Princes Pension Scheme ('the Scheme')

SIP Implementation Statement for the Year Ended 31/03/2025

Contents

Section 1

Introduction

This Engagement Policy Implementation Statement (the "Statement") sets out the Trustees' assessment of how, and the extent to which, they have followed their engagement policy and their policy with regard to the exercise of rights (including voting rights) attaching to the Scheme's investments during the one-year period to 31 March 2025 (the "Scheme Year"). The Trustees' policies are outlined in their Statement of Investment Principles (SIP). The SIP was last reviewed in June 2024.

This Statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 along with guidance published by the Department for Work and Pensions.

During Q1 2024, the Trustees undertook a "buy-in" by using the majority of the Scheme's assets to purchase a bulk annuity insurance policy with Aviva Life & Pensions UK Limited (Aviva), a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. Under this policy Aviva undertake, via the Scheme, to pay the Scheme's benefit obligations as they fall due. The Trustees purchased the policy with Aviva having considered appropriate advice from their advisors.

As a result of this transaction, Mercer Limited ("Mercer") no longer has discretion over the Scheme assets. However, the Trustees retained the appointment of Mercer as the investment manager of the Scheme's residual assets that are invested in a range of specialised pooled funds (known as the Mercer Funds). The management of each of the Mercer Fund's assets is carried out by a Mercer affiliate, namely Mercer Global Investments Europe Limited (MGIE). Specifically, the Trustees invest in a combination of cash and gilt funds with Mercer. The Trustees have implicitly delegated consideration of ESG issues, engagement and stewardship obligations to Aviva in relation to the majority of the Scheme's DB assets via a bulk annuity contract, and to Mercer in relation to remaining invested DB assets. The annuity contract makes contractual payments to the Scheme dependent only on the benefits payable under the contract. As a result, the Trustees have minimal direct exposure to risks arising from long-term sustainability issues, including climate change. They are however satisfied that Aviva apply due consideration to ESG issues in the investment of assets underlying the contract. In June 2024, as noted above, the Trustees agreed to invest the residual Scheme assets across pooled unlevered Gilt funds and a UK Cash fund. The relevant Mercer affiliate is responsible for the appointment and monitoring of a suitably diversified portfolio of specialist third party investment managers for the assets of each Mercer Fund.

Under these arrangements, the Trustees accept that they do not have the ability to directly determine the engagement or voting policies or arrangements of the managers of the Mercer Funds, However, the Trustees have made Mercer aware that they expect MGIE to manage assets in a manner, as far as is practicably possible, that is consistent with the Trustees' engagement policy and their policy with regard to the exercise of rights attaching to the Scheme's investments. The Trustees have regularly reviewed reports from Mercer with regard to the engagement and voting undertaken on their behalf in order to consider whether their policies are being properly implemented. For the Scheme's DC assets responsibility is delegated to Legal & General Investment Management (LGIM).

Section 2.1 and 2.2 of this Statement sets out the investment objectives of the Scheme and, if applicable, changes which have been made to the SIP during the Scheme Year, respectively.

Section 2.3 of this statement sets out how, and the extent to which, the policies in the Defined Benefit ("DB") Section and Defined Contribution ("DC") Section of the SIP have been followed. The Trustees can confirm that all policies in the SIP have been followed in the Scheme Year, while the Scheme had invested assets and before the completion of the "buy-in" transaction.

Section 3 and 4 sets out the Trustees' policy with regard to the exercising of rights (including voting rights) attaching to the Scheme's investments and considers how, and the extent to which this policy has been followed during the Scheme Year, while the Scheme had invested assets and before the completion of the "buy-in" transaction. This Section also provides detail on voting activity undertaken by the Scheme's third party investment managers during the Scheme Year.

Section 2

Statement of Investment Principles

Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the objectives it has set.

DB Section

During Q1 2024, the Trustees undertook a “buy-in” by using the majority of the Scheme’s assets to purchase a bulk annuity insurance policy with Aviva, a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. Under this policy Aviva undertake, via the Scheme, to pay the Scheme’s benefit obligations as they fall due. The Trustees purchased the policy with Aviva having considered appropriate advice from their advisors. As such, following the transaction with Aviva, the Trustees’ primary objective continues to be to invest the Scheme’s assets in the best interest of the members and beneficiaries, and in the case of a potential conflict of interest in the sole interest of the members and beneficiaries.

