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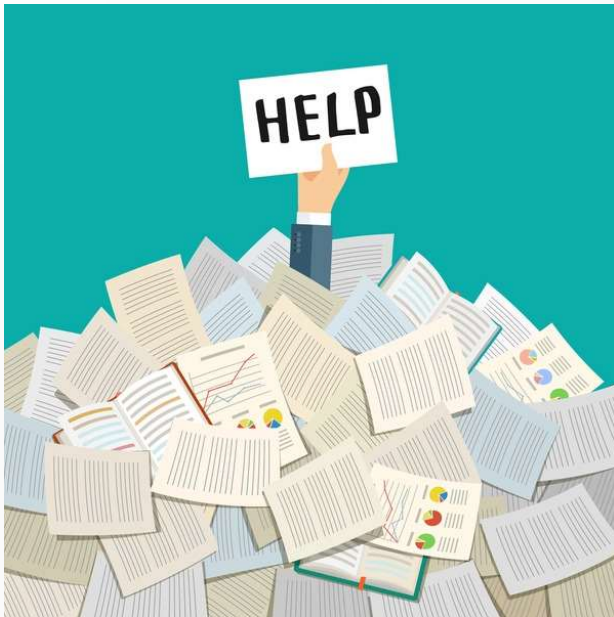
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# ESOG and ORA

Our Insights from the First Wave of ESOG & ORA

## The Trustee Burden: Governance Without the Headache

We believe great governance shouldn't be a time-thief. It should be the quiet engine that gives you peace of mind.





# General Code: Recap



## Brief Recap: The General Code

### GENERAL CODE

“THE RULE BOOK”

A rulebook for running a pension scheme in the UK.



### EFFECTIVE SYSTEM OF GOVERNANCE (“ESOG”)

“HOUSEKEEPING”

Ensures everything is organised, risks are identified and managed, and decisions are made in a responsible way.



### OWN RISK ASSESSMENT (“ORA”)

“SELF-CHECK”

A test for your ESOG.



# From Theory to Reality: Where is your Scheme on the Journey?

## The Starting Blocks

*“We’ve digested the Code but haven’t yet mapped out our formal Gap Analysis or ESOG structure”*

## Dashboard & Evidence

*“Our ESOG is documented and moving toward a live view. We are beginning to think about how to format the first ORA”*



## Deep in the Mapping

*“Gap Analysis is underway. We are busy identifying our ‘Hidden Governance’ and drafting the new required policies”*

## The Finish Line (Wave 1)

*“Our first ORA is signed off (or in final draft). We are now focused on making this a sustainable, ongoing process”*

## General Industry View: Scheme Size Challenges

Segment	Feedback Sentiment
Large DB Schemes	Generally well-prepared; many have already designated a “Risk Management Function”. They see it as a natural evolution of their existing robust frameworks.
Small/Medium Schemes	High levels of concern regarding costs and the time commitment required from volunteer trustees.
Public Sector (LGPS)	Significant uncertainty; there has been specific feedback asking for clearer guidance on how the ORA applies to the unique structure of Local Government schemes.

## The ORA: What's Keeping You Up at Night?

The Unknown

The "Paper Mountain"

The 3-Year Cliff

The Data Gap

The Proportionality Puzzle

The Resource Drain



# Our Approach & Initial Findings



## Our Initial Learnings: From Theory to Reality



### The RMF Myth-Buster

- ✓ Foundations Already Exist
- ✓ Capturing the “Hidden” Governance



### General Learning from Initial Work

- ✓ Evidence of Existing High Standards
- ✓ Bespoke Client Alignment
- ✓ Tailored Remediation Roadmaps
- ✓ Context-Driven Governance
- ✓ Proportionate Solutions for Smaller Schemes
- ✓ Pragmatism is Key

