

NRAM Pension Scheme

Annual Implementation Statement

Scheme year ending 5 April 2023

Section 1: Introduction

- 1.1 This document is the Annual Implementation Statement (“the statement”) prepared by the Trustee of the NRAM Pension Scheme (“the Scheme”) covering the scheme year to 5 April 2023. The purpose of this statement is to:
 - (i) Set out the extent to which, in the opinion of the Trustee, the engagement policy under the Scheme’s Statement of Investment Principles (“SIP”) has been followed during the year
 - (ii) Describe the voting behaviour by, or on behalf of, the Trustee over the year
- 1.2 A copy of this implementation statement will be made available on the following website www.nrapensions.com alongside the Scheme’s SIP.

Section 2: Adherence to the SIP

Sustainable / Responsible investment

- 2.1 The Trustee’s policy is to delegate the extent to which Environmental, Social and Governance (ESG) considerations are taken into account to the investment managers. During the year, the Trustee has received regular updates from its advisors on ESG and Sustainable Investment topics and also made updates to the Scheme’s risk register to incorporate detail around the Task Force on Climate-related Financial Disclosures (TCFD). The Trustee considers climate risk and ESG within the risk register as part of each quarterly Trustee meeting.
- 2.2 Over the year, the Trustee met with State Street Global Advisors (“SSgA”), who manage the majority of the Scheme assets, and have also received regular quarterly reports from the manager. The Trustee have noted no concerns around SSgA’s ESG approach. In addition, the Scheme holds a buy-in policy with Aviva Annuity UK Limited and Additional Voluntary Contributions which constitute a range of funds managed by Legal & General (“LGIM”). As part of the governance review of the AVC arrangements over the year, the Trustee considered the current fund options and LGIM’s approach and noted no concerns. The ESG policies of Aviva were not considered over the year, however the Trustee intends to review these with Aviva during the next Scheme year. Given the nature of the buy-in policy the Trustee has no concerns at this time.

Section 3: Voting and engagement

- 3.1 The Trustee’s policy is to delegate authority for the exercising of rights (including voting rights) attaching to investments to the investment managers.
- 3.2 The Scheme currently invests in UK Gilts, UK Index-linked Gilts, swaps and cash. These assets do not have any relevant voting rights for the investment manager to exercise and as such no voting information for the Scheme’s assets is provided. Whilst the buy-in might have voting rights attached to the assets, these votes are not reviewed by the Trustee. Given the immateriality of the Additional Voluntary Contributions, the Trustee has not reviewed the votes attached to the Lifestyle Strategy Funds, of which only the LGIM Diversified Fund and Global Equity (30:70) Index Fund are relevant.

Section 4: Summary and conclusions

- 4.1 Overall the Trustee believes the relevant policies outlined in this document have been adhered to during the Scheme year.