

## Appendix 1: Implementation Statement

This Statement provides information which is required to be disclosed in line with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. It confirms how the investment principles, objectives and policies of the Trustee's Statement of Investment Principles (SIP) dated March 2023 have been implemented over the Scheme year.

It also includes the Trustee's voting and engagement policies, as well as details of any review of the SIP during the year, subsequent changes made with the reasons for the changes (if any). A description of the voting behaviour during the year, either by or on behalf of the Trustee, or if a proxy voter was used, is also included within this Statement. This Statement covers the period 1 January 2024 to 31 December 2024.

### Investment objectives of the Scheme

#### Funding Objective

The primary funding objective of the Scheme is to ensure, as far as possible, that there are sufficient assets to provide benefits to the Scheme members as and when these fall due.

#### Investment Objectives

The Trustee's high-level objectives with regard to investing the Scheme's assets are to:

- achieve a return which is sufficient, over the longer term, to meet the Funding Objective
- adopt an approach that recognises the need to balance risk with the achievement of a satisfactory investment return.

#### Performance Objectives

The Investment Managers have each been set Performance Objectives to achieve returns in line with, or in excess of, a benchmark.

### Stewardship policy

The Trustee's stewardship policy, as set out in the SIP is as follows.

The Trustee believes that in order to protect and enhance the value of the investments, over the time horizon over which the benefits are paid, it must act as a responsible asset owner. The Trustee expects its Investment Managers to exercise its ownership rights, including voting and engagement rights, in order to safeguard sustainable returns over this time frame. On an ongoing basis the Trustee (delegating to the Investment Consultant where appropriate) assess the stewardship and engagement activity of its Investment Managers.

### Review of the SIP

There were no changes made to the investment strategy for the Scheme over the year.

The Trustee's most recently reviewed the SIP in March 2023. It was updated following a review of the Scheme's investment strategy and to reflect the changes made to the Scheme's Engagement and Voting Rights policy.

## Appendix 1: Implementation Statement (continued)

### Investment managers and funds in use

To align with the Scheme's investment objectives, the Trustee has implemented the strategic asset allocation outlined in the table below:

Asset Class	Investment Manager	Fund	Target Asset Allocation
Global Equities	LGIM	Future World Global Equity Index Fund (GBP Hedged)	17.0%
Private Markets	Abrdn	Global Private Markets Fund	8.0%
Corporate Bonds	LGIM	Future World GBP Corporate Bond Index Fund	35.0%
Liability Driven Investment	LGIM	Matching Core Real Long Fund	40.0%
<b>Total</b>			<b>100.0%</b>

### Investment Governance

The Trustee board is responsible for making investment decisions and seeks advice as appropriate from Broadstone Corporate Benefits Limited ('Broadstone'), as the Trustee's investment consultant.

The Trustee does not actively obtain views of the membership of the Scheme to help form their policies set out in the SIP as the Scheme is comprised of a diverse membership, which the Trustee expect to hold a broad range of views on ethical, political, social, environmental, and quality of life issues.

The Trustee has put in place strategic objectives for Broadstone, as the Trustee's investment consultant, as required by the Investment Consultancy and Fiduciary Management Market Investigation Order 2019 and now the Pensions Regulator. There were no changes to these objectives when they were reviewed in September 2024. The Trustee is due to formally review these objectives by September 2027 or earlier.

In addition, the Trustee regularly reviews the performance of their investment adviser. The last review was undertaken in March 2025.

The investment arrangements of the Scheme are reviewed by the Trustee on a regular basis, with the assistance of Broadstone of Broadstone.

