, obligations that stem from those risks, and controls that help to ensure compliance with those obligations. As noted above, this governance framework is being further uplifted by the implementation of an enhanced FCA compliant Compliance Monitoring Program.

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(f) The need to act fairly as between members of the Company

The Company has only one member, being AustralianSuper Pty Ltd acting in its capacity as Trustee of the Fund (i.e. the Parent). While the Board oversees the operations of the Company and considers any recommendations of the Parent, the Directors, both individually and collectively at all times comply with their fiduciary duties to the Company, including their obligations under the Company's Articles of Association, the Companies Act 2006, the UK regulatory system and the Board's Terms of Reference. When considering the recommendations of the Parent, the Board also considers the need for the Company to comply with its own regulatory obligations.

The Board has acted in the way that they considered, in good faith, would be most likely to promote the Company's success for its member's benefit.

This report was approved by the Board of Directors of AustralianSuper (UK) Ltd and signed on its behalf by:

Damian Moloney

Damian Moloney
Director

17 October 2025