

Virgin Money Retirement Savings Plan

Implementation Statement for the year ended 30 September 2024

Welcome to the Trustee's Statement of how it implemented the policies and practices in the Plan's Statement of Investment Principles during the year ended 30 September 2024 (the "Plan Year").

Why do the Plan's investments matter to me?

The Plan provides you with benefits on a defined contribution ("DC") basis (sometimes called money purchase benefits). This means that the amount of your retirement savings will depend on the amount of money that has been paid into the Plan, how long it has been invested, the level of charges and investment returns over this period.

What is the Statement of Investment Principles ('SIP') and how has it changed?

The SIP sets out the investment principles and practices the Trustee follows when governing the Plan's investments. It describes the rationale for the investment options available in the Plan from which you can choose (including the default arrangement(s) if you don't make a choice), explains the risks and expected returns of the funds used and the Trustee's approach to responsible investing (including climate change).

The last review of the Plan's SIP was completed on 9 December 2024 and the next review will take place no later than September 2025. The Trustee updated the SIP to include the Trustee's policy on investing in illiquid investments to meet the regulatory requirement brought in to require this policy to be stated in the SIP.

If you want to find out more, you can find a copy of the Plan's SIP (and the Plan's Chair's Statement) at <https://uk.virginmoney.com/virgin/my-retirement>

What is this Implementation Statement for?

Each year the Trustee is required to prepare an Implementation Statement, which sets out how it has complied with the Plan's SIP during the Plan Year.

Overall, the Trustee is satisfied that:

- The Plan's DC investments have been managed in accordance with the SIP; and
- The provisions in the SIP remain suitable for the Plan's members.

How the Plan's investments are governed

The Trustee has overall responsibility for how the Plan's investments are governed and managed in accordance with the Plan's Trust Deed and Rules as well as trust law, pensions law and applicable regulations. The Trustee has established an investment sub-committee which focuses on investment issues and makes recommendations to the Trustee Board.

There have been no changes to the governance processes during the Plan year. The following changes were made to the Trustee Board during the Plan Year:

- William Martin resigned as a Trustee Director
- Max Samples was appointed as a Trustee Director

The Trustee has delegated day-to-day investment decisions, such as which investments to buy and sell, to the fund managers.

The Trustee undertook the following during the Plan Year to ensure that their knowledge of investment matters remains up to date:

- The Trustee discussed DC Current Issues / Hot Topics each quarter and related this back to the Plan's default investment strategy and self-select fund range;
- The Trustee met some of the Plan's investment managers and in particular held an "investment manager day" at which the investment managers answered and discussed a number of questions and provided an update to the Trustee;
- The Trustee also received training at the investment manager day on Illiquid Investment from the investment adviser and from Fulcrum Asset Management to further their understanding of this area of potential investment for DC Pension Schemes. The Trustee also received training on active and passive management from the Investment Adviser at the investment manager day.

The Trustee monitors how well their investment advisers meet the objectives agreed with them. The Plan's investment advisers have agreed the following objectives with the Trustee:

- Deliver an appropriate default arrangement for members.
- Provide advice on the self-select range that incorporates sufficient choice.
- Deliver cost efficiency within the existing strategy.
- Provide relevant and timely advice on developing areas.
- Develop Trustee's knowledge and understanding of investment matters.
- Providers services that are proportionate and competitive.
- Ensure advice complies with relevant pensions regulations and legislation.
- Deliver papers which are clear, concise, accurate, and in line with appropriate deadlines.

The Trustee has carried out an evidence-based review of the investment adviser's performance against these objectives in November 2024. This involved rating the adviser against the different objectives. The Trustee was satisfied that the objectives had been achieved for the year.

The Trustee is satisfied that during the Plan Year:

- **The Plan's DC governance structure was appropriate;**
- **The Trustee has maintained their understanding of investment matters; and**
- **Their investment advisers met the agreed objectives.**

How the default arrangements and other investment options are managed

The objectives and rationale are set out in the SIP on pages 3 to 4 for the default arrangements and for the other investment options on pages 4 to 5.

