July 2026
The Henkel Retirement Benefits Scheme

Implementation Statement for the Year Ended 31 December 2025

Contents

Section 1

Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles ("SIP") produced by the Trustees of the Henkel Retirement Benefits Scheme ("the Scheme") has been followed during the year running from 1 January 2025 to 31 December 2025 ("the Scheme Year"). This statement has been produced in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, 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.

The statement is based on, and should be read in conjunction with, the relevant version of the SIP that was in place for the Scheme Year, which was the SIP dated January 2024.

Section 2 of this statement sets out the investment objectives of the Scheme and changes which have been made to the SIP during the Scheme Year.

Section 2 of this statement also 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. **It is the Trustees' view that all policies in the SIP have been followed during the Scheme Year.**

A copy of the SIP is available at https://www.henkel.co.uk/company/governance-and-compliance/corporate-statutory-compliance.

Sections 3 and 4 include information on the engagement and key voting activities of the underlying investment managers within each Section of the Scheme.

Section 2

Statement of Investment Principles

Investment Objectives of the Scheme

The Trustees believe it is important to consider the policies in place in the context of the objectives they have set.

DB Section

The objectives for the **DB Section** of the of the Scheme specified in the SIP in place during the Scheme Year are as follows:

The objectives of the Scheme included in the SIP are to invest the Scheme's assets in the best interests of the members and other stakeholders and, in the case of a potential conflict of interest, in the sole interest of the members and beneficiaries. Within this context the Trustees' main objectives with regard to the investment policy are:

- to provide appropriate security for all beneficiaries; and,
- to achieve long-term growth whilst managing investment risks.

The Trustees recognise that the Company has a key role to play in assisting the Trustees to fulfil their primary responsibility of paying benefits and accordingly seeks to maintain the continued long-term support of the Company.

The Trustees are prepared to take some risk in order to achieve the objectives outlined above, including investing in alternative assets and buy and maintain credit. The Trustees ability and willingness to take such risk is subject to the principles outlined in Section 2.2 of the SIP.

DC section

The objectives for the DC Section of the Scheme specified in the SIP are as follows:

The Trustees recognise that members have differing investment needs that may change during the course of their working lives. They also recognise that members may have different attitudes to risk. The Trustees believe that whenever possible, members should make their own investment choices based on their individual circumstances.

The Trustees' objective is to provide a range of investment options, which while avoiding complexity, should assist members in achieving the following:

- Maximising the value of retirement benefits, to ensure a reasonable standard of living in retirement;
- Protecting the value of benefits in the years approaching retirement against sudden volatility in capital value and fluctuations in the cost of providing benefits;
- Tailoring a member's investments to meet his or her own needs;

Additionally, the Trustees have established a default investment option that is suitable for members who do not wish to make their own investment decisions. This option automatically invests members' savings based on their term to retirement, with the aim of achieving the aforementioned objectives.

The Trustees' Investment Consultant provides advice regarding the suitability of this approach.

Review of the SIP

The SIP was last updated and signed in January 2024, following formal advice from the Trustees' Investment Consultant. During the Scheme Year, the SIP was being updated to reflect changes made to the default investment option and self-select options for the DC section, following the triennial investment strategy review completed in June 2025. The DB section was also updated to reflect adherence with the latest into the Pension Regulator's General Code of Practice which came into force on 28 March 2024. The approval of the updated SIP will fall into the next Scheme Year.

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 January 2024), relating to the DB Section and DC Section of the Scheme.

In summary, it is the Trustees' view that the policies in the SIP have been followed during the Scheme Year.