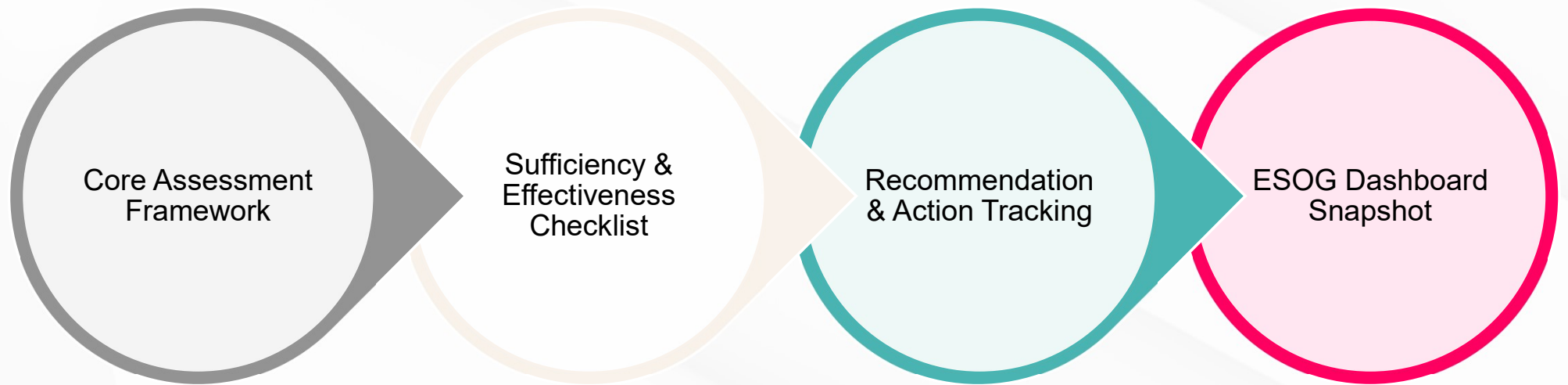


# The ORA Deep Dive



## How We Built Our ORA Template

Our ORA template provides a holistic evaluation of the ESOG:



## A Case Study 1: Elevating Governance for a £1bn+ Scheme

The Profile & Objective	Strategy: Integrating Governance into BAU	Outcome: Total Confidence
<p><b>The Scale:</b> A large, well-governed £1bn+ early adopter of our ESOG/ORAs solution.</p> <p><b>The Goal:</b> Moving beyond "minimum compliance" to establish a market-leading, audit-ready framework.</p>	<p><b>Bespoke Enhancements:</b> Deep-dive Gap Analysis to ensure policies reflect actual practice, not just generic templates.</p> <p><b>Seamless Integration:</b> Policy review cycles built into a Live ESOG Dashboard, mapped directly to the scheme's Business Plan.</p> <p><b>Risk Management:</b> Leveraged the existing Risk Committee for the RMF to ensure operational continuity.</p> <p><b>The "Peer Review" Rigor:</b> Addressed "marking our own homework" by using an internal Working Group for formal peer review, independent of the day-to-day team.</p>	<p><b>Success:</b> First ORA successfully signed off last year.</p> <p><b>Visual Validation:</b> ORA appendices featured Risk Heat Maps, providing a data-driven "reality check" for high governance scores.</p> <p><b>The 3-Year Win:</b> Governance is now a proactive, ongoing "pulse" rather than a triennial administrative headache.</p>

## A Case Study 2: Evidencing Governance for a £4bn+ Scheme

The Profile & Objective	Strategy: Integrating Governance into BAU	Outcome: Total Confidence
<p><b>The Scale:</b> A large, well-governed £4bn+ which has just completed its first ORA report.</p> <p><b>The Goal:</b> Understanding what is already in place, and where there are gaps to comply with the requirements of the Code.</p>	<p><b>Bespoke Enhancements:</b> Review of all policies to ensure they reflect actual practice, not just generic templates.</p> <p><b>Seamless Integration:</b> Policy review cycles built into a Live ESOG Dashboard, mapped directly to the scheme's Business Plan. Review of policies scheduled across sub-committees.</p> <p><b>Risk Management:</b> Created a new Audit and Risk Committee to take ownership of the Risk Management Framework.</p> <p><b>Support from the Sponsor:</b> Documented the processes and procedures which were adopted by the Board.</p>	<p><b>Success:</b> First ORA successfully signed off, demonstrating that the ESOG is working in practice.</p> <p><b>Visual Validation:</b> ORA documented the areas where recommendations were made to improve some governance areas in time for the next ORA.</p> <p><b>Document Library:</b> A central, easy-to-use document library is now in place, giving trustees quick access to all governance materials in one place.</p> <p><b>The 3-Year Win:</b> Governance is now a proactive, ongoing "pulse" rather than a triennial administrative headache.</p>



# Future Proofing & Strategy



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# Beyond the First ORA: Avoiding the “2029 Scramble”

## The Risks of “Set and Forget”



**Data Decay vs. Real-Time Accuracy:** Waiting three years turns your next ORA into a costly forensic investigation. Continuous logging ensures your governance is "audit-ready" without the need to reconstruct years of history.



**Missing "Material Change" Triggers:** The General Code requires updates when significant changes occur. Ongoing monitoring prevents the risk of non-compliance that arises from overlooking these mid-cycle trigger events.



**Operational & Financial Efficiency:** Treating governance as Business as Usual (BAU) avoids the massive disruption and spiked consultancy fees of a one-off "emergency" project every three years.

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**The Bottom Line:** Shifting from a triennial project to a continuous pulse ensures the Board remains proactive, compliant, and focused on strategic priorities rather than administrative catch-up.



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