During the Plan Year, the Trustee performed their normal ongoing monitoring of the default arrangements and other investment options to ensure they remain suitable for most members. The Trustee's normal ongoing monitoring involved:

- Ensuring that the default arrangements comply with the charge cap;
- Monitoring the investment performance of each fund (this is done on a quarterly basis);
- Monitoring the turnover of assets in which each fund is invested;
- Considering the impact on projected outcomes for members in lifestyle strategies with the help of modelling tools from the advisor;
- Monitoring the risk and return profile of each fund within the default investment strategy and the self-select fund range and ensuring that these remain suitable;

- Considering whether the funds still meet the investment objectives the Trustee has set for the default arrangements and other investment options, including consideration of the timeframe over which members will be invested;
- Checking whether there have been any significant changes in the demographic profile of the Plan's membership, members' investment choices and members' choices of benefits when they retire;
- Considering market conditions and developments in investment thinking;
- Deciding whether any changes to the default arrangements' and other investment options' objectives are necessary;
- Considering whether the design of the default arrangements and other investment options, as well as the funds they use, still meet their investment objectives;
- Considering whether the default arrangements and other investment options still represent good value for members; and
- Obtaining investment advice on any changes to the default arrangements and other investment options.

The Trustee has carried out an annual high-level review of the default arrangement and other investment options during the Plan Year to ensure they remain suitable for most members. This involved:

- Reviewing the suitability of the default arrangements;
- Comparing the default arrangements with the platform provider's default;
- Reviewing the composition of the default arrangements specifically in relation to the use of multi-asset funds;
- Reviewing pre-retirement volatility of the default arrangements and the member journey to retirement;
- Reviewing the de-risking period in the default arrangements with a view to remaining invested in equity for longer; and
- Considering the role for illiquid investing within the default arrangements.

The Trustee made the following changes to ensure that the default arrangement and self-select fund range meets the needs of most members:

- Removal of the Baillie Gifford Sustainable Growth and Multi-Asset Growth Fund from the VM Growth, Diversified and Sustainable Active Equity Funds in May 2024. These funds were replaced following ongoing monitoring by the Trustee and advice to the Trustee from the investment adviser.
- Closure of 5 self-select funds and removal of the legacy annuity lifestyle in May 2024 to simplify choice, remove duplication and rationalise fund and lifestyle choices.

The Trustee is satisfied that the default arrangement remains suitable for most members because:

- **Ongoing monitoring and the high-level strategy review in conjunction with the Plan's investment adviser has confirmed expected performance of the default arrangement is in line with expectations and targets to provide good outcomes for members at retirement.**

The Trustee is satisfied that the other investment options remain suitable for members.

The Trustee's investment beliefs

The Trustee has developed a set of investment beliefs which are set out in the SIP on page 12 which they use as a guide when making investment decisions. These investment beliefs were reflected in the considerations made and decisions taken as part of the review of strategy and which was implemented in the Plan Year as noted above.

There have been no changes to these beliefs during the Plan Year.

The expected risks and returns on your savings in the Plan

The investment risks relating to members' benefits are described in the SIP on pages 8 to 10 and the expected returns from each type of investment used by the Plan are set out in the SIP on pages 11 and 12. The Trustee closely monitored the returns on funds (and volatility of returns) receiving regular updates from their adviser. The Trustee also considered the impact on projected outcomes for members in lifestyle strategies with the help of modelling tools from the adviser and satisfied themselves that the lifestyle strategies in place were functioning appropriately.

The Trustee believes that the main investment risks members face (as described in the SIP) have not changed materially during the Plan Year.

The Trustee is satisfied that the current expected rates of investment return for the types of funds described in the SIP are still reasonable relative to the risks that members face.

In conjunction with the Trustee's investment beliefs the Trustee's views on the expected levels of investment risks and returns inform decisions on the strategic asset allocation (i.e. what types of assets and areas of the world the Plan invests in over the longer-term) for the Plan's lifestyle options (which gradually change the funds in which your savings are invested as you approach retirement).

The Trustee's views on the long-term mix of investments for the Plan's lifestyle option(s) including the default arrangement did not change during the last year.

