

Implementation Statement, covering the Plan Year from 1 April 2023 to 31 March 2024

The Trustees of the Spirent Communications Plc Staff Pension & Life Assurance Plan (the “Plan”) are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Plan Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustees have had regard to the [guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement](#), issued by the Department for Work and Pensions (“DWP’s guidance”) in June 2022.

1. Introduction

The Trustees reviewed and updated the SIP in May 2023, although no changes were made to the voting and engagement policies in the SIP as part of this review. The last time these policies were formally reviewed was July 2019, when the Trustees included their policies on financially material considerations (including ESG issues and climate change), the extent to which non-financial matters are considered and stewardship practices.

The Trustees have, in their opinion, followed the Plan’s voting and engagement policies during the Plan Year, by continuing to delegate to their investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes.

2. Voting and engagement

As part of its advice on the selection and ongoing review of the investment managers, the Plan’s investment adviser, LCP, incorporates in its investment manager rankings an assessment of the nature and effectiveness of managers’ approaches to financially material considerations (including climate change and other ESG considerations). Should the Investment Adviser become concerned about the way in which the investment managers were conducting responsible investment (“RI”) they would notify the Trustees and suggest a course of action to take, which may include more detailed engagement with a manager to improve its policies or possibly to review the manager.

The Trustees entered into a bulk annuity contract with Pension Insurance Corporation (“PIC”) in November 2022. In selecting and appointing the bulk annuity provider, the Trustees reviewed LCP’s RI and ESG assessments of the shortlisted providers as one of the metrics considered in the selection process.

The Trustees received training at the March 2023 Trustee meeting following the introduction of the DWP’s guidance, and the Trustees discussed whether to set stewardship priorities intended to focus engagement with their investment managers on specific ESG factors. The Trustees decided not to set stewardship priorities at the current time.

3. Description of voting behaviour during the Plan Year

In November 2022 the Trustees entered into a bulk annuity policy with the Pension Insurance Corporation to secure the Plan’s promised DB benefits. The Plan’s remaining assets are held in the LGIM Sterling Liquidity Fund. Neither of these assets confer voting opportunities, hence we have not included information on them in the Statement.