
Ryanair UK Pension Plan

Implementation Statement

For year ended 31 December 2022

Introduction

This statement has been prepared by the Trustee of the Ryanair UK Pension Plan (the "Trustee" and the "Plan" respectively) with input from its Investment Consultants. The statement demonstrates how the Trustees have acted on certain policies within their Statement of Investment Principles ('SIP').

Each year the Trustee must produce an Implementation Statement that demonstrates how they have followed certain policies within their SIP over the Scheme year. This Implementation Statement covers the year from 1 January 2022 to 31 December 2022.

This Implementation Statement has been prepared in accordance with the Occupational Pension Schemes (Investment and Disclosure) Regulations 2005 Amendments and is in respect of both the Defined Contribution ('DC') and the Defined Benefit ('DB') investments held by the Scheme.

Trustees of pension schemes are required to provide details of how, and the extent to which, their SIP policies on engagement with investee companies have been followed over the year, including a description of their voting behaviour, the most significant votes cast and any use of a proxy voter on their behalf over the year.

This Implementation Statement should be read in conjunction with the Plan's SIP covering the year under review which gives details of the Scheme's investment policies along with details of the Plan's governance structure and objectives.

Please note that although there is no regulatory requirement to produce a SIP for the Plan's DB assets, the Trustee has decided to draft a SIP for the DB assets as best practice. This decision was made post year-end. Since there were no formal principles in place during the year to 31 December 2022, this statement omits parts that would have otherwise been applicable. Whilst this is still being produced, the DB section below is shown with respect to the principles set out in the existing SIP as at 31 December 2022.

DC Section

DC assets

During the year the DC section had assets invested in over 70 Self-Select pooled funds managed by Standard Life Assurance Company (the "Investment Manager"). The top five Self-Select funds as at the start of the year were as follows:

- Standard Life UK Equity Pension Fund (c. £20.8m)
- Standard Life Managed Pension Fund (c. £15.5m)
- Standard Life Stock Exchange Pension Fund (c. £7.9m)
- Standard Life At Retirement (Multi-Asset Universal) Pension Fund (Formerly Annuity Purchase Fund) (c. £5.9m)
- Standard Life Multi-Asset Managed (20%-60% Shared) Pension Fund (c. £2.9m)

The Trustee agreed to move all of the DC assets out of the Plan during the year however as at 31 December 2022 this had not yet taken place.

How the SIP policies were followed over the year

In the opinion of the Trustee, the SIP has been followed throughout the year for the DC Section of The Ryanair UK Pension Plan.

SIP Policies

The Plan's DC SIP included policies on the Investment Manager's arrangements, in particular:

The Trustee's policies on investment objectives and risk (Section 2.1 and 2.2 of the SIP, respectively)

Under the DC Section, the Trustee's primary investment objectives were:

Policy	Assessment
To offer an appropriate range of alternative self-select investment options for members that wish to make their own investment choices, recognising that members may have different needs and objectives.	An appropriate range of alternative self-select investment options is offered for members that wish to make their own investment choices.
To achieve good member outcomes net of fees and subject to an acceptable level of risk.	Members are responsible for their own choice of investment options. The self-select offering includes a range of passive low-cost index tracker funds.
That the expected volatility of the returns achieved is managed through appropriate diversification of asset types in order to control the level of volatility and risk in the value of members' pension pots.	The self-select offering includes a range of passive low-cost index tracker funds across multiple asset classes sufficient to put together a well-diversified investment portfolio.
Members are responsible for their own choice of investment options. The accumulated value of a member's pension at retirement can: <ul style="list-style-type: none">• Be used to purchase an annuity from an insurance company; or	There are appropriate options within the self-select offering for members who wish to follow each of the available options at retirement.

- Remain invested offering members scope to withdraw funds as and when they choose (this is known as a flexible income or income drawdown); or
- Be withdrawn in total or part upon retirement (although there will be a tax charge on anything above the 25% tax-free limit); or
- Be utilised across a combination of some or all of the above.

Risk in a DC scheme lies with the members themselves. In determining suitable investment choices to members, the Trustee has considered a number of risks, including inflation risk, retirement income risk, investment manager risk, conversion risk and custody risk.