DC section

For the DC section of the Scheme, the Trustees’ principal mission is to help members “*to maximise the value of the members’ retirement benefits subject to acceptable levels of investment risk, management and administration costs*.”, taking into account guidance from the Pensions Regulator and other appropriate industry and regulatory bodies.

Review of the SIP

The Trustees updated the Statement of Investment Principles in June 2024 to reflect the following objectives to help guide them in their strategic management of the assets and control of the various risks to which the Scheme is exposed, i.e. to provide protection for members’ accrued benefits; and to ensure that the Scheme can meet its obligations to the beneficiaries. The Trustees believe the best way of achieving this is by securing all members’ benefits with an insurance company. A copy of the Trustees' SIP is available at https://www.princesgroup.com/princes-pension-scheme.

The objectives set out above and the risks and other factors referenced in this Statement are those that the Trustees determine to be financially material considerations. Non-financial considerations relevant for the Scheme’s accounting year are discussed in the aforementioned June 2024 SIP.

Assessment of how the policies in the SIP have been followed for the Scheme Year

The information provided in this section highlights the work undertaken by the Trustees during the year, and longer term where relevant, and sets out how this work followed the Trustees' policies in the SIP, dated June 2024, relating to the DC Section of the Scheme only.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Scheme Year (after the completion of the "buy-in" transaction and while the Scheme had invested residual assets).

Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

As required by legislation, the Trustees consult a suitably qualified person when making investment selections by obtaining written advice from its Investment Consultant. The policy is detailed in Section 1 (Introduction) of the SIP, which applies to the DB and DC Sections of the Scheme.

DB	DC
How has this policy been met over the Scheme Year? The Trustees, under advice from Mercer, invested its residual assets following the completion of the "buy-in" transaction into unlevered Gilts funds and a UK Cash fund. By investing the Scheme's assets in such a manner, the intention was to create a liquid portfolio with a very high degree of capital preservation while broadly matching the Scheme's continued exposure to interest rate and inflation risk relating the balancing payment(s) that may be due to Aviva in due course as a result of the completed "buy-in" transaction.	**How has this policy been met over the Scheme Year?** The Trustee has an Investment Committee, which meets quarterly to monitor the controls and processes in place in connection with the Scheme's investments. The Scheme's investment advisors attended all meetings during the year and provided updates on the performance of the Scheme's DC investment options. Within the DC Section, the investment performance report is reviewed by the Trustees on a quarterly basis. The Scheme's investment manager remained highly rated during the year. The investment performance report also includes how each investment manager is delivering against their specific mandates. Over the year to 31 March 2025, no changes were made to the Scheme's investment arrangements.

Realisation of Investments

Policy

The Trustees' policy is that there should be sufficient liquidity within the Scheme's assets to meet short term cash-flow requirements in the majority of foreseeable circumstances, so that realisation of assets will not disrupt the Scheme's overall investment policy.

DB	DC
Policy Further details are set out in the following sections of the SIP: – Realisation of Investments (SIP Section 2.6) – Assets outside of the Bulk Annuity Policy (SIP Section 2.5.1 & 2.5.2)	**Policy** Further details are set out in the following sections of the SIP: – Risk Management and Measurement (SIP Section 2.3.) – Policies in relation to the default investment option (SIP Section 3.4.2.) – Realisation of Investments (SIP Section 3.7.)

DB	DC
How has this policy been met over the Scheme Year? The Scheme's invested residual assets were in daily-dealt pooled fund investment arrangements. These pooled investment arrangements are themselves regulated and underlying investments are mainly invested in regulated markets. Where pooled investment arrangements do not invest assets in regulated markets, these are not expected to account for a material proportion of assets. Therefore, assets should be realisable at short notice, based on member and Trustees' demand. **Where disinvestments were arranged during the year, the policies stipulated within the relevant appointment documentation have been followed.**	**How has this policy been met over the Scheme Year?** The Trustees are not aware of any liquidity issues over the year in respect of the funds used by the Scheme. All assets are daily-dealt pooled investment arrangements, with assets mainly invested in regulated markets, and therefore should be realisable at short notice, based on member demand.

Environmental, Social and Governance (“ESG”)

Financial and non-financial considerations and how those considerations are taken into account in the selection, retention and realisation of investments

Policy

The Scheme’s SIP outlines the Trustees’ beliefs on ESG factors (including climate change). Further details are included in Section 6 of the SIP, which applies to the DB and DC Sections of the Scheme. The Trustees keep the policy under regular review.

