Implementation Statement, covering the Plan Year from 1 January 2025 to 31 December 2025 (the "Plan Year")

The Trustee of the Threadneedle Pension Plan (the "Plan") is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles ("SIP") during the Plan Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3.

In preparing the Statement, the Trustee has had regard to the guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions ("DWP's guidance") in June 2022.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Plan Year. The last time these policies were formally reviewed was December 2025. The Trustee has, in its opinion, followed the Plan's voting and engagement policies during the Plan Year.

2. Voting and engagement

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. However, the Trustee takes ownership of the Plan's stewardship by monitoring and engaging with the Plan's managers as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Plan's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

Following the introduction of DWP's guidance, the Trustee agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. The Trustee retained the existing stewardship priorities for the Plan, which were climate change, human rights and corporate governance. These priorities were selected because the Trustee views them as key market-wide risks and areas where it believes that good stewardship and engagement can improve long-term financial outcomes for the Plan's members.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

3. Description of voting behaviour during the Plan Year

All of the Trustee's holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Plan Year. However, the Trustee monitors managers' voting and engagement behaviour on an annual basis and challenges managers where their activity has not been in line with the Trustee's expectations.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP's guidance, on the Plan's only fund that holds equities as follows:

- CT Dynamic Real Return Fund

3.1 Description of the voting processes

CT Dynamic Real Return Fund

What is your policy on consulting with clients before voting?

"Generally, we feel that voting consistently across our clients' holdings gives them greater influence on effect positive change. We think carefully about how we vote, be that through execution of our Corporate Governance Guidelines, or in discussion with portfolio managers on higher profile or more complex resolutions.

We can, however, accommodate clients' requests to vote on resolutions in a manner different than our policies when they are invested in a segregated mandate. Clients who wish to monitor voting decisions outside the normal reporting cycle can receive a preview of voting intentions for their portfolio. Alternatively, clients can be granted access to our voting platform on a read-only basis. Our clients therefore have the option to state their preference and vote differently.

To ensure transparency, clients receive detailed vote reports including comments on resolutions where we do not support management. Vote reports are publicly available online the day after each shareholder meeting. Finally, annual vote statistics, case studies and other highlights are published on our website in our Stewardship Report.

We continue to investigate technology solutions to enable clients in pooled funds to express their voting intentions."

Please provide an overview of your process for deciding how to vote.

"Proxy voting decisions are made in accordance with our Corporate Governance Guidelines, and our proxy voting practices are implemented through our Proxy Voting Policy.

For those proposals not covered by the Guidelines, or those proposals set to be considered on a case by case basis (i.e., mergers and acquisitions, share issuances, proxy contests, etc.), the portfolio manager that owns the company will make the voting decision following a recommendation by a Governance or Sustainable Research Analyst. We utilise the proxy voting research of ISS and Glass Lewis & Co., which is made available to our investment professionals, and our RI team may also consult on certain voting decisions.

The administration of our proxy voting process is handled by a central point of administration at our firm (the Global Proxy Team). Among other duties, the Global Proxy Team coordinates with our third-party proxy voting and research providers.

Columbia Threadneedle Investments utilises the proxy voting platform of Institutional Shareholder Services, Inc. (ISS) to cast votes for client securities and to provide recordkeeping and vote disclosure services. We have retained both Glass, Lewis & Co. and ISS to provide proxy research services to ensure quality and objectivity in connection with voting client securities.

In voting proxies on behalf of our clients, we vote in consideration of all relevant factors to support the best economic outcome in the long-run. As an organisation, our approach is driven by a focus on promoting and protecting our clients' long-term interests; while we are generally supportive of company management, we can and do frequently take dissenting voting positions. Our voting is conducted in a controlled environment to protect against undue influence from individuals or outside groups".

How, if at all, have you made use of proxy voting services?

"As active investors, well informed investment research and stewardship of our clients' investments are important aspects of our responsible investment activities. Our approach to this is framed in the relevant Responsible Investment Approach we maintain and publish. These policy documents provide an overview of our approach in practice (e.g., around the integration of sustainability research and analysis).

As part of this, acting on behalf of our clients and as shareholders of a company, we are charged with responsibility for exercising the voting rights associated with that share ownership. Unless clients decide otherwise that forms part of the stewardship duty, we owe our clients in managing their assets. Subject to practical limitations, we therefore aim to exercise all voting rights for which we are responsible, although exceptions do nevertheless arise (for example, due to technical or administrative issues, including those related to Powers of Attorney, share blocking, related option rights or the presence of other exceptional or market-specific issues). This provides us with the opportunity to use those voting rights to express our preferences on relevant aspects of the business of a company, to highlight concerns to the board, to promote good practice and, when appropriate, to exercise related rights. In doing so we have an obligation to ensure that we do that in the best interests of our clients and in keeping with the mandate we have from them.