The Trustee’s policies on day-to-day management of the assets (Section 3 of the SIP)

Policy	Assessment
<p>Main Assets</p> <p>The assets of the Plan’s DC Section will be managed by its Platform Provider, Standard Life Assurance Company (“Standard Life”).</p> <p>The Platform Provider may invest in underlying funds run by other investment managers, who are responsible for the management of the underlying funds. The investment managers are responsible for stock selection and the exercise of voting rights.</p>	<p>The Trustee is satisfied with the day-to-day discretionary management of assets by the asset manager, Standard Life, over the year.</p>
<p>Investment Diversification</p> <p>The Trustee is satisfied that the Platform Provider has a range of funds available to cover broad range of asset classes that suit the individual needs.</p> <p>The Trustee is satisfied that the spread of assets and the Investment Manager’s policies on investing in individual securities broadly provides adequate diversification of investments.</p>	<p>The Trustee is satisfied that the policy on investment diversification was followed over the year.</p>
<p>Investment options</p> <p>The Platform Provider has made available a range of funds to suit the individual needs of the Plan’s members. For example, equity funds are available for those members willing to accept a greater level of volatility in pursuit of higher expected retirement savings. Bond and cash funds are offered for those members who are less comfortable with the likely greater volatility of the equity funds.</p> <p>There is no default investment arrangement for members who do not actively make their investment choices. Each member must choose how any contributions they make (or which are made on their behalf) are to be invested. The Plan’s Retirement Age is 65, although members may specify a different Target Retirement Age.</p> <p>The Trustee currently offers one customised lifestyle strategy. This lifestyle strategy automatically invests members in a growth fund (UK equities) for the period up to 7 years from expected retirement at which stage it introduces a multi-assets retirement fund, and at 3 years out from expected retirement it introduces a cash fund. The lifestyle strategy is designed for investors who have yet to decide how they are going to take their retirement income or who want to take flexible income.</p>	<p>The Trustee is satisfied that the options available to members satisfy the conditions in the SIP.</p>

The Trustee maintains an Investment Implementation Policy Document (IIPD) which contains details of the Plan's investment arrangements. Details of the arrangements can be found in the IIPD.

Expected Return

The Trustee expects the long-term return of the investment options that invest predominantly in equities and other growth assets to exceed i) price inflation ii) general salary growth and iii) long term returns on bonds and cash.

The investment options which invest predominantly in bonds and lower risk assets are expected to provide returns above cash and/or in line with bonds, but their primary purpose is to lower the volatility of returns experienced and to preserve capital value.

The Trustee is satisfied that the policies on long term expected returns over the year were appropriate.

The Trustee continues to monitor the suitability of the self-select range and alongside the investment consultant, continues to monitor the Investment Manager's actions and performance.

The Trustee's policies on ESG considerations and stewardship (Section 4 of the SIP)

The Trustee has set an appropriate monitoring framework to ensure the Plan's investment manager is regularly reviewed. This is to promote greater transparency in understanding the reasons behind performance trends and key risk exposures, and engagement activity and compliance with the Trustee's stated ESG policy. Regular monitoring, with specific reference to ESG factors should incentivise the Plan's investment manager to assess and improve the medium to long-term performance of investee companies, both financial and non-financial.

The Trustee's policies on manager arrangements and the Platform Provider (Section 5 of the SIP)

Members' pension pots in the DC Section are invested entirely in pooled investment funds alongside other investors, and the Trustee does not therefore directly invest in underlying companies or have the ability to engage directly with these companies.

The DC Section offers options for investment to members which include exposure to shares. The Trustee does not directly exercise voting rights as these investments are through pooled funds with many other investors. Voting rights are exercised by Standard Life and Standard Life disclose their voting records publicly on their website, including summaries of their positions for significant shareholder votes. Standard Life apply a consistent voting policy across shares held through pooled funds.

Further detail on the approach taken by Standard Life to exercise voting rights is set out below.

Description of voting behaviour

The top five Self-Select funds (by valuation as at 31 December 2022) where underlying assets included publicly listed equities are as follows:

- Standard Life Multi-Asset Managed (20-60% Shares) Pension Fund
- Standard Life UK Equity Pension Fund
- Standard Life At Retirement (Multi-Asset Universal) Pension Fund
- Standard Life Managed Pension Fund

- Standard Life Stock Exchange Pension Fund

We have obtained voting information from the Investment Manager on the top five Self-Select funds (by valuation as at 31 December 2022). The Investment Manager's voting behaviour over the Plan year for these funds is summarised below. Please note totals may not tie to 100% due to rounding.