DB

The Trustees believe that good stewardship and environmental, social and governance (“ESG”) issues may have a material impact on investment risk and return outcomes. The Trustees also recognise that long-term sustainability issues, particularly climate change, present risks and opportunities that may increasingly require explicit consideration.

The Trustees have implicitly delegated consideration of ESG issues, engagement and stewardship obligations to Aviva in relation to the majority of Scheme’s assets via a bulk annuity contract, and to Mercer in relation to ‘residual’ invested assets. The annuity contract makes contractual payment to the Scheme dependent only on the benefits payable under the contract. As a result, the Trustees have minimal direct exposure to risks arising from long-term sustainability issues, including climate change. They are however satisfied that Aviva apply due consideration to ESG issues in the investment of assets underlying the contract.

Given the nature of the Scheme’s investment policy, member views and non-financially material considerations are not taken into account in the selection, retention and realisation of investments.

DC

Within the DC section, the Trustees have given LGIM full discretion when evaluating ESG issues and in exercising rights and stewardship obligations relating to the Scheme’s defined contribution investments.

Voting and Engagement Disclosures

The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustees would monitor and engage with relevant persons about relevant matters).

Policy

The Trustees' policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to the Scheme's investments to the investment managers. Further details are set out in Section 6. ESG, Stewardship and Climate Change Section. This section of the SIP, applies to the DB and DC Sections of the Scheme. In addition, it is the Trustees' policy to obtain reporting on voting and engagement and to periodically review the reports to ensure the policies are being met.

DB and DC

How has this policy been met over the Scheme Year?

The Scheme's investments take the form of shares or units in the Mercer Funds (for the DB section) and LGIM funds (for the DC section).

Information on the DB Section is largely limited as the invested residual assets consist of unlevered pooled Gilt funds and a UK Cash fund where these funds do not lend themselves to ESG considerations. As the Scheme now also invests in the bulk annuity policy with Aviva, the Trustees recognise that Aviva has full discretion when evaluating ESG issues, exercising rights and stewardship obligations attached to the Scheme's investments, including engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure and management of actual or potential conflicts of interest and risks. In addition, Aviva has full discretion when deciding on the degree to which the above is integrated into their investment processes. The Trustees are satisfied this corresponds with their responsibilities to the beneficiaries.

The DWP released a set of Implementation Statement requirements on 17 June 2022, "Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement: Statutory and Non-Statutory Guidance" to be adopted in all Implementation Statements for schemes with years on or after 1 October 2022. The most material change was that the Statutory Guidance provides an update on what constitutes a "most significant vote".

DB and DC

This is applicable to those funds with equity holdings, however, due to the assets of the Scheme being in a bulk purchase annuity policy with Aviva there are currently no voting rights assigned to the Scheme. During the Scheme year the control of corporate governance issues have been ceded by the Scheme to Aviva.

Within the residual invested assets there were no voting rights due to the nature of assets held within the funds (unlevered Gilts funds and UK Cash Fund).

Within the DC section, the Trustees have given LGIM full discretion when evaluating ESG issues and in exercising rights and stewardship obligations relating to the Scheme's DC investments.

Section 3 and 4 of this Statement discloses the DC Section's voting and engagement activity to the year ending 31 March 2025.

Monitoring the Investment Managers

Incentivising asset managers to align their investment strategies and decisions with the Trustees' policies

Policy

The Trustees' policy is set out in Section 2.5.2 of the SIP which applies to the DB Section, and Section 3.8 of the SIP which applies to the DC Section of the Scheme.

DB

How has this policy been met over the Scheme Year?

Aviva have been appointed with the aim of insuring the Scheme's liabilities and reducing the Scheme's funding volatility. The Trustees sought expert advice in relation to this appointment. This included an assessment of Aviva's capabilities, knowledge and experience. The annuity policy is managed in line with the Scheme's specific liabilities and investment requirements. Therefore, the policy is aligned with the Trustees' objectives and the terms of the policy incentivise Aviva to meet the Trustees' objectives. The Trustees understand that they have no ability to determine or influence the assets in which Aviva invests. The Trustees recognise that the annuity investment is illiquid and cannot be traded.

The objective for the passive gilt funds is to track the total return of the relevant market index, within specified tolerances (see below).

Fund	Expected Tracking Error ±% p.a. over 5 year rolling periods
MGIE UK Long Gilt Fund	Less than 0.25

DC

How has this policy been met over the Scheme Year?