However, as part of the high-level review of strategy discussed above, the Trustee agreed to consider the following change as part of the next full review of strategy in 2025:

- Adjust the glidepath in the lifestyle strategies so that the Growth Phase will extend to a period of 10 years prior to selected retirement date instead of the current 15 years, meaning members in the lifestyle strategies will retain a greater exposure to equity investments for longer which is expected to be beneficial in terms of potential outcomes.

Platform provider and fund managers

Choice of platform provider and funds

The funds used by the Plan are held at arms-length from the Trustee via an investment platform. The Trustee monitors the performance of the funds used by the Plan by receiving quarterly updates from their investment adviser regarding fund suitability and any significant changes to the fund managers.

There have been no changes to the platform provider during the Plan Year although some changes to funds and closure of funds and the legacy annuity lifestyle which had been agreed by the Trustee were implemented during the Plan Year as noted above.

The Trustee is satisfied that the platform provider (Fidelity) and funds used by the Plan remain appropriate.

Ability to invest / disinvest promptly

It's important that member contributions can be invested promptly in the default arrangements or the investment options that have been chosen, and that investments can be sold promptly when a change to where they are invested is requested, or where a transfer to another plan is requested or when benefits are due to be paid out on retirement.

The Trustee ensures this happens by monitoring the service levels and standards of the investment and disinvestment processes completed by the Plan administrators, the in-house Virgin Money Team.

The Trustee is satisfied that money can be invested in and taken out of the Plan's funds without delay as set out in the SIP.

Portfolio turnover within funds and Changes in where funds are invested

The Trustee monitors the performance of the assets net of costs on a quarterly basis and any material deviation in performance relative to target returns or benchmarks will warrant an investigation into the activity carried out by the fund manager, including the buying and selling of assets. In this way, the Trustee indirectly monitors portfolio turnover and the associated transaction costs.

Short-term changes in the level of portfolio turnover may be expected when a manager alters its investment strategy in response to changing market conditions. However, a change in the level of portfolio turnover might indicate a shift in the amount of risk the manager is taking, which could mean that a fund is less likely to meet the objectives for which it was chosen by the Trustee.

The Trustee has not identified any instances of material deviations in performance, which would warrant detailed investigation into portfolio turnover.

The Trustee is satisfied that portfolio turnover within the funds used by the Plan is appropriate for the nature of the funds.

The Trustee is satisfied that the level of trading of the funds' assets carried out by the fund managers has been consistent with the funds' objectives.

Security of your savings in the Plan

In addition to the normal investment risks faced investing in the funds used by the Plan, the security of the savings in the Plan depends upon:

- The financial strength of the investment platform provider used by the Plan;
- The financial strength of the fund managers used by the Plan;
- The legal structure of the funds the Plan invests in; and

The financial strength of the platform provider and fund managers has a bearing on the risk of losses to the Plan's members caused by the remote chance of one of these institutions getting into financial difficulties. The legal structure of the funds used has a bearing on the degree to which the funds' assets are "ring-fenced" from the rest of the provider's or fund managers' business in the unlikely event that the provider or manager becomes insolvent.

As part of the move of the Plan's investments to an investment platform with Fidelity (in 2020) the Trustee considered changes to the structure of the funds used and the financial strength of the investment platform and fund managers and concluded that there is unlikely to be material impact on members. The Trustee also considered the financial strength of the fund managers used by the Plan and the legal structure of the funds the Plan invests in when agreeing and implementing the changes to funds made in 2023 and 2024 as noted above.

There were no changes to the structure of the funds used by the Plan during the Plan Year. The Trustee is not aware of any material changes in the financial strength of the investment platform provider or the fund managers during the Plan Year.

Conflicts of interest

As described on page 13 and 14 of the SIP, the Trustee considers potential conflicts of interest:

- When choosing fund managers;
- When monitoring the fund managers' investment performance and the fund managers' approaches to investment stewardship and responsible investing; and

- When the fund manager is making decisions on where each fund is invested.

The Trustee expects the fund managers to invest the Plan's assets in the members' best interests. As the funds used by the Plan are held at arms-length from the Trustee via an investment platform, the Trustee has asked the platform provider to report on its own investment governance of the funds including potential conflicts of interest. The Trustee meets with and receives a presentation from Fidelity as fund platform provider reporting on any conflicts arising and the management of any conflicts.

