

## **Annual Implementation Statement – for scheme year ending 5 April 2021**

### **BW/IP International Limited Pension Plan**

#### **Introduction**

This document is the Annual Implementation Statement (“the statement”) prepared by the Trustees of the BW/IP International Limited Pension Plan (the “Plan”) covering the scheme year to 5 April 2021.

The purpose of this statement is to:

- set out the extent to which, in the opinion of the Trustees, the engagement policy under the Plan’s Statement of Investment Principles (“SIP”) has been followed during the year
- describe the voting behaviour by, or on behalf of, the Trustees over the year.

A copy of this implementation statement will be made available on the following website <https://www.flowserve.com/en/more/about/uk-regulatory-reports> and included in the Trustees’ annual report and scheme accounts for the year to 5 April 2021.

This is the second year of the Plan providing an Implementation Statement. The Plan is a DB only scheme, with a small amount invested in AVCs. In August 2019 the Trustees purchased a bulk annuity policy (buy-in) with Aviva Life & Pensions UK Limited (“Aviva”). The policy covered all members of the Plan. There are no remaining invested assets that may result in voting activity.

#### **Review of the SIP and changes made during the Plan year**

The SIP was reviewed and subsequently updated during the Plan year to reflect new regulatory requirements for the Trustees to have a policy on arrangements with investment managers (including the alignment of interests with the Trustees’ policies, investment manager remuneration, portfolio turnover and associated costs, and the duration of the arrangements with investment managers) all of which came in to force on 1 October 2020.

The revised SIP was dated September 2020 and formally adopted by the Trustees on 30 September 2020 after consultation with the Company.

#### **Subsequent review of and changes to SIP (post Plan year-end)**

There have been no further changes to the SIP since the Plan year-end.

#### **Trustees’ voting and engagement policy**

The Trustees’ policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to Aviva.

#### **Summary of voting over the year to 5 April 2021**

As the only Plan asset (excluding the Trustees’ bank account) is the buy-in contract with Aviva which provides guaranteed amounts in return for an initial premium paid, the Trustees deem that it is not required to consider the voting practice of Aviva.

In the Trustees’ opinion, the Statement of Investment Principles has been followed during the year to 5 April 2021 in relation to voting and engagement.

**The Trustees of the BW/IP International Limited Pension Plan**  
**24 September 2021**