Corporate governance has particular importance to us in this context, which reflects our view that well governed companies are better positioned to manage the risks and challenges inherent in business, capture opportunities that help deliver sustainable growth and returns for our clients. Governance is a term used to describe the arrangements and practices that frame how directors and management of a company organise and operate in leading and directing a business on behalf of the shareholders of the company. Such arrangements and practices give effect to the mechanisms through which companies facilitate the exercise of shareholders' rights and define the extent to which these are equitable for all shareholders.

We recognise that companies are not homogeneous and some variation in governance structures and practice is to be expected. In formulating our approach, we are also mindful of best practice standards and codes that help frame good practice, including international frameworks and investment industry guidance. While we are mindful of company and industry specific issues, as well as normal market practice, in considering the approach and proposals of a company we are guided solely by the best interests of our clients and will consider any issues and related disclosures or explanations in that context. While analysing meeting agendas and making voting decisions, we use a range of research sources and consider various issues, including companies' risk management practices and evidence of any controversies. Our final vote decisions take account of, but are not determinatively informed by, research issued by proxy advisory organisations".

<u>What process did you follow for determining the "most significant" votes?</u>

"We consider a significant vote to be any vote that is cast against a management recommendation. We also consider case-by-case votes to be significant, as well as meetings at large cross-ownership companies where we have significant voting influence."

9.2 Summary of voting behaviour

A summary of voting behaviour over the Plan Year is provided in the table below.

	Fund
Manager name	Columbia Threadneedle
Fund name	Dynamic Real Return Fund
Total size of fund at end of the Plan Year	£593.3m
Value of Plan assets at end of the Plan Year (£ / % of total assets)	£24.1m (21.9% of DB assets)
Number of equity holdings at end of the Plan Year	395
Number of meetings eligible to vote	198
Number of resolutions eligible to vote	2,851
% of resolutions voted	100%
Of the resolutions on which voted, % voted with management	94.1%
Of the resolutions on which voted, % voted against management	5.5%
Of the resolutions on which voted, % abstained from voting	0.4%
Of the meetings in which the manager voted, % with at least one vote against management	39.4%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	N/A*

*Columbia Threadneedle does not take direct recommendations from proxy advisors.

9.3 Most significant votes

Commentary on the most significant votes over the Plan Year, from the Plan's asset manager, Columbia Threadneedle, who holds listed equities, is set out below.

The Trustee did not inform its manager which votes it considered to be most significant in advance of those votes.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustee did not identify significant voting ahead of the reporting period. Instead, the Trustee has retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of ten most significant votes, and suggested the managers could use the PLSA's criteria[1] for creating this shortlist. By informing its managers of its stewardship priorities and through its regular interactions with the managers, the Trustee believes that its managers will understand how it expects them to vote on issues for the companies they invest in on its behalf.

The Trustee has interpreted "significant votes" to mean those that the manager deemed to be the most significant. For reasons of practicality, the Trustee has included in this Statement two of the votes, with the aim of including a range of companies and voting topics (in particular votes related to the Trustee's stewardship priorities).

If members wish to obtain more investment manager voting information, this is available upon request from the Trustee.

CT Dynamic Real Return Fund

NVIDIA Corporation, 25 June 2025

- **Summary of resolution**: Enhance Workforce Data Reporting.
- **Relevant stewardship priority**: Human Rights.
- **Approximate size of the holding at the date of the vote**: 2.20%
- **Why this vote is considered to be most significant**: Vote against management on certain environmental or social proposals, and relates to one of the Trustee's stewardship priorities.
- **Company management recommendation**: Against. **Fund manager vote**: Abstain.
- **Rationale**: *"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".*
- **Was the vote communicated to the company ahead of the vote**: No.
- **Outcome of the vote and next steps**: The resolution failed. Outcome of the vote was not in line with the manager's vote. *"Active stewardship (engagement and voting) continues to form an integral part of our research and investment process"*.

Meta Platforms, Inc., 28 May 2025

- **Summary of resolution**: Advisory Vote on Say on Pay Frequency.
- **Relevant stewardship priority**: Corporate Governance.
- **Approximate size of the holding at the date of the vote**: 0.45%
- **Why this vote is considered to be most significant**: Vote against management.
- **Company management recommendation**: Against **Fund manager vote**: For (one year)
- **Rationale**: *"We support an annual say on pay frequency".*
- **Was the vote communicated to the company ahead of the vote**: No.
- **Outcome of the vote and next steps**: The resolution passed. Outcome of the vote was in line with the manager's vote. "*Active stewardship (engagement and voting) continues to form an integral part of our research and investment process"*.

[1] Vote reporting template for pension scheme implementation statement – Guidance for Trustees (plsa.co.uk). Trustees are expected to select "most significant votes" from the long-list of significant votes provided by their investment managers.