As the Trustee invests in pooled investment vehicles it accepts that it has no ability to influence the investment managers to align their decisions with the Trustee policies set out in this Statement. However, appropriate mandates are selected to align with the overall investment strategy.

The Trustees receive investment manager performance reports on a quarterly basis and review the absolute and relative performance against a suitable index used as the benchmark and against the underlying manager's stated target performance.

The Trustees remain comfortable with the investment manager in place.

DB	DC
<table><tr><td>MGIE UK Inflation Linked Bond Fund</td><td>Less than 0.25</td></tr><tr><td>MGIE UK Cash Fund</td><td>0.5</td></tr></table> In the year to 31 March 2025 the Trustees have reviewed the investment objectives against which they will review Mercer’s performance. The latest annual assessment was carried out after the Scheme Year end.	

Evaluation of asset managers' performance and remuneration for asset management services

Policy

The Trustees' policy is set out in Section 2.5.2 of the SIP which applies to the DB Section, and Section 3.8 of the SIP which applies to the DC Section of the Scheme.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
The insurer does not receive on-going remuneration from the Scheme. The premium paid for the annuity policy covers the insurer's implicit fees with the Trustees' choice of insurer taking the size of the premium into account. The Trustees are satisfied that this is the most appropriate basis for remunerating the insurer.	The performance of each of the Scheme's funds, including those used in the Lifestyle arrangements, are reviewed by the Investment Committee at each of its quarterly meetings. This included fund performance against their benchmarks over both quarter, 1 year, 3 year and 5 year time periods. The Trustee's focus is on long-term performance, however it also takes shorter-term performance into account in reviewing fund performance in light of prevailing market conditions. The Trustees were satisfied with the performance of the funds.
Mercer receive income on the Mercer Funds as a percentage of the amount invested. Performance is assessed against the applicable benchmark indices.	During the Scheme year, the charges paid to the Investment Manager for their services were analysed as part of the annual Value for Member (VfM) assessment for the DC Section, which was conducted by the Scheme's Investment Consultant. The VfM assessment concluded that members were receiving good to reasonable value for the services received.

Monitoring portfolio turnover costs

Policy

The Trustees' policy is set out in Section 2.5.2 of the SIP which applies to the DB Section, and Section 3.8 of the SIP which applies to the DC Section of the Scheme.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
The obligation of the insurer to make payments is not impacted by on-going turnover costs and is not considered by the Trustees. The gilts and cash funds' trading costs are minimal. As such the Trustees do not intend to monitor turnover costs explicitly in relation to these holdings.	Transaction costs were reviewed by the Investment Committee during the Scheme year upon analysis of the Scheme's VfM Assessment. The results were also disclosed in the annual Chair's Statement. The transaction costs for each fund covers the buying, selling, lending and borrowing of the underlying securities in the fund by the investment manager. While the transaction costs provided appear to be reasonably reflective of costs expected of the various asset classes and markets that the Scheme invests in, there is not as yet any industry standard or universe to compare these to. The Trustee will assess these costs on an ongoing basis moving forwards and where appropriate with help from their Investment Adviser would challenge the level of costs incurred if they were assessed to be too high relative to expectations as this may indicate excessive turnover.

The duration of the arrangements with asset managers

Policy

The Trustees are a long-term investor and does not seek to change the investment arrangements on a frequent basis. Further details of the Trustees' policy are set out in Section 3.8 of the SIP which applies to the DC Section of the Scheme.

DB and DC
How has this policy been met over the Scheme Year? The Trustees are a long term investor, all funds are open-ended and therefore there is no set duration for manager appointments. Within the DC section, the Trustees may also choose to remove a fund from the strategy, if no longer considered appropriate, and this is reviewed on at least a triennial basis. The Trustees reviewed the performance of the Scheme's DC funds quarterly. No manager appointments were terminated during the Scheme Year and the Trustees' policy remained unchanged.

Strategic Asset Allocation

Kinds of investments to be held, the balance between different kinds of investments and expected return on investments

DB

Policy

The Trustees' policy on the kinds of investments to be held and the balance between different kinds of investments can be found under the following sections of the SIP:

- Investment and Funding Objectives (SIP Section 2.1)
- Process for Choosing Investments (SIP Section 2.2)
- Investment Strategy (SIP Section 2.4)

DC

Policy

The Trustees' policy on the kind of investments to be held and the balance between different kinds of investments can be found under the following sections of the SIP:

Further details are set out in the following sections of the SIP:

- Investment Objectives (SIP Section 3.1.)
- Risk (SIP Section 3.2.)
- Investment Strategy (SIP Section 3.3.)
- Overall Aims (SIP Section 3.4.1.)
- Realisation of Investments (SIP Section 3.7.)