The Trustee is satisfied that there have been no material conflicts of interest during the year which might affect members' benefit expectations.

Manager incentives

As described on page 15 and 16 of the SIP, the Trustee seeks to ensure that the fund managers are suitably incentivised to deliver investment performance in keeping with the funds' objectives.

The funds used by the Plan are held at arms-length from the Trustee via an investment platform. Nevertheless, the Trustee believes it is in the platform provider's best commercial interests to ensure that the fund managers are suitably incentivised to meet their funds' investment objectives.

The Trustee is satisfied that the fund managers are suitably incentivised to deliver good outcomes for the Plan's members.

Responsible Investment

The Trustee believes that responsible investing covers both sustainable investment and effective stewardship of the assets the Plan invests in.

The Trustee's approach to responsible investing remains appropriate and has not changed during the Plan year.

Sustainable Investment

The Trustee believes that investing sustainably is important to control the risks that environmental factors (including climate change), social factors (such as the use of child labour) and corporate governance behaviour (together called "ESG" factors) can have on the value of the Plan's investments and in turn the amount of members' retirement benefits.

The Trustee has considered the length of time members' contributions are invested in the Plan when choosing and reviewing the funds used in the investment options. The Plan potentially has members joining from age 16, who could therefore have savings invested over a multi-decade time horizon.

The Trustee has allocated proportions of the default strategy to funds that are managed on a sustainable basis and also offers members a number of self-select funds managed on this basis. At the end of the Plan year 96% of Plan assets were managed on a sustainable basis.

The Trustee periodically reviews the platform provider's and fund managers' approaches to sustainable investing.

The Trustee is satisfied that during the Plan Year the Plan's investments were invested in accordance with the policies on sustainable investing set out in the SIP.

Investment stewardship

Investment stewardship refers to responsible oversight of capital, typically with a long-term perspective. It is typically done through actively discussing concerns or suggestions with companies that are invested in (also known as 'engagement') and using voting rights to ensure the voice of the investor is heard, both with the aim of protecting the long-term value of investments.

As described on page 13-14 of the SIP, the Trustee believes it is important that the fund managers as shareholders or bond holders take an active role in the supervision of the companies in which they invest. This includes voting at shareholder meetings and engaging with the management on major issues which affect a company's financial performance (and in turn the value of the Plan's investments).

As the Plan's investments are in pooled investment vehicles, the Trustee is not able to tell the fund managers how they should vote on shareholder issues. The Trustee nevertheless:

- Chooses fund managers whose voting policies are consistent with the Plan's objectives;
- Expects fund managers to vote in a way which enhances the value of the funds in which the Plan invests; and
- Monitors how the fund managers exercise their voting rights.

How does the Trustee monitor this?

The Trustee periodically reviews the platform provider's and fund managers approaches to stewardship including voting and engagement policies.

The Trustee receive reports from the platform provider on how the fund managers have voted at shareholder meetings and what topics fund managers have discussed with the companies in which they invest.

The funds with voting rights attached that are available (or were available during the Plan Year) to members as part of the default fund range or the self-select fund range are listed below along with summary voting statistics for each fund, where the information has been received.

- Fidelity Virgin Money Growth Fund
- Fidelity Virgin Money Diversified Fund
- Fidelity Virgin Money Pre-Retirement Targeting Drawdown Fund
- Fidelity Virgin Money World ex UK Equity Fund (removed during Plan year)
- Fidelity Virgin Money UK Equity Fund (removed during Plan year)
- Fidelity Virgin Money Emerging Markets Equity Fund (removed during Plan year)
- Fidelity Virgin Money Sustainable Active Equity Fund
- Fidelity Virgin Money Sustainable Passive Equity Fund
- Fidelity Virgin Money Islamic Equity Fund
- Fidelity Virgin Money World ex UK Equity (Currency Hedged) Fund (removed during Plan year)

	No. of resolutions eligible to vote	% resolutions voted	Of the resolutions voted, the % voted for management	Of the resolutions voted, the % against management	Of the resolutions voted, the % abstained
Fidelity Virgin Money Growth Fund					
L&G Future World Global Equity Index (GBP hedged)	55,162	99.8%	80.6%	18.8%	0.6%
Schroder Sustainable Global Multi Factor Equity	4,660	90.8%	86.6%	13.4%	0.0%