Investment Mandates

Securing compliance with the legal requirements about choosing investments

Policy

The Trustees consider the investment objectives and policies when choosing investments either for the DB Section or DC Section of the Scheme. The Trustees receive written advice from their Investment Consultant on any investments prior to them being implemented. The advice received and arrangements implemented are, in the Trustees' opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
Buy and Maintain credit provides an opportunity to further integrate ESG into the Scheme's Investment portfolio, as by nature of its long-term investment horizon, this asset class is more sensitive to secular ESG and tail risks. By extension, it forces investment managers to consider how these risks may impact creditworthiness over the duration of the investment. During 2022, a number of amendments were made to the guidelines of the Buy and Maintain Credit mandate managed by BlackRock, with the aim of improving ESG integration on a forward-looking basis. The manager will seek to limit and/or exclude direct investment (as applicable) with issuers which, in the opinion of the manager using MSCI data, have exposure to, or ties with, certain sectors.	A detailed investment strategy review considering the default investment option and self-select range was completed in June 2025. The review focused on strategic asset allocation and the de-risking glidepath for the default strategy alongside fund types and management styles to implement the recommendations in line with the investment objectives. The Trustees received written advice consistent with Section 36 requirements for the investment changes decided to be implemented by the Trustees in March 2026. Further information regarding the changes is set out on pages 11 and 12.

Realisation of Investments

Policy

According to section 4.1 of the SIP, the Investment Managers have discretion in the timing of realisation of investments and in considerations relating to the liquidity of those investments within parameters stipulated in the relevant appointment documentation.

In the event of an unexpected need to realise all or part of the assets of the portfolio, the Trustees require the Investment Managers to be able to realise the Scheme's investments in a reasonable timescale, subject to the market conditions existing at the time the disposal is required and subject to the best interests of the Scheme. Most assets are not expected to take an undue time to liquidate.

DB	DC
Policy	**Policy**
The Trustees invest in segregated mandates with BlackRock, which can be traded on a daily basis as needed to meet cashflows.	Assets in the default investment option, alternative lifestyle strategies and self-select fund range are ultimately invested in daily traded pooled funds, which hold highly liquid assets. The pooled funds are commingled investment vehicles which are managed by various investment managers. The selection, retention and realisation of assets within the pooled funds is at the discretion of the respective investment managers in line with the mandates of the funds.
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
Over the Scheme Year, assets were redeemed as needed to meet Cashflow needs and no liquidity issues were identified within the DB Section.	The Trustees assess the fund range for any potential issues, including liquidity concerns, as part of reviewing the semi-annual investment performance report. No liquidity issues were identified within the DC Section during the monitoring period for the Scheme Year ending 31 December 2025. The Trustees also receive quarterly governance and administration reports from Aviva to ensure that core financial transactions are processed within SLAs and regulatory timelines. As confirmed in the Chair's Statement, the Trustees are satisfied with the service level performance by Aviva over the Scheme Year.

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 Trustees consider financially material considerations in the selection, retention, and realisation of investments. Within the funds consideration of such factors, including ESG factors, is delegated to the investment manager(s).

The Trustees have given the appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

Non-financial matters refer to the views of the members and beneficiaries including (but not limited to) their ethical views and their views in relation to social and environmental impacts of investments and the future quality of life of members.

Member views have not been explicitly taken into account in the selection, retention and realisation of investments. The Trustees make available a self-select Ethical fund in the DC Section following a request from a member for this type of fund.

DB and DC

How has this policy been met over the Scheme Year?

Over the Scheme Year, the Trustees received and assessed performance reports, which include research ratings on both general and specific environmental, social, and governance (ESG) factors provided by the Investment Consultant. Throughout the year, the managers generally maintained high ratings.

The Trustees acknowledge that managers of fixed income and certain diversified growth funds may not have high ESG ratings assigned by the Investment Consultant. This is due to the nature of these asset classes, where it can be more challenging to engage with debt issuers or establish ESG measurements for derivative strategies.

Section 4.2 of the Scheme's Statement of Investment Principles (SIP) outlines the Responsible Investment policy, which covers ESG factors, stewardship, and climate change. This policy reflects the Trustees' beliefs regarding ESG and climate change, as well as the processes they follow for voting rights and stewardship.

The Trustees recognise that ESG factors can significantly impact investment risk and returns, and that effective stewardship can generate and preserve value for companies and markets as a whole. They also acknowledge that long-term sustainability issues, particularly climate change, present both risks and opportunities that may require explicit consideration.

The investment performance report includes how each investment manager is delivering against their specific mandates.

The Trustees did not explicitly seek member views regarding any investments or arrangements over the period covered by this statement.

The Trustees may incorporate the views of members with respect to the fund range offered. Member views have not explicitly been taken into account in the selection, retention and realisation of investments, although feedback received from members is welcomed and considered by the Trustees.