The default investment strategies are designed after careful analysis of the membership demographic and other characteristics in order to offer a suitable approach in so far as is practical, to the needs of the Scheme's members. No changes were made to the investment strategy during the Scheme Year. The Trustees remain comfortable with its policy regarding the kinds of investments to be held, within the default strategy and across the wider self-select fund range available to members. The investment strategy in place remains consistent with the Trustees' policy.

DB	DC

How has this policy been met over the Scheme Year? (DB)

The Trustees had previously appointed Mercer Limited (Mercer) as the discretionary investment manager and the Scheme's assets were invested in a range of specialised pooled funds (known as the Mercer Funds). In Q1 2024, the Trustees undertook a "buy-in" by using the majority of the Scheme's assets to purchase a bulk annuity insurance policy with Aviva Life & Pensions UK Limited (Aviva), a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. Under this policy Aviva undertake, via the Scheme, to pay the Scheme's benefit obligations as they fall due. The Trustees purchased the policy with Aviva having considered appropriate advice from their advisors.

As a result of this transaction, Mercer did not have discretion over the Scheme assets as at 31 March 2024. The annuity contract makes contractual payments to the Scheme dependent only on the benefits payable under the contract. In June 2024, the Trustees agreed to invest the residual Scheme assets across pooled unlevered Gilt funds and a UK Cash fund following advice from Mercer. This included advice surrounding the suitability of these funds and the broader investment strategy of the residual assets that was implemented and remained in place at the Scheme year end.

How has this policy been met over the Scheme Year? (DC)

Over the year, the Trustees received investment performance reports from the investment manager on a quarterly basis for all of the funds within the Lifestyle arrangement. This included fund performance against benchmarks over both short and longer-term periods. Investment performance is reviewed by the Trustees at the quarterly meetings.

The Trustees did not express any concerns regarding the performance of the funds over the Scheme year having performed in line with their underlying aims and objectives.

The Trustees remain comfortable with the balance between different kinds of investments within the strategy.

Risks, including the ways in which risk are to be measured and managed

DB

Policy

The Trustees recognise a number of risks involved in the investment of the assets of the DB Section and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under the following section of the SIP:

- Risk Management and Measurement (SIP Section 2.3)

How has this policy been met over the Scheme Year?

As detailed in Section 2.3 of the SIP, the Trustees considered both the risks associated with the residual invested assets as well as the associated with the bulk annuity contract:

1) Counterparty risk – the risk that Aviva may default on its obligations under the bulk annuity policy. Before entering into the bulk annuity contract, the Trustees obtained and carefully considered professional advice regarding the financial strength of Aviva. The Trustees accepted the advice, namely that Aviva was financially strong and had sufficient capital resources to support the proposed transaction and that, correspondingly, there was no reason in relation to financial strength why the transaction should not proceed. In addition, the Trustees are

DC

Policy

The Trustees recognises a number of risks involved in the investment of the assets of the DC Section and that the choice and allocation of investments can help to mitigate these risks. Details of these risks and how they are measured and managed can be found under the following section of the SIP:

- Risk (SIP Section 3.2.)

In determining which investment options to make available the Trustees consider the investment risk associated with DC pension investment. The risk can be defined as the uncertainty over the ultimate amount of savings available on retirement.

How has this policy been met over the Scheme Year?

There were no material changes to this policy during the Scheme year for DC Sections. As detailed in the risk table in the SIP, the Trustees consider both quantitative and qualitative measures for risks when deciding investment policies, strategic asset allocation, the choice of delegated investment manager.

The Trustees are comfortable with the manager ratings applied by its investment consultant and continues to closely monitor the ratings and any significant developments at the underlying investment manager.

DB	DC
aware that there is a level of protection offered to members by the Financial Services Compensation Scheme ("FSCS"). 2) Liquidity risk – the risk that the Scheme's assets are not sufficiently liquid to meet the Scheme's cashflow requirements. The Trustees do not expect to be able to obtain cash from the bulk annuity policy other than in respect of benefits insured with Aviva. Prior to purchasing the policy, the Trustees were satisfied that all known members' benefits would be insured in full. 3) Lack of diversification – The Trustees recognise that entering into an annuity contract with a single provider represents a concentration of risk. However, the Trustees are satisfied that this risk is acceptable after due diligence on the provider.	