## Appendix 1: Implementation Statement (continued)

### Trustee Policies

The table below sets out how, and the extent to which, the relevant policies in the Scheme's SIP have been followed:

Requirement	Policy	Implementation of Policy
<b>Financially and Non-Financially Material Considerations</b>	<p>The Trustee believes that the consideration of financially material Environmental (including climate change), Social and Governance (ESG) factors in investment decision making can lead to better risk adjusted investment returns. The Trustee expects its investment managers, when exercising discretion in investment decision making, to take financially material ESG factors into account. On an ongoing basis the Trustee (delegating to the Investment Consultant where appropriate) assesses the ESG integration capability of its investment managers.</p> <p>Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustee believes these should not drive investment decisions. The Trustee expects its investment managers, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment. Members' views are not sought on non-financial matters (including ESG and ethical views) in relation to the selection, retention and realisation of investments.</p>	No deviation from this policy over the year to 31 December 2024
<b>Voting Rights and Engagement</b>	<p>The Trustee's voting and engagement policy is to use their investments to improve the ESG behaviours of the underlying investee companies. These ESG topics encompass a range of priorities, which may over time include climate change, biodiversity, the remuneration and composition of company boards, as well as poor working practices. The Trustee believes that having this policy and aiming to improve how companies behave in the medium and long term will protect and enhance the value of their investments and is in the members' best interests.</p> <p>The Trustee will aim to monitor the actions taken by the investment managers on their behalf and if there are significant differences from the policy detailed above, they will escalate their concerns which could ultimately lead to disinvesting their assets from the manager.</p>	No deviation from this policy over the year to 31 December 2024

### Financially and non-financially material considerations

The Trustee notes that the way financially material ESG factors will be taken into account in an investment strategy or pooled fund offering will depend on the underlying asset classes within the pooled fund offering and the management style (e.g. active or passive).

The Trustee is satisfied that the funds which the Scheme currently invests in are managed in line with their views on financially material considerations, as set out below, and in particular with regards to the selection, retention, and realisation of the underlying investments held.

This position is monitored periodically. As part of the monitoring process, the Trustee has access to updates on governance and engagement activities by their investment managers, and input from their investment advisors on ESG matters. These views are also taken into account when appointing and reviewing an investment manager.

The Trustee acknowledges that they are delegating the consideration of financially material factors in relation to determining the underlying holdings to their investment managers, given they are investing in pooled funds.

## Appendix 1: Implementation Statement (continued)

### Financially and non-financially material considerations (continued)

The Trustee invests across a range of asset classes and styles. The Trustee expects the investment managers to take into account ESG considerations by engaging with the underlying companies and where relevant, by exercising voting rights on these companies.

A summary of the Trustee's views for each of the Scheme's asset classes is outlined below:

Asset Class	Actively or Passively Managed?	Comments
<b>Global equities</b>	Passive	The Trustees acknowledge that the Investment Manager must invest in line with specified indices and, therefore, may not be able to disinvest from a particular security if they have concerns relating to ESG. The Trustees do expect the Investment Manager to take into account ESG considerations by engaging with companies that form the index, and by exercising voting rights on these companies.
<b>Private Markets</b>	Active	The Trustees expect the Investment Manager to take financially material ESG factors into account, given the unconstrained and active management style of the fund and the ability of the manager to use its discretion to generate higher risk adjusted returns. Given the nature of the asset class, the Trustees also expect its investment manager to engage heavily with the underlying investee companies.
<b>Corporate Bonds</b>	Passive	The Trustees acknowledge that the Investment Manager must invest in line with specified indices and, therefore, may not be able to disinvest from a particular security if they have concerns relating to ESG. The Trustees do expect its Investment Manager to engage with investee companies, where possible, although they appreciate that fixed income assets do not typically attract voting rights.
<b>Liability Driven Investments (LDI)</b>	Active	The underlying assets of the LDI solution consist of government bond funds and derivative contracts, with no underlying investee companies as such. Therefore, the Trustees believe there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.

### Voting rights and engagement activities

The Trustee invests across a range of asset classes and styles. The Trustee expects the investment managers to take into account ESG considerations by engaging with the underlying companies and where relevant, by exercising voting rights on these companies.

A summary of the Trustee's views for each of the Scheme's asset classes is outlined below:

Manager	Fund	Resolutions voted on	Total Resolutions Voted:		
			For	Against	Abstained
<b>L&amp;G</b>	Future World Global Equity Index Fund (GBP Hedged)	55,353	81%	18%	1%

**L&G** uses ISS's 'ProxyExchange' electronic voting platform for proxy voting services.

## Appendix 1: Implementation Statement (continued)

### Voting rights and engagement activities (continued)

#### Significant votes (continued)

The Trustee has requested details of the significant votes made on behalf of the Trustee by the investment manager. In determining significant votes, the investment manager will take into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an engagement campaign, in line with Investment Stewardship's 5-year ESG priority engagement themes.