DC Section

ESG ratings are regularly reviewed through the semi-annual performance reports and considered as part of the annual Value for Members assessment. The level of ESG integration in the default investment strategy and across the self-select range was also reviewed as part of the triennial investment strategy review completed in June 2025. The recommended changes were reviewed by the Trustees before deciding to implement the changes in March 2026. Member communications explaining the changes to the default investment option and replacement of the existing self-select ESG fund option with the Aviva Pension MyM BlackRock World ESG Insights Equity Fund were sent to members ahead of implementing the changes which occurred in the next Scheme Year.

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 have given the appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

Where deemed appropriate, the Trustees will engage with investment managers regarding undertaking of activities in respect of investments if they are deemed to be falling behind wider peers or not meeting the responsibilities expected of them.

DB and DC

How has this policy been met over the Scheme Year?

The Trustees have delegated their voting rights to the investment managers. As such, this activity is expected to be undertaken on the Trustees' behalf. The Trustees do not use the direct services of a proxy voter; however, the investment managers may enlist the service of a proxy voter when required.

Based on the SIP, which includes the Trustees updated policies relating to engagement with investment firms and the exercising of voting rights, the Trustees have requested information on the voting activity for all funds which hold equities within the Scheme. During the year under review, the Trustees did not consider it necessary to actively challenge the investment managers on their voting activity.

Following the DWP's consultation response and outcome regarding Implementation Statements on 17 June 2022, updated Guidance was produced which is effective for all scheme year ends on or after 1 October 2022. The Trustees are required to include a description of what they believe to be a significant vote within the Implementation Statement and to set out information on significant votes undertaken on their behalf over the Scheme year.

In setting their approach, the Trustees had regard to the content of the Scheme's SIP as it relates to the Trustees policies on "Socially Responsible Investment and Corporate Governance" (which covers both sections of the Scheme), the relevant parts of which are set out below:

DB and DC

"The Trustees believe that environmental, social, and corporate governance (ESG) factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustees also recognize that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustees have given the appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code."

The Trustees designated priority areas in each of Environmental, Social and Governance areas are stated below:

- **Environmental** - Climate change: low-carbon transition and physical damages resilience / Pollution & natural resource degradation: air, water, land (forests, soils and biodiversity)
- **Social** - modern slavery, pay & safety in workforce and supply chains and abuses in conflict zones
- **Governance** – Board governance i.e. a vote on a proposal that would be at odds with the expectations of the UK Corporate Governance Code, or which has the potential to significantly impact financial or stewardship outcomes.

The Trustees have agreed to focus on the largest holdings in each fund portfolio (with specific attention given to those holdings greater than 1% of the fund's total valuation), to ensure that votes treated as significant relate to a meaningful portion of the relevant portfolio. Where a fund does not have any votes associated with holdings of more than 1%, the largest holding has been selected.

For the DB section, the Trustees have agreed to focus on top 10 largest holdings in each fund portfolio (with specific focus given to those holdings greater than 1% of the fund's total valuation), to ensure that the votes treated as significant represent a meaningful portion of the relevant portfolio.

See Section 4 "Voting Activity during the Scheme Year" for further details on the voting activity of the investment managers over the year to 31 December 2025.

Monitoring the Investment Managers

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

Policy

The Trustees' policy in relation to investments to be held is set out in section 4.4 of the SIP.

Managers are chosen based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected for.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
The Buy and Maintain credit portfolio has been designed to provide cash in the form of income and principal repayments in line with expected liability cashflows. However, should this not be sufficient to meet the cashflow requirements of the Scheme in full, the Scheme may be required to make disinvestments to make up the shortfall. The Scheme's LDI mandate with BlackRock can be traded on a daily basis, as needed, for this purpose.	The Trustees formally monitored the performance of the default investment option, additional default arrangements and self-select fund range on a six-monthly basis. The Trustees have delegated investment matters to their Investment Sub-Committee (ISC), which holds semi-annual ISC meetings with their Investment Consultant to satisfy themselves that the investment managers continue to carry out their work competently and have the appropriate knowledge and experience to manage the investments of the Scheme. ISC meetings were held in June and November 2025 during the Scheme Year. The manager arrangements were also formally reviewed as part of the latest triennial investment strategy review to ensure ongoing appropriateness. The strategy review was completed in June 2025 and the Trustees decided to make changes to the default investment option and self-select funds as follow: - Introduce new default and alternative Lifetime Investment Programmes (IP) which follow a multi-phase growth strategy. - The Income Drawdown Lifetime IP will target a slightly lower cash allocation at retirement with no changes to the other IP retirement target allocations.