	No. of resolutions eligible to vote	% resolutions voted	Of the resolutions voted, the % voted for management	Of the resolutions voted, the % against management	Of the resolutions voted, the % abstained
Baillie Gifford Sustainable Growth Fund	847	100%	93.5%	6.0%	0.5%
Fidelity Virgin Money Diversified Fund					
L&G Future World Multi-Asset Fund	96,779	99.8%	76.6%	22.9%	0.5%
Baillie Gifford Multi-Asset Growth Fund	623	94.9%	94.9%	3.4%	1.7%
Fidelity Virgin Money Pre-Retirement Targeting Drawdown					
L&G Retirement Income Multi-Asset Fund	107,100	99.8%	77.1%	22.4%	0.5%
Fidelity Virgin World ex UK Equity Fund					
BlackRock ACS World ex UK Fund	24,428	93.0%	94.0%	5.0%	0.0%
Fidelity Virgin Money UK Equity Fund					
BlackRock ACS UK Equity Fund	14,564	96.0%	96.0%	3.0%	1.0%
Fidelity Virgin Money Emerging Markets Equity Fund					
BlackRock Emerging Markets Index*	22,871	99.0%	87.0%	12.0%	2.0%
Fidelity Virgin Money Sustainable Active Equity Fund					
Schroder Sustainable Global Multi Factor Equity	4,660	90.8%	86.6%	13.4%	0.0%
Baillie Gifford Sustainable Growth Fund	847	100%	93.5%	6.0%	0.5%
Fidelity Virgin Money Sustainable Passive Equity Fund					
L&G Future World Global	55,162	99.8%	80.6%	18.8%	0.6%

	No. of resolutions eligible to vote	% resolutions voted	Of the resolutions voted, the % voted for management	Of the resolutions voted, the % against management	Of the resolutions voted, the % abstained
Equity Index Fund					
Fidelity Virgin Money Islamic Equity Fund					
HSBC Islamic Equity Fund	1,672	94.0%	77.0%	22.0%	0.0%
Fidelity Virgin Money World ex UK Equity (Currency Hedged) Fund					
L&G World ex UK Developed (GBP) Hedged	26,936	99.6%	77.0%	22.6%	0.4%

* Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting which could be voted in differing ways, or where a vote of 'Abstain' may be considered a vote against management.

Source: Fidelity (platform provider)

The Trustee also considers how the fund managers voted on specific issues. The Trustee considers 'significant votes' to be either companies with relatively large weightings in the funds members invest in, or where there were shareholder issues that members are expected to have an interest.

The following funds do not have voting rights and the Trustee is exploring ways to engage with these managers:

- BlackRock Corporate Bond Index Over 15 Years (removed during Plan year)
- BlackRock Index Linked Gilt Tracker Fund
- BlackRock Over 15 years Gilts Tracker Fund (removed during Plan year)
- L&G Managed Property Fund
- L&G Cash Fund

The funds/managers in question fit into the strategy in the following ways:

- The L&G Future World Global Equity Index (GBP Hedged) Fund (50%), Schroder Sustainable Global Multi Factor Equity Fund (33%) and L&G Future World Global Equity Index Fund (17%) make up the Virgin Money Growth Fund which is used in the three main lifestyles and is a self-select fund and represents c70.6% of Plan Assets (the L&G Future World Global Equity Index Fund replaced the Baillie Gifford Sustainable Growth Fund during the Plan Year,)
- The L&G Future World Multi Asset Fund (100%) makes up the Virgin Money Diversified Fund which is used in the three main lifestyles and is a self-select fund and represents c24.5% of Plan Assets (the Baillie Gifford Multi Asset Growth Fund formerly made up 33% of this Fund but was replaced during the Plan Year)
- The L&G Retirement Income Multi-Asset Fund makes up the Virgin Money Pre-Retirement Targeting Drawdown Fund which is used in the Drawdown Lifestyle and is a self-select fund and represents 2.2% of Plan assets.

