Appendix 1: Implementation Statement

The purpose of this Statement is to provide information, which is required to be disclosed in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2019, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. In particular, it confirms how the investment principles, objectives and policies of the Trustee's Statement of Investment Principles (SIP) dated June 2025 have been implemented.

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 Implementation Statement.

This Implementation Statement covers the period 1 January 2025 to 31 December 2025.

Investment objectives of the Scheme

The Trustee is required to invest the Scheme's assets in the best interest of members, and its main objectives with regard to investment policy are:

- To achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due. In doing so, the Trustee also aims to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Scheme.
- To take a long-term view when setting the funding and investment objectives. It is aware of the relationship between the investments held and the funding level of the Scheme liabilities and believes that its investment objectives and the resultant strategy are consistent with the valuation of those liabilities.

Stewardship policy

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

The Trustee's voting and engagement policy is to use its investments to improve the Environmental, Social and Governance (**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 are in the members' best interests. The Trustee will aim to monitor the actions taken by the investment managers on its behalf and if there are significant differences from the policy detailed above, it will escalate its concerns which could ultimately lead to disinvesting its assets from the manager.

Review of the investment strategy and SIP

The Trustee last reviewed the SIP in June 2025 which was updated to reflect changes to the investment strategy that have occurred during the year.

Appendix 1: Implementation Statement (continued)

Investment managers and funds in use

The investment funds that the Scheme used as at 31 December 2025 are set out below:

Asset Class	Investment Manager	Fund	Target Asset Allocation
Multi-Asset	L&G	Diversified Fund	13.0%
Equity	L&G	World Equity Index - GBP Hedged	15.0%
Property	Aviva	Lime Property Fund*	0.0%
Liability Driven Investment	L&G	Matching Core Real Short and Sterling Liquidity Fund	39.0%
Secured Income	L&G	Secure Income Assets Fund	10.0%
Fixed Income	L&G	US Securitised Plus Fund	23.0%
Total			100.0%

*The Aviva Lime Property Fund was fully disinvested in October 2025. The remaining balance represents residual cash awaiting final settlement and reconciliation.

Investment governance

The Trustee is responsible for making investment decisions and seeking 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 expects 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.

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

The Trustee reviewed its investment consultant objectives for Broadstone in 2024. The Trustee is due to formally review these objectives by November 2027 or earlier.

Appendix 1: Implementation Statement (continued)

Trustee policies

Requirement	Policy	Implementation of Policy
Financially and Non-Financially Material Considerations	The Trustee recognises that Environmental, Social and Governance (ESG) issues can and will have a material impact on the companies, governments and other organisations that issue or otherwise support the assets in which the Scheme invests. In turn, ESG issues can be expected to have a material financial impact on the returns provided by those assets. The Trustee delegates day-to-day decisions on the selection of investments to the Investment Manager. The ESG policies remain with the Trustee. The Trustee has an expectation that the Investment Manager will consider ESG issues in selecting investments or will otherwise engage with the issuers of the Scheme's underlying holdings on such matters in a way that is expected to improve the long-term return on the associated assets. The Trustee does not currently impose any specific restrictions on the Investment Manager regarding ESG issues but will review this position from time to time. The Trustee receives information on request from the Investment Manager on its approach to selecting investments and engaging with issuers with reference to ESG issues. Regarding the specific risk to the performance of the Scheme's investments associated with the impact of climate change, the Trustee takes the view that this falls within its general approach to ESG issues. The Trustee regards the potential impact of climate change on the Scheme's assets as a longer-term risk. The Trustee will continue to monitor market developments in this area with its Investment Consultant. 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 the Investment Manager, 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 nonfinancial factors should not lead to a reduction in the efficiency of the investment.	No deviation from this policy over the year to 31 December 2025
Capital Structure of Underlying Companies	Responsibility for monitoring the capital structure of investee companies is delegated to the Investment Manager. The Trustee expects the extent to which the Investment Manager monitors capital structure to be appropriate to the nature of the mandate.	No deviation from this policy over the year to 31 December 2025

Appendix 1: Implementation Statement (continued)

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.

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

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
Multi-Asset Funds	Active	The Trustee expects the investment managers to take financially material ESG factors into account, given the 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 Trustee also expects its investment manager to engage with the underlying investee companies where possible.
Property	Active	The Trustee believes 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. However, the Trustee expects the investment manager to have regard to ESG issues when properties are being sold and purchased within the portfolio, together with any opportunities to re-develop existing properties with ESG issues in mind.
Cash	Passive	The Trustees believe there is limited scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the investment.
Equity Fund	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.
Liability Driven Investments (LDI)	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 Trustee believes 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.
Secured Income and Fixed Income	Active	Given the nature of the asset class, the Trustee also expects its investment manager to engage with the underlying investee companies where possible..