Section 3

Engagement Activity by the Scheme's Investment Managers

DB	DC
The Scheme has not made any allocation to equities for four years. Specifically, following the 2021 strategy review, it was agreed to remove the target allocation to growth assets and adopt a 100% liability hedged position in order to reflect the material funding level improvements that had been experienced. Since then, as noted in this statement, the Scheme has entered into a bulk annuity contract with Aviva and invests residual Scheme assets in a combination of cash and government bonds. As a result, the Scheme does not hold any assets with voting rights.	The Trustee recognises the importance of being a responsible owner of capital. It believes it is important that there is engagement on ESG matters with investments held on behalf of Scheme. The Trustee would usually expect its appointed investment managers to carry out this engagement on its behalf and will seek to appoint investment managers whose approach to engagement is consistent with the Trustee beliefs. The Scheme's investment managers use proxy voting services, with more detail present below. **LGIM's** Investment Stewardship team uses Institutional Shareholder Services, Inc. (ISS) 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM, and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with their position on ESG, LGIM have put in place a custom voting policy with specific voting instructions. **Aviva** subscribes to proxy advisory services for independent research and recommendations including recommendations based on their own policy. These providers include the IVIS service, Glass Lewis and MSCI. Aviva uses research for data analysis only as they have their own robust voting policy, which is applied to all holdings. Aviva also takes into consideration the views of the fund manager and the conversations with the company through our voting specific engagement.

Section 4

Voting Activity during the Scheme year

DB

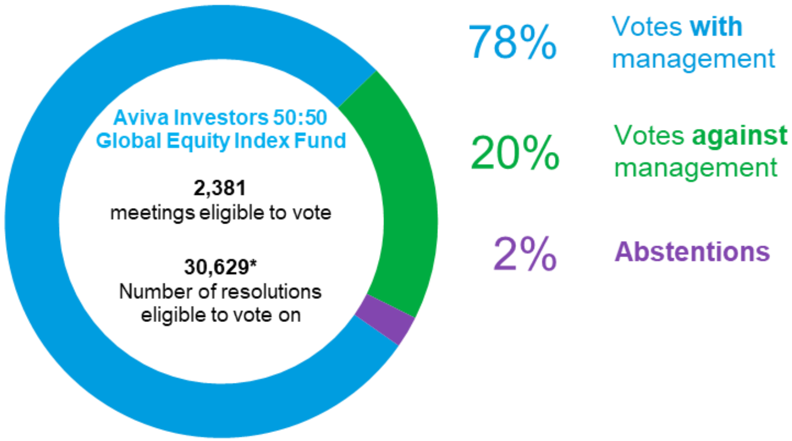
During Q1 2024, the Trustees undertook a “buy-in” by using the majority of the Scheme’s assets to purchase a bulk annuity insurance policy with Aviva, a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. Under this policy Aviva undertake, via the Scheme, to pay the Scheme’s benefit obligations as they fall due. The Trustees purchased the policy with Aviva having considered appropriate advice from their advisors. As a result, the Scheme does not hold any assets with voting rights.

DC

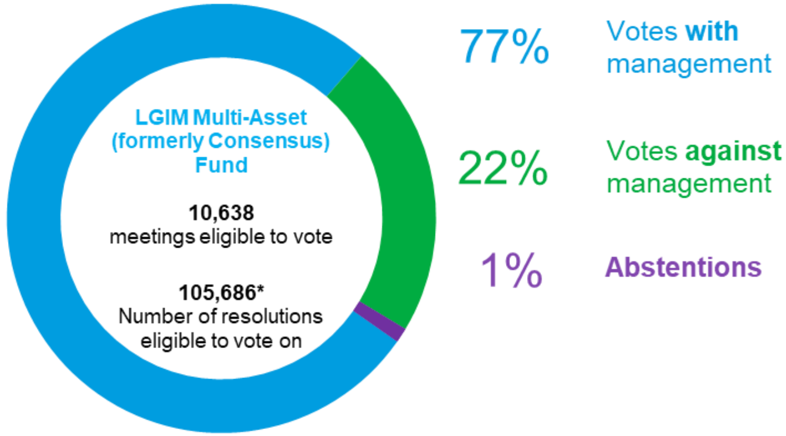
The DC Section of the Scheme had no direct relationship with the pooled funds it was ultimately invested in, and therefore no voting rights in relation to the Scheme's investments. The Trustees therefore effectively delegated its voting rights to the managers of the funds the Scheme's investments were ultimately invested in.