DB	DC
	- Update the asset allocation of the Aviva Pension MyM Passive Global Equity Strategy Fund - Introduce the Aviva Pension MyM BlackRock World ESG Insights Equity Fund to the self-select fund range as the new ESG fund. The changes were implemented in the next Scheme Year (March 2026).

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

Policy

The Trustees are long-term investors and are not looking to change the investment arrangements on a frequent basis. Managers' performance net of fees is therefore reviewed over both short and long-time horizons. Remuneration is agreed upon prior to manager appointment and is reviewed on a regular basis.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
The Trustees include a 3-year performance metric in their semi-annual performance reports. The Trustees review this investment performance when meeting with BlackRock, and if the Trustees are not satisfied with the progress made in respect of performance, then further action or information would be sought.	The Trustees assessed the performance of the default investment option, additional default arrangements, and self-select funds through semi-annual performance reports and the latest triennial investment strategy review. During those reviews, the Trustees received insights from the Investment Consultant, which included an assessment of investment performance and an analysis of whether the Trustees' objectives were being achieved.
If no further progress were to be made following this additional engagement, the Trustees could consider whether retaining the mandate is appropriate.	The Trustees also reviewed performance and investment management charges associated with their investment funds in May 2025 as part of the annual Value for Members (VFM) assessment for the Scheme Year ending 31 December 2024. The assessment concluded that fees for the Scheme's funds are generally competitive compared to peers, although some potential opportunities for fee concessions were identified. Following the VFM assessment, the Trustees were able to secure a 0.01% fee reduction for the Aviva Pension MyM Passive Global Equity Strategy Fund which is a key constituent of the default and alternative lifestyle strategies.

Incentivising the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity

Policy

The Trustees review the decisions made by their managers and can challenge such decisions to try to ensure the best long-term performance over the medium to long term. Managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustees are dissatisfied, then they will look to replace the manager.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
As BlackRock are compensated through the levels of assets held, the Trustees believe this creates alignment between managers and Trustees in their common objectives. The Scheme's investment advisers aid the Trustees in monitoring the suitability of the investment options outlined in the SIP, through ongoing research and meetings (as part of their wider research function). Any changes of views regarding the funds in which the Scheme invests are communicated to the Trustees by their advisors. No further action was taken by the Trustees over the Scheme Year.	The Trustees reviewed the performance of the default investment option, additional default arrangements and self-select funds via six-monthly performance reports alongside an assessment by their Investment Consultant of investment performance and whether the Trustees' aims and objectives are being met. The Investment Consultant also provided an update on integration of ESG considerations for the Scheme's funds in the six-monthly investment reports. The Trustees' focus is on longer-term performance, but shorter-term performance is monitored to ensure any concerns can be identified in a timely manner. No further action was taken by the Trustees over the Scheme Year to 31 December 2025.

Monitoring portfolio turnover costs

Policy

The Trustees policy in relation to the monitoring of portfolio turnover costs is set out in section 4.4 of the SIP.

The Trustees do not define set ranges in respect of portfolio turnover and costs. For the DC Section, the Trustees will also consider transaction costs as a method to assess the level of additional costs incurred by members and as an indication of higher levels of turnover within a portfolio.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
The Trustees do not define set ranges in respect of portfolio turnover and costs, and at present, do not explicitly monitor portfolio turnover costs.	Transaction costs, using the 'slippage cost' methodology (as defined in COBS 19.8 of the FCA Handbook), are disclosed in the annual Chair's Statement as part of the costs and charges disclosures mandated by the regulations and also considered as part of the Value for Members assessment. While the transaction costs provided appear to be reasonable and reflect the costs expected of the various asset classes and markets that the Scheme invests in, an established industry standard for benchmarking purposes is not currently available The Trustees will continue to assess these costs on an ongoing basis and where appropriate, with help from their Investment Consultant will challenge the level of costs incurred if they were assessed to be high relative to expectations as this may indicate excessive portfolio turnover.

