

Implementation Statement

Scott Bader Retirement Benefits Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the Scott Bader Retirement Benefits Scheme ("the Scheme") to set out the following information over the year to 31 December 2025:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.
- the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force at 31 December 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in May 2025 and has been made available online here:

<https://s3.amazonaws.com/a.storyblok.com/f/329344/x/f42529e906/2025-scott-bader-sip.pdf>

The Trustee has set diversity, equity and inclusion as a stewardship priority for the Scheme. The Statement of Investment Principles reflects this.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers.
- Investment rights (including voting rights) have been exercised by the investment managers in line with the investment managers' general policies on corporate governance. The Trustee also expects the investment managers to have engaged with companies in relation to ESG matters, and to take these into account in the selection, retention and realisation of investments where appropriate.
- The Trustee is comfortable with the investment managers' strategies and processes for exercising rights and conducting engagement activities, and specifically that they attempt to maximise returns for a given level of risk.
- The Trustee undertakes reviews of the stewardship and engagement activities of the current managers periodically, and are satisfied that their policies are reasonable.
- The Trustee obtained training on ESG considerations in order to understand fully how ESG factors including climate change could impact the Scheme and its investments.
- As part of ongoing monitoring of the Scheme's investment managers, the Trustee uses ESG ratings information available within the pensions industry or provided by its investment advisor to assess how the Scheme's investment managers take account of ESG issues. The Trustee receives an annual ESG

monitoring report from its investment advisor which summarises the ESG ratings of the investment managers and details on how they manage their ESG risks.

- Having reviewed the above in accordance with their policies, the Trustee is comfortable that the actions of the fund manager is in alignment with the Scheme's stewardship policies.

**Prepared by the Trustee of the Scott Bader Retirement Benefits Scheme
April 2026**

Voting Data

This section provides a summary of the voting activity undertaken by the investment managers within the Scheme's Growth Portfolio on behalf of the Trustee over the year to 31 December 2025. The M&G credit fund and Columbia Threadneedle's Liability Driven Investment funds have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate.

We have provided voting (and engagement) data over the year to 31 December 2025 for the L&G Future World Global Equity Index Fund. However, as at 31 December 2024, the Scheme was invested in the L&G All World Equity Index. The Trustees switched from this Fund into the L&G Future World Global Equity Index Fund on 24 April 2025. As the Scheme was invested in the L&G Future World Global Equity Index Fund for the majority of the year, we have only reported on this Fund.

Manager	Legal and General Asset Management ("L&G")
Fund name	Future World Global Equity Index Fund (currency hedged and unhedged)
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.
No. of eligible meetings	5,881
No. of eligible votes	59,848
% of resolutions voted	99.96%
% of resolutions abstained	1.11%
% of resolutions voted with management¹	78.56%
% of resolutions voted against management¹	20.33%
Proxy voting advisor employed	ISS
% of resolutions voted against proxy voter recommendation	9.17%

¹ As a percentage of the total number of resolutions voted on

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a “significant” vote. However, more recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme’s stewardship priorities/themes. In February 2024, the Trustee set diversity, equity and inclusion as a stewardship priority for the Scheme.

L&G have provided a selection of 66 votes which they believe to be significant. The Trustee selected 3 of the most significant votes for each fund which relate to the stewardship priority of the Scheme.

A summary of the significant votes provided is set out below.

L&G Future World Global Equity fund (currency hedged and unhedged)