- The L&G Future World Global Equity Index (GBP Hedged) Fund (50%) and L&G Future World Global Equity Index Fund (50%) make up the Virgin Money Sustainable Passive Equity Fund which is a self-select fund and represents c0.4% of Plan Assets
- The Schroder Sustainable Global Multi Factor Equity Fund (100%) makes up the Virgin Money Sustainable Active Equity Fund which is a self-select fund and represents c0.3% of Plan assets (the Baillie Gifford Sustainable Growth Fund formerly made up 33% of this Fund but was replaced during the Plan Year)
- The HSBC Islamic Equity Fund makes up the Virgin Money Islamic Equity Fund is a self-select fund and represents c0.4% of Plan Assets
- The BlackRock funds and L&G World ex UK Developed (GBP) Hedged Funds were discontinued during the Plan Year and no longer have any member assets. These funds which either formed part of the legacy lifestyle (now discontinued) or were self-select funds which were closed during the Plan year.

The most significant shareholder votes and how the fund managers voted during the last year were:

Date	Company	Subject (theme/summary)	Manager's vote and rationale
07/12/2023	Microsoft Corporation	Climate – Report on climate risk in retirement plan options.	HSBC and Schroders voted for. They welcome the company providing additional disclosure around how it is protecting its employee plan beneficiaries from climate risk particularly in its default retirement options. Baillie Gifford, BlackRock and LGIM voted against. They believe this is not a material risk for the company and think they are doing enough by offering employees a range of investment options.
28/02/2024	Apple Inc.	Social – Shareholder proposal regarding EEO Policy Risk Report	Baillie Gifford, BlackRock, HSBC, LGIM and Schroders voted against. The company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and non-discrimination policies, and including viewpoint and ideology in EEO policies does not appear to be a standard industry practice.
23/05/2024	NextEra Energy, Inc	Climate – Shareholder resolution regarding lobbying alignment with climate commitments.	Baillie Gifford, LGIM and Schroders voted for. They believe that clear and transparent support for Paris-aligned goals through lobbying is one-way shareholders look to demonstrate consistency with their climate targets. However, BlackRock voted against as they believe the company is already enhancing its relevant disclosures.
13/06/2024	Tesla, Inc	Diversity – Report on harassment and discrimination prevention efforts.	Baillie Gifford, BlackRock, LGIM and Schroders voted for. Shareholders would benefit from a deeper understanding and more transparency of how the company is addressing issues relating to discrimination and workplace harassment, including a third-party assessment of the effectiveness of its current policies.

Date	Company	Subject (theme/summary)	Manager's vote and rationale
10/07/2024	National Grid Plc	Climate – Approve Climate Transition Plan	BlackRock, LGIM and Schroders voted for. They We commend the company's efforts in committing to net-zero emissions across all scopes by 2050 and setting 1.5C-aligned near term science based targets. We also appreciate the clarity provided in the 'Delivering for 2035 report' and look forward to seeing the results of National Grid's engagement with SBTi regarding the decarbonisation of heating.

How do fund managers implement their votes?

The managers often make use of proxy voting to inform their decision making. The managers use the following organisations as proxies for their voting activity:

Manager	Comment on approach
Baillie Gifford	Whilst Baillie Gifford are cognisant of proxy advisers' voting recommendations (ISS and Glass Lewis), they do not delegate or outsource any of their stewardship activities or follow or rely upon their recommendations when deciding how to vote on their clients' shares. All client voting decisions are made in-house. Baillie Gifford vote in line with their in-house policy and not with the proxy voting providers' policies. They also have specialist proxy advisors in the Chinese and Indian markets to provide them with more nuanced market specific information.
BlackRock	BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team (BIS), which consists of three regional teams – Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The analysts with each team will generally determine how to vote at the meetings of the companies they cover. Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines.
HSBC Global Asset Management	HSBC use the leading voting research and platform provider Institutional Shareholder Services (ISS) to assist with the global application of their voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene their guidelines. HSBC review voting policy recommendations according to the scale of their overall holdings. The bulk of holdings are voted in line with the recommendation based on their guidelines.
Legal & General Investment Management	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions.
Schroders Plc	Glass Lewis (GL) act as Schroders one service provider for the processing of all proxy votes in all markets. GL delivers vote processing through its Internet-based platform Proxy Exchange. Schroders receives recommendations from GL in line with their own bespoke guidelines, in addition, they receive GL's Benchmark research. This is complemented with analysis by their in house ESG specialists and where appropriate with reference to financial analysts and portfolio managers.