The Trustees have not been asked to vote on any specific matters over the Scheme year. Nevertheless, this Statement sets out a summary of the key voting activity of the pooled funds for which voting was possible (i.e., all funds which include equity holdings) in which the Scheme's DC assets were ultimately invested.

Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DC Section of the Scheme. Funds where voting is not applicable (i.e. non-equity funds) are not included in the list below. DC investments are managed by LGIM and AVC investments are managed by Aviva.



*100% of resolutions voted on



*99.8% of resolutions voted on

Source: Aviva and LGIM as at 31 March 2025.

Most significant votes

From October 2022 trustees are required to identify their key stewardship themes and priorities and report on significant votes linked to these themes/priorities. Significant votes are defined as those that are linked to these key stewardship themes and priorities or are significant for another reason. The Trustees have classified significant votes as:

- **Environmental** – climate change, low carbon transition & physical damage resilience
- **Governance** – Inclusive, diverse decision making etc.

The Trustees have reviewed voting records from the managers in each of their priorities listed above.

The information in this section has been provided directly by the investment managers. The managers have provided detailed information on their voting. The Trustee has considered this information and disclosed the votes that they deem to be most significant. A "significant vote" is defined as one that is linked to the Scheme's stewardship priorities/themes. These priorities are set out above. The Trustees have weighted this analysis towards the funds used in the default strategy, where the majority of members' assets are invested and companies that have the largest holdings within those funds (i.e. significant holdings).

LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with their investee companies in the three weeks prior to an Annual General Meeting ("AGM") as their engagement is not limited to shareholder meeting topics. Where Aviva was the investment manager, for all the votes displayed in the table, the intent of the vote was communicated by the company if the vote was against management decision, except for the Amazon vote where the intent was not communicated.

✗ Resolution not passed ✓ Resolution passed

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
LGIM Multi-Asset Fund	0.55	Shell Plc	21/05/2024	Approve the Shell Energy Transition Strategy	Against	A vote **against** is warranted as the manager has concerns arise from revisions to the Net Carbon Intensity (NCI) targets and plans to expand the gas and LNG business this decade. The company needs to clarify how these plans align with a transition to net-zero emissions by 2050, including the expected lifespan of developed assets, flexibility in production adjustments, and actions for customer decarbonization. Additionally, more transparency is needed regarding lobbying activities in hydrocarbon-producing regions, guidance on capital expenditure for low carbon initiatives beyond 2025, and responsible divestment principles in asset sales, as these are crucial for Shell's decarbonization strategy.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	0.32	Prologis, Inc.	09/05/2024	Elect Director Hamid R. Moghadam	Against	A vote **against** is warranted as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	Not provided	The Trustees have deemed votes related to **Governance (diverse decision making)** to be a significant vote.	LGIM will continue to engage with our investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
	0.31	Toyota Motor Corp.	18/06/2024	Elect Director Toyoda, Akio	Against	A vote **against** is warranted due to the lack of meaningful diversity on the board, and as the manager believes there is still a disconnect in Toyota's stated climate ambitions and its current multi-pathway strategy. The manager encourage Toyota to further develop disclosures that more clearly articulate how it intends to support a global transition to zero emission vehicles and net zero emissions.	✓	The Trustees have deemed votes related to **Governance (diverse decision making)** and **climate change** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
	0.29	NextEra Energy, Inc.	23/05/2024	Elect Director John W. Ketchum	Against	A vote **against** is warranted as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	Not provided	The Trustees have deemed votes related to **Governance (diverse decision making)** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
	0.28	Unilever Plc	01/05/2024	Approve Climate Transition Action Plan	For	A vote **for** is warranted as of the climate transition action plan (CTAP) is being applied, as it meets LGIM's minimum expectations, including the disclosure of scope 1, 2, and material scope 3 GHG emissions, along with short, medium, and long-term GHG emissions reduction targets aligned with the 1.5°C Paris Agreement goal. Although the SBTi has recently removed its approval of the company's long-term scope 3 target, the company has submitted near-term, 1.5-degree aligned scope 3 targets for validation. Consequently, LGIM considers the company's ambition level adequate and continues to support its net-zero trajectory at this stage.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
	0.25	Tencent Holdings Limited	14/05/2024	Elect Charles St Leger Searle as Director	Against	A vote **against** is warranted as the company is deemed to not meet minimum standards with regard to climate risk management.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
	0.25	National Grid Plc	10/07/2024	Approve Climate Transition Plan	For	A vote **for** is warranted as LGIM commend the company's efforts in committing to net-zero emissions across all scopes by 2050 and setting 1.5C-aligned near term science-based targets. LGIM appreciate the clarity provided in the 'Delivering for 2035 report' and look forward to seeing the results of National Grid's engagement with SBTi regarding the decarbonisation of heating.	✓	The Trustees have deemed votes related to **climate** to be a significant vote.	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
Aviva Investors 50:50 Global Equity Index Fund	3.71	Shell Plc	21/05/2024	Approval of Energy Transition Update and Energy Transition Strategy 2024	Against	A vote **against** is warranted as Shell should be at the forefront of the transition, which its capex plans did not suggest. The manager lacks conviction that Shell's current strategy and capex plans align to its overarching commitment to the goals of the Paris Agreement.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	Aviva believes that continued, regular and constructive engagement over FY24 will be more effective in refining the strategy for success. Aviva have outlined key focus areas for the company in their rationale for not supporting this resolution.