The duration of the arrangements with asset managers

Policy

There is no set duration for manager appointments. However, the appointments are regularly reviewed as to their continued suitability and could be terminated either because the Trustees are dissatisfied with the managers' ongoing ability to deliver the mandate promised, or because of a change of investment strategy by the Trustees.

DB	DC
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
There is a marginal (< 0.1% of total assets) residual investment in private equity held within the investment portfolio, and over time the intention is for these assets to be sold down, with no new allocations being made to this asset class.	The Trustees monitored the performance of the managers against their appointed mandates as part of their six-monthly performance report, triennial investment strategy review and Value for Members Assessment to ensure that they remain appropriate as part of the lifestyle or self-select range. Following the latest investment strategy review, the Trustees decided to add the Aviva Pension MyM BlackRock World ESG Insights Equity Fund to the self-select fund range to replace the Aviva Pension MyM LGIM FTSE4Good Developed Equity Index Fund as the ESG fund option as it represents a more up-to-date investment approach to sustainable investing. As this fund change was implemented after the Scheme Year, no mandates were terminated during the Scheme Year.

Strategic Asset Allocation

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

DB	DC
Policy The Scheme invests 100% in matching assets (comprising of Liability Driven Investment ("LDI") and Buy & Maintain Credit). This strategy has been in place since October 2023 following the June 2023 strategy review, following which the Scheme's remaining 10% allocation to equities was terminated. The rationale behind this change in strategy was driven by discussion at the May 2023 ISC Meeting around the Scheme being very well-funded on a prudent basis whilst running an expected level of return significantly higher than the Technical Provisions discount rate, and therefore there was scope to de-risk and reduce the level of expected return within the portfolio. The DB Section also has interest rate and inflation target hedge ratios of 95% of liabilities valued on the Technical Provision basis. The interest rate and inflation exposure from the LDI portfolio, together with the interest rate exposure from the Buy & Maintain Credit Fund, is used to achieve the required level of hedging. • Within the DB Section, the Trustees monitor rebalancing ranges via the 6-monthly investment performance reports received from their investment adviser.	**Policy** A range of asset classes has been made available, including developed market equities, emerging market equities, multi-asset "diversified growth" funds, corporate bonds, fixed interest gilts and index-linked gilts. Members can combine the investment funds in any proportion to achieve the desired balance between different kinds of investments that they deem appropriate for their needs. This balance of investments will also determine the expected return on a member's assets and should be related to the member's own risk appetite and tolerances. Each of the available funds is considered to be diversified across a reasonable number of underlying holdings / issuers. The current default investment option manages investment risks through a diversified strategic asset allocation consisting of traditional and alternative assets.

DB

How has this policy been met over the Scheme Year?

The Trustees believe that the current investment strategy is appropriate given the DB Section's liability profile.

There have been no changes to the LDI segregated mandate over the reporting period.

The Scheme's asset allocation is allowed to drift with market movements given the nature of the holdings, although the Scheme does have a formal allocation to LDI and buy and maintain credit set out in the SIP, which is kept under review.

The Trustees receive LBP monitoring and LDI risk monitoring as part of their semi-annual performance reports. The purpose of this is to ensure the liability benchmark (used by BlackRock to design the LDI mandate) remains a good hedge for the underlying liabilities and to monitor the leverage and collateral sufficiency of the LDI mandate whilst having regard to The Pensions Regulator's guidance on appropriate buffers.

DC

How has this policy been met over the Scheme Year?

The Trustees completed their latest detailed investment strategy review in June 2025. The Trustees decided to implement the following changes:

- Introduce new Lifetime Investment Programmes (IP) which follow a multi-phase growth strategy.
- The Income Drawdown Lifetime IP will target a lower cash allocation at retirement with no changes to the other IP target retirement allocations
- Update the asset allocation of the Aviva Pension MyM Passive Global Equity Strategy Fund
- Add the Aviva Pension MyM BlackRock World ESG Insights Equity Fund to the self-select fund range to replace the existing Aviva Pension MyM LGIM FTSE4Good Developed Equity Index Fund.

Member communications explaining the investment changes were issued ahead of implementation which occurred in the next Scheme Year (March 2026).