Appendix 1: Implementation Statement (continued)

Voting rights and engagement activities

As at 31 December 2025, the Trustee invested in pooled investment funds with the investment managers through the Mobius Life platform and with L&G directly. In particular, all voting activities have been delegated to the investment managers, as the Trustee does not have any administrative mechanism to cast a vote in line with their views on the underlying holdings. The Trustee's stewardship policy is detailed at the start of this document although this has not been shared with the investment managers to influence what they believe to be the most significant votes.

A summary of the votes made by the investment managers from 1 January 2025 to 31 December 2025 on behalf of the Trustee (where the investment owns equities) is provided in the table below. The analysis is based on the latest information available from the investment managers.

Manager	Fund	Resolutions voted on	Total Resolutions Voted: For	Against	Abstained
L&G	Diversified Fund	100,619	76%	23%	1%
L&G	World Equity Fund – GBP Hedged Fund	35,287	80%	20%	0%

Information regarding proxy voting is detailed below:

- L&G's investment stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G who do not outsource any part of the strategic decisions.

Significant votes

The Trustee has requested details of the significant votes made on behalf of the Trustee by the investment managers. 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 events, 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; and
- Vote linked to an engagement campaign, in line with investment stewardship's 5-year ESG priority engagement themes.

Appendix 1: Implementation Statement (continued)

Significant votes (continued)

The Trustee believes the following represents the most significant votes undertaken on their behalf over the Scheme year:

SIGNIFICANT VOTE – L&G	
Company	South32 Ltd.
Date	23 October 2025
% of portfolio invested in firm	0.01% of the L&G World Equity Index Fund -GBP Hedged
Resolution	Approve Climate Change Action Plan 2025
Why significant	"L&G is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile nature of such votes, L&G deem such votes to be significant, particularly when L&G votes against the transition plan."
How voted	**VOTED AGAINST (against management recommendation)**
Manager Comments	*"A vote against is warranted. Whilst we appreciate the improvements South32 has made in its Climate Change Action Plan, including on its scope 3 disclosures, we believe the company falls short of our expectations for a robust and credible decarbonisation strategy, as outlined in our mining assessment framework. We would like to see the company quantify the actions and investments its taking to achieve its emissions reduction targets and clearly demonstrate how its decarbonisation strategy is aligned with a 1.5C pathway, in the hope that in the future we can support its plan to decarbonise whilst delivering the commodities that are essential for the energy transition."*
Vote outcome	N/A

The Trustee believes that the most significant votes detailed above are aligned with the Scheme's stewardship policy as detailed at the start of this document.

Engagement activities

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

- **L&G** has engaged extensively with Rio Tinto since voting against the company's Climate Action Plan in 2022, having previously raised concerns about the lack of quantifiable Scope 3 emissions targets and the absence of an annual shareholder vote to enable regular monitoring of progress. Through sustained dialogue focused on value-chain decarbonisation and customer-related emissions, L&G observed substantive improvements in Rio Tinto's disclosures and the clarity of its emissions-reduction actions. It was concluded that the company's enhanced climate strategy is now more closely aligned with L&G's expectations, leading L&G to support the updated Climate Action Plan (Resolution 19), pre-declaring its voting intention, and continues monitoring implementation going forward.

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. investment managers will submit a transparency report on their processes across different categories which is then assessed by the UNPRI and graded in a formal report.

For the 2025 UNPRI Assessment Reports, scores are presented as a 'star' rating ranging from ★ to ★★★★★, with more stars representing a higher score.

Appendix 1: Implementation Statement (continued)

Engagement activities (continued)

The latest available UNPRI score of the investment managers is outlined in the table below.

Manager	2025 UNPRI Rating
L&G	★★★★★
Aviva	★★★★★
Median	★★★★

The Trustee also considers the investment managers' policies on stewardship and engagement when selecting and reviewing investment managers.

Monitoring of investment arrangements

In addition to any reviews of investment managers or approaches, the Trustee receives performance reports on a quarterly basis from Mobius Life and L&G, and on a quarterly basis from Broadstone, to ensure the investment objectives set out for the Scheme in the SIP are being met.

Signed: Rory Murphy **Date:** 06/07/2026

On behalf of the Trustee of the UCW Pensions 2001