

# LEE BEESLEY DERITEND PENSION SCHEME

## ENGAGEMENT POLICY IMPLEMENTATION STATEMENT

Financial Year Ending 5 April 2026

### Introduction

This statement sets out how, and the extent to which, the stewardship policy and related policies on environmental, social and governance (“ESG”) factors and climate change set out in the Statement of Investment Principles (‘SIP’) have been followed during the year to 5 April 2026, the (“Scheme year”). This statement has been produced in accordance with The Pension Protection Plan (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2018, as amended, the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the statutory guidance on reporting on stewardship in the implementation statement dated 17 June 2022.

### Trustee Investment Objective

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

As set out in the SIP, the Trustee’s primary investment objective is 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.

The Trustee also ensures that their investment objectives and the resultant investment strategy are consistent with the actuarial valuation methodology and assumptions used in the Statutory Funding Objective.

### Investment Strategy

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

The investment strategy of the Scheme as at 5 April 2026 was split in 30% Diversified Growth, 15% Equity, 30% Multi Asset Credit, 5% Freehold Property, 7.5% Real LDI and 12.5% Nominal LDI. The Trustee is in the process of disinvesting from the BlackRock UK Property Fund, however, the redemption is currently in a deferral queue. The proceeds are earmarked for diversified growth in line with the above strategy.

### Statement of Investment Principles

The Scheme’s SIP was last updated in November 2025 following the implementation of the revised investment strategy noted above. The changes made to the Statement reflected the regulatory requirements that were introduced aimed at strengthening Trustee’s investment duties in relation to ESG and stewardship and arrangements with their investment managers.

### Policy on ESG, Stewardship and Climate Change

The Trustee understands that they must consider all factors that have the potential to impact upon the financial performance of the Scheme's investments over the appropriate time horizon. This includes, but is not limited to, environmental, social and governance (ESG) factors.

The Scheme's SIP includes the Trustee's policies on ESG factors, stewardship and Climate Change. The policies were last reviewed in November 2025 as part of the review of the Scheme's investment strategy. The Trustee keeps its policies under regular review with the SIP subject to review at least triennially.

### Scheme's Investment Structure

The Scheme's only investment (excluding the Freehold Property) is a Trustee Investment Policy (TIP) with Mobius Life Limited (Mobius). Mobius provides an investment platform and enables the Scheme to invest in pooled funds managed by third party investment managers.

As such, the Trustee has no direct relationship with the Scheme's underlying investments managers, but have the responsibility of monitoring the pooled funds, in conjunction with advice received from their investment advisor, Mercer.

### Trustee Engagement

Over the Scheme year, the Trustee has not engaged with Mobius or the underlying pooled investment managers on matters pertaining to ESG, stewardship or climate change.

Investment performance reports are provided to the Trustee from Mercer on a quarterly basis and include Mercer's ESG assessment. This enables the Trustee to determine whether further action should be taken in respect of specific funds. The Trustee is satisfied that Mercer's ESG assessment for the Fund's managers are satisfactory.

The Trustee continues to work with Mercer, to consider actions that can be taken to engage with their investment managers going forward.

Information on the investment managers' approach to responsible investment, voting (including significant votes) and engagement with the investee companies is available at the following websites:

BlackRock:

<https://www.blackrock.com/corporate/sustainability>

Columbia Threadneedle:

<https://www.columbiathreadneedle.com/en/gb/institutional/about-us/responsible-investment/>

Pictet:

<https://www.pictet.com/us/en/responsible-vision>

Ninety One:

<https://ninetyone.com/en/united-kingdom/sustainability>

Legal & General:

<https://am.landg.com/en-uk/institutional/responsible-investing/>

M&G:

<https://group.mandg.com/sustainability/responsible-investing>

All the Scheme's investment managers are signatories of the UK Stewardship Code as follows:

| Manager               | Signatory since |
|-----------------------|-----------------|
| BlackRock             | 2021            |
| Columbia Threadneedle | 2022            |
| Pictet                | 2022            |
| Ninety One            | 2021            |
| Legal & General       | 2021            |
| M&G                   | 2021            |

Source: FRC website

Taking all the above into consideration, the Trustee is satisfied that Responsible Investment is central to the investment managers' approaches to investing.