The Trustee met with Legal & General which manages c75% of Plan Assets and received a presentation and asked questions on Legal & General's approach to responsible investment including engagement case studies. The Trustee also met with Schroders which manages c24% of Plan assets in the Schroders Sustainable Global Multi-Factor Equity Fund and received a presentation and asked questions on the Schroders' fund including its incorporation of sustainability (and wider ESG and responsible investment) factors and engagement case studies.

The table below notes the number of engagement activities carried out by the Plan's fund managers in the Plan Year.

Manager	Number of engagements	Topic engaged on
Baillie Gifford	41	Environmental, Governance, Social and Strategy.
BlackRock	5,189	Environment, Governance and Social
HSBC	81	Environment, Governance, Social and Strategy
Legal & General	11,036	Environmental, Governance, Other and Social
Schroders	550	Climate, Natural Capital and Biodiversity, Human Capital Management, Human Rights, Diversity and Inclusion, Corporate Governance.

The Trustee is satisfied that the fund managers' approaches to stewardship were aligned with the stewardship policy described in the SIP during the Plan Year.

Non-financial factors

The Trustee's policy on non-financial factors is set out on page 17 of the SIP.

The Trustee recognises that some members will have strong views on where their savings should, or should not, be invested. The Trustee recognises the importance of offering a suitable range of investment options for members who wish to express an ethical preference in their pension saving. However, it is not possible to cater for everyone's views on non-financial/ethical matters.

The Plan offers a fund managed on Shariah principles.

The Trustee monitors the investments held by the Plan's ethical investment options. The Trustee also monitors developments in ethical investing funds which could be appropriate to the Plan's members.

The Trustee's approach to non-financial factors has not changed.

The Trustee is satisfied that it has followed its policy in relation to non-financial factors during the Plan Year.

Communication and member engagement

The Trustee's approach to communicating the Plan's investment options and investment governance did not change during the Plan Year.

The Trustee's policy on member engagement (described on page 17 of the SIP) is in outline:

- Effective member engagement will help develop suitable investment options; and
- Member engagement is actively encouraged through a variety of means.

During the Plan Year, the Trustee undertook the following to support member engagement and obtain member feedback:

- Communications were issued to members who were 10 years, 5 years and 12 months from retirement providing information on their fund and considerations for their planned retirement date. Members were invited to join a session with Close Brothers providing further detail on retirement options available;

- The Trustee has practices in place to encourage member feedback including Focus Groups. Members are also able to provide feedback direct to the internal pension team through email and other channels;
- Representatives from the in-house team attend monthly welcome events for all new joiners to the employer which includes the welcome video for the Plan and opportunity for questions and answers;
- Members potentially impacted by Annual Allowance limit received a communication and factsheet to help them with their calculations and considerations.
- Communications to members regarding annual sweep to Fidelity Member Trust (deferred members);
- Communications to members affected by the closure of self-select funds and legacy annuity lifestyle changes to some of the underlying funds making up the Virgin Money Growth and Diversified Funds;
- Benefit statements. One page benefit statements have been developed to be simpler and shorter. Additional information was provided to members when issuing Benefit Statements to help explain market performance (and the consequential impact on member pots). This information was tailored to explain how market performance would have affected different age groupings. Additionally, statements show members how their projected fund value would look should they pay an extra 1% in contributions. Benefit statements issued online and video statements also used;
- Pensions Awareness webinars; and
- The in-house team presented virtual benefits roadshow webinars to share information and encourage engagement.

Limitations and missing information

During the Plan Year the Trustee followed the policies and practices described in the SIP.

Looking forward

In the next Plan year (year ending 30 September 2024), which will be covered by next year's Implementation Statement, the Trustee intends to undertake the following actions in relation to the SIP:

- Conduct the triennial review of strategy
- Update the SIP to reflect any changes in strategy.

We hope this Statement helps you understand how the Plan's investment of your savings for retirement has been managed during the Plan Year. If you have any questions or feedback, please contact pensionsteam@virginmoney.com