	Vote 1	Vote 2	Vote 3
Company name	Tesla Inc	Lam Research Corporation	Oracle Corporation
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.24%	0.66%	0.50%
Summary of the resolution	Elect Director Ira Ehrenpreis	Elect Director Michael R. Cannon	Elect Director Bruce R. Chizen
How the manager voted	Against	Against	Against
Rationale for the voting decision	Independence: A vote against is applied as L&G expects the Chair of the Remuneration and Nominations/Governance Committees to have served on the board for no more than 12 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Classified Board: A vote against is applied as L&G supports a declassified board as directors should stand for re-election on an annual basis. Average board tenure: A vote against is applied as L&G expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Diversity: A vote against is applied because the company's current level of gender diversity	Remuneration Committee independence: A vote against has been applied due to insufficient independence on the Committee. Diversity: A vote against is applied as L&G expects a company to have at least one-third women on the board. Independence: A vote against is applied as L&G expects the Chair of the Nominations/Governance Committee to have served on the board for no more than 12 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background.	Board balance - Independence: A vote against is applied to the (re-)election of a non-independent director due to lack of independence on the board. Audit Committee independence: A vote against is applied because the director is not independent and sits on a Board Committee that should be comprised solely of independent directors. Independence: A vote against is applied as L&G expects the Chair of the Nominations/Governance Committee to have served on the board for no more than 12 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Average board tenure: A vote against is applied as L&G expects a board to be regularly refreshed in order to maintain

	Vote 1	Vote 2	Vote 3
	on their board does not meet L&G's minimum expectations. Diversity - Executive Committee: A vote against is applied because the company's current level of gender diversity within its senior leadership team does not meet with L&G's minimum expectations. Board accountability: A vote against is applied as part of L&G's escalation strategy as they expect companies to implement majority supported shareholder proposals. Nomination and Corporate Governance Committee - Accountability: A vote against the Nominating and Corporate Governance Committee Chair is warranted in light of the board's unilateral adoption of a bylaw that materially restricts shareholders' litigation rights.		an appropriate mix of independence, relevant skills, experience, tenure, and background. Diversity: A vote against is applied as L&G expects a company to have at least one-third women on the board. Independence: A vote against is applied as L&G expects the Lead Director to have served on the board for no more than 12 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Board mandates: A vote against is applied because L&G have concerns regarding the time commitment required to manage all board positions and how this may impact their ability to remain informed and effectively contribute to board discussions.
Outcome of the vote	Not provided	Pass	Pass
Implications of the outcome	L&G will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
Criteria on which the vote is considered "significant"	Thematic - Diversity: L&G views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf.		

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's LDI and cash funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Manager	L&G	M&G Investments
Fund name	Future World Global Equity Fund (currency hedged and unhedged)	Alpha Opportunities Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	1,789	57

Manager	L&G	M&G Investments
Number of entities engaged on behalf of the holdings in this fund in the year	1,056	16
Number of engagements undertaken at a firm level in the year	3,114	533

Examples of engagement activity undertaken over the year to 31 December 2025

L&G (firm-level engagement)

Microsoft

Microsoft is among several companies that have outsized influence on the integration of artificial intelligence into the global economy. As such, L&G believe that companies like Microsoft should be transparent in their use of AI and their risk management processes.

L&G engaged with Microsoft to improve their transparency, governance and risk management processes regarding the use of AI and human rights. In late 2025, L&G met with Microsoft ahead of their annual general meeting to discuss shareholder resolutions that have been filed in relation to AI, data governance and human rights. The goal was to understand how Microsoft approach these issues and the measures taken to manage the relevant risks.

Since L&G's engagement began in 2023, Microsoft has improved its transparency on AI governance and human rights and has made internal changes to which type of projects would require additional human rights due diligence – something that L&G views positively. L&G will continue to engage with Microsoft and will monitor progress in AI governance and related processes.

M&G

Greene King Finance

Recent reports that councils across the UK are in the process of updating their licensing requirements for pubs and restaurants to include the "Ask for Angela" scheme, a public safety campaign designed to help anyone who feels vulnerable or at risk in public venues, prompted M&G to ask UK pub and brewing company Greene King to confirm if they have plans to take actions in preparation for the enhanced licensing requirements.

Greene King responded that they do not expect the enhanced licensing requirements to materially impact their operations. Over the past 8 months the company has enhanced the training provided to its pub-based staff and already provides "Ask for Angela" training to all leadership team members. Additionally, Greene King confirmed that all new team members that have contact with the public are trained on the scheme as part of their induction.

M&G feel that Greene king has demonstrated their commitment to the "Ask for Angela" scheme and to supporting customers who feel unsafe or vulnerable in their pubs.