### Voting Activity

The Scheme has no direct relationship with the pooled funds it is ultimately invested in, and therefore no voting rights in relation to the Scheme's investments. The Trustee has therefore effectively delegated its voting rights to the managers of the funds the Scheme's investments are ultimately invested in.

Over the Scheme year, the Trustee has not been asked to vote on any specific matters and have therefore not cast any votes.

The DWP released a set of Engagement Policy 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 Engagement Policy 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 "significant vote".

- A significant vote is defined as one that is linked to the Scheme's stewardship priorities/themes;
- A vote could also be significant for other reasons, e.g. due to the size of holding;
- Trustee is to include details on why a vote is considered significant and rationale for voting decision.

The Trustee has identified that climate change, human rights and diversity, equity and inclusion are their most important stewardship priorities. The significant votes shown in this statement relate to this.

Appendix 1 sets out a summary of the key voting activity over the financial year of the pooled funds in which the Scheme's assets are ultimately invested for which voting is possible (i.e., those funds which include equity holdings).

This includes information on what the fund managers consider to be a significant vote. The Trustee has no influence on the managers' definitions of significant votes but have noted these and are satisfied that they are reasonable and appropriate.

The Appendix shows those significant votes supplied by the investment manager which the Trustee determines to be a significant vote – ie those that are in relation to climate change, human rights and diversity, equity and inclusion. Given the number of significant votes supplied, the Trustee has applied a size filter on grounds of materiality and only considered votes to be significant if in relation to a company that constitutes 1.00% or more of the diversified growth funds and 1.50% or more for the L&G Life KY World Equity Index Fund – GBP Currency Hedged.

#### **Assessment of how the Engagement Policies in the SIP have been followed for the year to 5 April 2026**

The Trustee is satisfied that the Engagement Policies set out in the SIP, which have been in place over the year has been followed.

## Appendix 1 – Voting Activity

The table below sets out a summary of the key voting activity over the financial year:

| Manager / Fund                                | Proxy voter used?                                                                                                                                                    | Votes cast                                  |                                      |                     | Most significant votes (description)                                                                                                                                                                                                                                                                                                                                                                           | Significant votes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|                                               |                                                                                                                                                                      | Votes in total                              | Votes against management endorsement | Abstentions         |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Columbia Threadneedle Multi Asset Fund</b> | <p><b>ISS</b> – to take recommendations and vote via ISS.</p> <p><b>Glass Lewis &amp; Co.</b> – recommendations only.</p> <p><b>IVIS</b> – recommendations only.</p> | 6638 resolutions eligible for (99.83% cast) | 5.71% of votes cast                  | 0.74% of votes cast | Columbia Threadneedle considers a significant vote to be any dissenting vote—i.e., where a vote is cast against (or where they abstain/withhold from voting) a management-tabled proposal, or where they support a shareholder-tabled proposal not endorsed by management. A specific focus on certain environmental and social proposals is also emphasized in the prioritization of these significant votes. | <p><b>NVIDIA Corporation</b></p> <p><b>Shareholder Resolution</b> - Enhance Workforce Data Reporting</p> <p><b>Date of vote:</b> 25 June 2025</p> <p><b>Size of holding:</b> 2.22%% of portfolio</p> <p><b>Voting:</b> Abstain</p> <p><b>Manager Rationale:</b> “The company should disclose its demographic workforce data as per the EEO-1 requirement. This will help to increase transparency and aid shareholders in assessing the effectiveness of the company's stated efforts to address related human capital material risks and opportunities.”</p> <p><b>Was this communicated to company ahead of vote:</b> No</p> <p><b>Vote Outcome:</b> Resolution failed</p> <p><b>Next steps:</b> Active stewardship (engagement and voting) continues to form an integral part of our research and investment process.</p> <p><b>Significance:</b> Columbia Threadneedle Investments (CTI) classifies certain proxy votes as significant based on defined criteria that reflect governance expectations, stewardship priorities, and the level of shareholder dissent.</p> |