Expected return on investments

DB	DC
Policy	**Policy**
In designing the investment strategy for the DB Section, the Trustees have explicitly considered the trade-off between expected risk and returns. Over the long term, the Trustees expect the return on the DB Section's assets to be sufficient to meet its objectives.	In designing the default investment option, the Trustees have explicitly considered the trade-off between expected risk and returns. The default Investment option invests in assets that are expected to grow, in excess of inflation, for the majority of a typical member's membership of the Scheme. As retirement approaches, these assets are gradually switched into a multi-asset fund for diversification and risk management purposes before switching into assets aligned with the retirement target. For members wishing to self-select their investments, a focused range of investment funds covering developed market equities, emerging market equities, multi-asset "diversified growth" funds, pre-retirement funds, corporate bonds, fixed interest gilts and index-linked gilts. Members can combine these investment funds in any proportion to achieve the desired balance between different kinds of investments that they deem appropriate for their needs.
How has this policy been met over the Scheme Year?	**How has this policy been met over the Scheme Year?**
Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class the Trustees have appointed them for. The Trustees reviewed the performance of the funds over the year through two semi-annual performance reports, covering the six months to 31 March and 30 September 2025. The investment performance reports included details of how each investment manager had delivered against their specific mandates.	The Trustees reviewed the performance of the funds over the year through semi-annual performance reports, covering the six months to 31 March and 30 September 2025. The reports included the risk and return characteristics of the default and additional investment fund choices. The investment performance reports included details of how each investment manager had delivered against their specific mandates.

DB	DC
No action was taken by the Trustees over the Scheme Year in respect of the investment manager failing to meet their investment objectives.	Alongside the considerations set out above, the Trustees also assessed the default investment option as part of the triennial investment strategy review completed in June 2025 to assess expected member outcomes and expected risk along the default strategy for representative Scheme members. The Trustees decided to adopt the recommended changes which were implemented in the following Scheme Year (March 2026). The default strategy aims to initially target higher returns and then gradually reduce volatility as members get closer to retirement to mitigate against the risk of large falls in value at this time. No action was taken by the Trustees over the Scheme Year in respect of any managers failing to meet their investment objectives.

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

DB	DC
Policy According to section 2.3 of the SIP, investment policy can be considered in two parts: (1) the strategic management, the setting of which is one of the fundamental responsibilities of the Trustees and (2) the day-to-day management of the assets, which has been delegated to the DB Investment Manager.	**Policy** According to section 3.2 of the SIP, the Trustees have considered risk from a number of perspectives including the default option, all of which the Trustees believe are financially material. The Trustees believe that the risks identified are best mitigated by offering members a range of investment funds from which to choose. This will allow members to select investment options appropriate to their personal requirements. The current and previous default investment option manages investment and other risks through a diversified strategic asset allocation consisting of traditional and alternative assets. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. Any investment in derivative instruments contributes to risk reduction, or efficient portfolio management.

How has this policy been met over the Scheme Year?

As detailed in the risk sections in the SIP (for risks specific for the DB assets please refer to Section 2.2 of this statement, and to section 3.2 of the SIP for those specific to the DC assets). The Trustees consider both quantitative and qualitative measures for these risks when deciding on investment policies, strategic asset allocation and the choice of fund managers / funds / asset classes.

The Investment Consultant provides the Trustees with six-monthly reporting for periods to 31 March and 30 September covering:

- Investment returns and performance commentary
- Updates and developments, if applicable, for each manager and fund
- A Manager Research rating
- An ESG rating

DB	DC

The Trustees use Trustee and ISC meetings to raise any material concerns from investment reporting with the Investment Consultant and occasionally invite investment managers to present directly to the Trustees. Regarding the DC Section, no managers were invited to present during the Scheme Year due to the ongoing detailed investment strategy review.

DC Section

Within the default investment option, the strategic asset allocation is set to achieve the expected return required to meet the objective.

Section 3

Engagement Activity by the Scheme's Investment Managers

The following are examples of engagement activity undertaken by the Scheme's investment managers.

DB

BlackRock engages with Barclays Plc (Barclays)

Barclays is a diversified bank with comprehensive UK consumer, corporate and wealth and private banking franchises, an investment bank and specialist US consumer bank.