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
	2.24	Unilever Plc	01/05/2024	Advisory Vote on Climate Transition Action Plan	For	A vote **for** is warranted as the company is seeking shareholder approval for its climate transition action plan (CTAP), which outlines its efforts to achieve net-zero emissions by 2039. The manager support the proposal as the company has set reduction targets for Scope 1 and 2 emissions and established near-term Scope 3 targets aligned with SBTi's 1.5°C criteria. The CTAP includes governance details, with the board and executive team responsible for the climate strategy, and highlights advocacy priorities and a strategy for a just transition in its agricultural value chains. The company will engage with shareholders if over 20% vote against the resolution. Given the comprehensive details in the CTAP and our positive engagements with the company, the manager believe this proposal deserves our support.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	Aviva will continue to engage with the company regarding its climate transition plan, with a view of encouraging the company to provide more granular detail regarding what each unit is trying to achieve (objectives/milestones, timelines, expected emissions reductions) and how targeted change will be delivered with respect to their various value chain partnerships/'low carbon levers'.
	1.36	RELX Plc	25/04/2024	Elect Paul A. Walker	For (Exceptional)	A vote **for** is warranted as after engaging with Relx on climate change and their commitment to set SBTi-validated science-based targets, the manager acknowledge their recent progress. Relx scored 28% in the Forest 500 ranking, indicating weak deforestation policies, but this is an improvement from 25% in 2022, along with a better CDP Forests score of B. In 2022, the manager adopted a policy to vote against companies scoring below 40% in the Forest 500 survey. The manager also requested evidence from Relx regarding human rights assessments and stakeholder engagement. Given Relx's commitment to set SBTs and improvements in their CDP Forest score, the manager is voting in far of the Chair this time, while continuing to monitor their deforestation and human rights practices. Under normal circumstances Aviva would vote against the Chair under the recommendations of their social and environmental engagement strategies.	✓	The Trustees have deemed votes related to **climate change** to be a significant vote.	Aviva will continue to monitor and engage with the company on progress regarding its deforestation and human rights practices.

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Why Vote is Significant	Next Steps
	0.61	Amazon	22/05/2024	Shareholder Proposal Regarding Report on Plastic Packaging	For	A vote **for** is warranted as this proposal is in line with the expectations in the VBDO (**Dutch Association of Investors for Sustainable Development**) Investor Statement on Plastic AI signed in May 2023 that FMCG and grocery retail companies should 'establish a clear plan of action to reduce material consumption in absolute terms, prioritising eliminating the need for single-use packaging altogether, including through upscaling reusable packaging systems, to be achieved by clearly defined timescales and subjected to external verification'. Issuing a report and setting this goal would be important steps in this journey.	×	The Trustees have deemed votes related to **climate** to be a significant vote.	Amazon has not disclosed key information about its plastic packaging, such as the total amount used or goals to reduce or make packaging recyclable, reusable, or compostable. Shareholders have voted on this issue for four years. Last year, Amazon took a step by releasing some plastic use data for its fulfilment centres, but this did not include packaging from Whole Foods or over 100 private label brands. As a result, Amazon falls behind competitors who have disclosed their plastic usage and committed to reducing virgin plastic and making packaging recyclable by specific deadlines.

Source: Aviva and LGIM as at 31 March 2025.