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| <b>Pictet Dynamic Asset Portfolio</b> | <b>ISS</b> - for voting execution and recommendations | 6109 resolutions eligible for (99.09% cast) | 7.47% of votes cast | 1.14% of votes cast | A vote is significant due to the subject matter of the vote, for example a vote against management, if the company is one of the largest holdings in the portfolio, and/or they hold an important stake in the company. | <div> <b>Microsoft Corporation</b> </div> <div> <b>Shareholder Resolution</b> - Human Rights Risk Assessment         </div> <div> <b>Date of vote:</b> 5 December 2025         </div> <div> <b>Size of holding:</b> 1.27% of portfolio         </div> <div> <b>Voting:</b> For Resolution         </div> <div> <b>Manager Rationale:</b> “A vote FOR this resolution is warranted. The recent controversy related to the misuse of the company’s Azure technology which Microsoft identified only after external reporting and public scrutiny raises questions about the effectiveness of its HRDD processes and exposes the company to legal, reputational, operational and financial risks. The company and its shareholders would benefit from a report assessing the effectiveness of Microsoft’s human rights due diligence processes in preventing, identifying, and addressing customer misuse of its artificial intelligence and cloud products or services.”         </div> <div> <b>Was this communicated to company ahead of vote:</b> No         </div> <div> <b>Vote Outcome:</b> Resolution failed         </div> <div> <b>Next steps:</b> Pictet noted the outcome of the vote. Where they believe the subject of the vote could present a material concern from an ESG perspective, they will continue to monitor and engage with the company, and are doing so in this case. If warranted, they will consider actions as part of their escalation strategy, including future voting decisions.         </div> |
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|                                                                      |                                                                                 |                                               |                      |                     | <b>Significance:</b> The nature of this resolution is aligned with the Trustee’s key stewardship priority of “Human Rights”.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>L&amp;G Life KY World Equity Index Fund — GBP Currency Hedged</b> | <b>IVIS</b> – for research purposes.<br><br><b>ISS</b> – for research purposes. | 35,913 resolutions eligible for (99.98% cast) | 19.44% of votes cast | 0.25% of votes cast | <p>In determining significant votes, L&amp;G takes into account the criteria provided by the Pensions &amp; Lifetime Savings Association (PLSA) guidance for asset managers (<a href="https://www.plsa.co.uk/Portals/0/Documents/Policy-Documents/2020/IS-Asset-Managers-Template.pdf">https://www.plsa.co.uk/Portals/0/Documents/Policy-Documents/2020/IS-Asset-Managers-Template.pdf</a>). This includes but is not limited to:</p> <ul style="list-style-type: none"><li>• High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;</li><li>• Significant client interest for a vote;</li><li>• Vote as a result of a direct or collaborative engagement;</li><li>• Vote linked to an engagement campaign, in line with L&amp;G’s global stewardship themes.</li></ul> <p>L&amp;G provide information on significant votes in the format of detailed case studies in their quarterly engagement reports and annual active ownership publications. Additionally, L&amp;G publicly disclose all vote decisions made on behalf of their clients. This information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. L&amp;G also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions. This information can be found at: <a href="https://vds.issgovernance.com/vds/">https://vds.issgovernance.com/vds/</a></p> | <p><b>Meta Platforms, Inc.</b></p> <p><b>Shareholder Resolution</b> - Elect Director Peggy Alford</p> <p><b>Date of vote:</b> 28 May 2025</p> <p><b>Size of holding:</b> 1.53% of portfolio</p> <p><b>Voting:</b> Against</p> <p><b>Manager Rationale:</b> “A vote against is applied as L&amp;G expects a company to have at least one-third of women on the board.”</p> <p><b>Was this communicated to company ahead of vote:</b> L&amp;G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is L&amp;G’s policy not to engage with its investee companies in the three weeks prior to an AGM as L&amp;G’s engagement is not limited to shareholder meeting topics.</p> <p><b>Vote Outcome:</b> Resolution Passed</p> <p><b>Next steps:</b> L&amp;G will continue to engage with its investee companies, publicly advocate its position on this issue and monitor company and market-level progress.</p> <p><b>Significance:</b> The nature of this resolution is aligned with the Trustee’s key stewardship priority of “Diversity, Equity and Inclusion”.</p> |

**Notes:** ISS = Institutional Shareholder Services Inc.  
IVIS = Institutional Voting Information Service  
The information in the table has been provided by the investment managers for the year ending 31 March 2026.