The Trustee believes the following represents the significant vote undertaken on their behalf over the scheme year:

SIGNIFICANT VOTE – L&G	
Company	Microsoft Corporation
Date	10 December 2024
% of portfolio invested in firm	4.9% of the LGIM Future World Global Equity Index Fund (GBP Hedged)
Resolution	Resolution 9: Report on AI Data Sourcing Accountability
Why significant	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.
How voted	<b>VOTED FOR (against management recommendation)</b>
Manager Comments	<i>"Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models. LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress."</i>
Vote outcome	Fail

The Trustee believes that the most significant vote detailed above aligns with the Scheme's stewardship priorities detailed at the start of this document.

## Appendix 1: Implementation Statement (continued)

### Engagement activities

The notable engagement activities of the investment managers over the last 12 months is provided below:

- **L&G** engaged with Anglo American in April 2024 and played a significant role in the portfolio restructuring of Anglo American, focusing on copper and high-grade iron ore to benefit from the energy transition. L&G first presented their restructuring ideas to Anglo American. However, shortly after, BHP made an offer to buy Anglo American before L&G’s proposal could be circulated to the management team more broadly. L&G believed that the offer from BHP was not good value for shareholders and would hinder global copper growth and communicated their view publicly and through meetings with senior executives from both companies. Anglo American consulted L&G on their defence strategy multiple times during this period. In May 2024, Anglo American announced its intention to restructure its portfolio by exiting several businesses and pausing investment in the Woodsmith mine. By the end of May 2024, Anglo American’s board refused BHP’s offer. The restructuring process is expected to take 18 to 24 months, and L&G will continue to monitor and engage on related issues.
- **Aberdeen** engaged with Interpump in 2024 to review progress on their ESG strategy following previous discussions. Interpump has historically lagged peers in governance practices and ESG disclosures. During this engagement, the company shared progress against milestones Aberdeen had set them in the following areas: They formulated a formal ESG plan with quantified targets for decarbonisation by 2025 and carbon neutrality by 2030, supported by a managerial ESG committee. They made significant governance improvements, such as separating the CEO and Chairman roles, which was well-received by the markets. In terms of supply chain management, they initiated a pilot project within the Italian supply chain to gather ESG data and promote best practices, with plans for group-wide expansion. They also announced plans to establish a board-level ESG committee at the next AGM. Aberdeen was pleased to see that the company had made meaningful progress in these areas, including the formulation of a comprehensive ESG plan with defined environmental targets, training and certification goals, and plans for improving supply chain management. They have also quantified decarbonisation targets for 2025 and outlined plans to increase renewable energy use.

Signatories to the UNPRI (United Nations Principles for Responsible Investment) will receive an overall score which represents how well ESG metrics are incorporated into managers’ investment processes. The investment managers submit a transparency report on their processes across different categories which is then assessed by the UNPRI and graded in a formal report.

UNPRI Assessment Report scores are presented as a ‘star’ rating ranging from ★ to ★★★★★, with more stars representing a higher score.

The latest available UNPRI scores of the Investment Managers are outlined in the table below:

Manager	UNPRI Score
LGIM	★★★★★
Abdrn	★★★★
Median	★★★

The Trustee also considers the investment manager’s policies on stewardship and engagement when selecting and reviewing an investment manager.

## Appendix 1: Implementation Statement (continued)

### Monitoring of Investment Arrangements

In addition to any reviews of the investment managers or approaches, and direct engagement with the investment managers (as detailed above), the Trustee receives performance reports on a quarterly basis from Broadstone to ensure the investment objectives set out in their SIP are being met.

**Signed:** Jonathan Hazlett

**Date:** 24/07/2025

**On for and on behalf of Open Trustees Limited independent trustee of the CWU 2000 Pension Scheme**