The following table shows Standard Life's voting summary covering the Plan's investment in the Standard Life Multi-Asset Managed (20-60% Shares) Pension Fund:

Standard Life Multi-Asset Managed (20-60% Shares) Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	273
No. of resolutions eligible to vote on	3,074
Eligible resolutions voted on	94.4%
Of resolutions voted on, resolutions voted with management	91.1%
Of resolutions voted on, resolutions voted against management	6.0%
Of resolutions voted on, resolutions abstained from voting	2.8%

The following table shows Standard Life's voting summary covering the Plan's investment in the Standard Life UK Equity Pension Fund:

Standard Life UK Equity Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	100
No. of resolutions eligible to vote on	1,676
Eligible resolutions voted on	98.4%
Of resolutions voted on, resolutions voted with management	98.1%
Of resolutions voted on, resolutions voted against management	1.4%
Of resolutions voted on, resolutions abstained from voting	0.5%

The following table shows Standard Life's voting summary covering the Plan's investment in the Standard Life At Retirement (Multi-Asset Universal) Pension Fund:

Standard Life At Retirement (Multi-Asset Universal) Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	243
No. of resolutions eligible to vote on	2,489
Eligible resolutions voted on	93.1%
Of resolutions voted on, resolutions voted with management	90.8%
Of resolutions voted on, resolutions voted against management	5.8%
Of resolutions voted on, resolutions abstained from voting	3.5%

The following table shows Standard Life's voting summary covering the Plan's investment in the Standard Life Managed Pension Fund:

Standard Life Managed Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	273
No. of resolutions eligible to vote on	3,069
Eligible resolutions voted on	94.4%
Of resolutions voted on, resolutions voted with management	91.1%
Of resolutions voted on, resolutions voted against management	6.1%
Of resolutions voted on, resolutions abstained from voting	2.8%

The following table shows Standard Life's voting summary covering the Plan's investment in the Standard Life Stock Exchange Pension Fund

Standard Life Stock Exchange Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	243
No. of resolutions eligible to vote on	2,489
Eligible resolutions voted on	93.1%
Of resolutions voted on, resolutions voted with management	90.8%
Of resolutions voted on, resolutions voted against management	5.8%
Of resolutions voted on, resolutions abstained from voting	3.5%

The principles for which Standard Life makes votes are outlined below.

Standard Life view all votes as significant and votes globally for all shares of which it has voting authority. Standard Life believe companies should adopt best practice in corporate governance and risk management including the management of environmental and social risks as this makes them more likely to achieve sustainable, long-term investment performance. More specifically Standard Life follow the framework below for its voting decisions:

- Companies should be run to generate long-term business success
- Companies should maintain and protect investor rights
- Companies should communicate openly and clearly
- Companies should be led and overseen by effective and genuinely independent boards
- Companies need to manage key risks actively and effectively
- Pay structures should be long-term and aligned with the corporate strategy
- Companies should establish and work to maintain an effective and positive corporate culture

Standard Life votes by proxy as given the scale of its holdings, the Investment Manager cannot be present at all shareholder meetings to cast votes. Standard Life votes by proxy through the Institutional Shareholder Service's ('ISS') electronic voting platform which is guided by the framework above. Standard Life uses ISS to process voting execution and receives recommendations on how to vote but has a customised voting policy that ISS apply and where that is not relevant, Standard Life reviews and decides on all votes.

How engagement policies have been followed

The Trustee reviews a summary of the voting and engagement activity taken on their behalf on a regular basis. The information published by the Investment Manager on their voting policies has provided the Trustee with comfort that their voting and engagement policies have been followed during the Plan year.

Engagement with investee companies

Exercising voting rights is not the only method of influencing behaviours of investee companies. Non-equity investments such as the Plan's corporate bond holdings can also include engagement activities, but these investments do not carry voting rights. For example, the Standard Life Annuity Targeting Pension Fund does not have voting or engagement information available as it invests in government bonds.

Standard Life is committed to exercising responsible ownership and believe that companies adopting improving practices in corporate governance and risk management have the potential to deliver enhanced returns to shareholders. Standard Life's fund managers and analysts meet regularly with management and non-executive directors of the companies invested in.

Extent to which Trustees' policies have been followed during the year

Having reviewed the actions taken by Standard Life on behalf of the Trustee, the Trustee believes that their policies on voting rights (where applicable) and engagement have been implemented appropriately over the year and in line with the Investment Manager's policies. The Trustee will continue to monitor the actions taken on their behalf each year and press for improved information from the Investment Manager (both in quantity and quality of data available).

If the Investment Manager deviates substantially from the Trustee's stated policies, the Trustee will initially discuss this with the Investment Manager. If in the opinion of the Trustee the difference between the policies and the Investment Manager's actions is material, the Trustee will consider terminating the mandate.

DB Section

SIP policies

This Implementation Statement reviews the voting and engagement activities have been followed over the 12-month period to the year-end 31 December 2022.

For the majority of the Plan year, the Plan was invested in a single pooled fund managed by Aberdeen Standard Investments Limited (“abrdrn” or “Investment Manager”). As at Plan year-end, the Scheme was invested in two pooled funds both managed by abrdrn following changes to the investment strategy during the fourth quarter of 2022.

Description of voting behaviour

The Plan is invested in pooled funds, which means that the responsibility for exercising the voting rights on the shares held by the Plan sits with the Investment Manager. The Trustee will seek to enforce the policies (once finalised) by monitoring the engagement and voting activities of the Plan’s Investment Manager to attempt to ensure they are aligned with the Trustees’ policies.

During the year the Plan was invested in one mandate – the Standard Life Managed Pension Fund – where underlying assets included publicly listed equities. As at 31 December 2022, the Plan was no longer invested in this fund following changes to the investment strategy.

The following table shows abrdrn’s voting summary covering the Plan’s investment in the Standard Life Managed Pension Fund.

Standard Life Managed Pension Fund	1 January 2022 – 31 December 2022
No. of meetings eligible to vote at	273
No. of resolutions eligible to vote on	3,069
Eligible resolutions voted on	94.4%
Of resolutions voted on, resolutions voted with management	91.1%
Of resolutions voted on, resolutions voted against management	6.1%
Of resolutions voted on, resolutions abstained from voting	2.8%

Significant votes

abrDN will only consult with clients before voting who have a segregated mandate in place. For abrDN's active and passive equity holdings, their voting activity is made available to the public on their website. abrDN have identified five categories of votes they deem to be 'significant votes'. In order of importance (with the first being the most important) the categories are as follows:

High profile votes

- Focus on votes which received public and press interest with a focus on our large, active holdings
- Focus on votes which reflect significant governance concerns regarding the company
- Resolutions proposed by abrDN

Shareholder and Environmental & Social (E&S) Resolutions

- Votes on shareholder E&S proposals where we have engaged with the proponent or company on the resolution
- Votes on management-presented E&S proposals
- Focus on shareholder proposals where we have voted contrary to management recommendations

Engagement

- Focus on resolutions where we have engaged with the company on a resolution
- Focus on resolutions where post-engagement we voted contrary to our custom policy

Corporate Transactions

- Focus on selected votes which have a financial impact on the investment with a focus on acquisitions

Votes contrary to custom policy

- Focus on large active holdings where we have voted contrary to custom policy following analysis

An analysis of votes reveals that the predominant theme for voting against management was around remuneration practices (i.e. rejecting proposed incentive plans and remuneration increases, pushing back on soft performance targets and voting against approval of associated remuneration policies).

Proxy voting

Since there were no formal principles in place during the year to 31 December 2022, this section is not directly applicable. The Trustee did not employ a proxy-voting service during the Plan year to 31 December 2022. The Trustee has no intention to employ a proxy-voting service for the following Plan year to 31 December 2023.

abrDN votes by proxy as given the scale of its holdings, the Investment Manager cannot be present at all shareholder meetings to cast votes. abrDN votes by proxy through the Institutional Shareholder Service's ('ISS') electronic voting platform. abrDN uses ISS to process voting execution. abrDN receives recommendations on how to vote but has a customised voting policy that ISS apply and where that is not relevant, abrDN reviews and decides on all votes.

How engagement policies have been followed

Since there were no formal principles in place during the year to 31 December 2022, this section is not directly applicable.

However, the Trustee's intention is to review and monitor the voting and engagement activity taken by the investment managers on their behalf on an annual basis. Information published by abrDN will then inform the Trustee on whether their voting and engagement policies (once finalised) have been followed during the year.

Engagement with investee companies

Since there were no formal principles in place during the year to 31 December 2022, this section is not directly applicable. Exercising voting rights is not the only method of influencing behaviours of investee companies. Non-equity investments can also include engagement activities, but these investments do not carry voting rights.

The Trustee will expect the Investment Managers to engage with investee companies on aspects such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, corporate governance, social and environmental issues concerning the Trustees' investments.

The Trustee intends to request information on engagement activities on behalf of the Plan's investment where possible in the two new mandates - Standard Life SL Vanguard UK Inflation Linked Gilt Index Pension Fund and the Standard Life Vanguard UK Investment Grade Bond Index Pension Fund.

Extent to which Trustees' policies have been followed during the year

Since there were no formal principles in place during the year to 31 December 2022, this section is not directly applicable.

However, having reviewed the actions taken by the Investment Manager, the intention is for the Trustee to then make a decision on whether their policies on engagement and voting rights (where applicable) have been implemented appropriately and in line with the Investment Manager's policies over the year. The Trustee will continue to monitor the actions taken on their behalf each year whilst pressing for improved information from the managers, particularly with respect to ESG factors.

The Trustee is of the intention that if the Investment Manager deviates substantially from the Trustee's stated policies (once finalised), the Trustee will initially discuss this with the relevant manager. If in the opinion of the Trustee the difference between the policies and the investment manager's actions is material, the Trustee will consider terminating the mandate and appointing a replacement manager more closely aligned with the Trustee's policies and views.