BlackRock's stewardship team has had extensive, multiyear engagements with Barclays, including with their investment teams. In these engagements, BlackRock's stewardship team sought to further their understanding of, among other topics, board composition, corporate strategy, and the board's oversight of, and management's approach to, financially material risks and opportunities.

The bank put forward a management proposal on the agenda at the 2022 annual general meeting (AGM) asking shareholders to approve Barclays' Climate Strategy, Targets and Progress. BlackRock voted in support of the management proposal but recognized that 19% of shareholders voted against it. Since then, the bank has continued to evolve its strategy, targets and disclosures and engage investors and other stakeholders.

In 2025, BlackRock Active Investment Stewardship (BAIS), alongside active investment teams, had meetings with the Chair of the Board,

DC

L&G engages with Heidelberg Materials

In September 2023, Heidelberg Materials was identified as having strong potential to become a sustainability leader in the heavy building materials sector, driven by the most ambitious emissions intensity target in the industry and its pioneering carbon capture and storage (CCS) project in Brevik, Norway. Recognising the critical role of reducing emissions in the cement sector for global decarbonisation, L&G has made this a key focus of its climate engagement, including through its Climate Impact Pledge. Heidelberg's sustainability strategy is seen as a significant value driver, particularly given the regulatory environment in Europe, where the Carbon Border Adjustment Mechanism (CBAM) and the phase-out of free Emission Trading Scheme (ETS) permits create a margin advantage for companies investing cost-effectively in decarbonisation. Additionally, while cement represents a small portion of construction costs, it accounts for a large share of embodied emissions, meaning that very low-carbon cement could command a price premium as building users seek to reduce their Scope 3 emissions.

DB	DC
Head of Public Policy and Corporate Responsibility, Sustainability leadership and representatives of the Investor Relations team. Barclays reinforced its climate ambition to be a net zero bank by 2050 and provided updates on progress towards more granular goals such as facilitating $1T of Sustainable and Transition Financing between 2023-2030 and its sector-specific decarbonization targets. In BAIS' assessment, Barclays continues to make robust progress in developing, implementing, and disclosing its plans to address a transition to a low-carbon economy. In July 2025, Barclays published a Transition Update4 providing more granular disclosure on progress towards its goals and actions behind each as well as new case study examples of how it is working with clients on its transition and the revenue generated from its sustainable and transition-related financing activity. Barclays responsiveness to shareholder feedback in continued engagements with BlackRock reinforces our view that the company is looking to maintain leading governance and disclosure practices. **BlackRock engages with Shell plc.** Shell plc. is an integrated oil and gas company operating globally across the energy value chain. The company operates across several segments including integrated gas, upstream oil and gas, chemicals and products, renewables and energy solutions, and marketing. Following a change in CEO, in 2023 the company held a capital markets day where it published its new strategy "delivering more value, with less emissions focusing on structural cost reductions, enhancing cash flow generation, and expanding liquified natural gas (LNG) capacity. In light of the revised strategy, it published an updated energy transition strategy and held an additional capital markets day in March	The capital-intensive nature of sustainability improvements may also lead to industry consolidation, potentially increasing Heidelberg's market share. L&G engaged with Heidelberg on several occasions leading up to the company's Capital Markets Day in May 2025, encouraging improved disclosure to investors regarding the value framework underpinning its sustainability strategy, accelerating value realisation, and discouraging calls for a re-listing or separation of the US business. The Capital Markets Day met L&G's expectations, with presentations emphasising the value of the sustainability strategy and providing specific financial details on the margin impact of the Brevik CCS project, which enhanced investors' ability to model value creation. The company also decided against separating the US business, instead focusing on synergies between its global operations through sustainability initiatives and the application of technology and AI. **BlackRock engages with Alphabet** In recent years, companies in various sectors have highlighted advancements in deploying AI in their businesses as both a material driver of opportunity and risk. Blackrock engaged with Alphabet, Inc. (Alphabet), a multinational communications services company, which included a shareholder proposal in the agenda at its June 2025 AGM requesting that the company conduct an independent human rights impact assessment (HRIA) related to AI-driven targeted advertising policies. BlackRock supported a similar proposal at Alphabet's June 2024 AGM given our assessment that the independent HRIA would help investors understand the effectiveness of the

DB	DC
2025 where the company reiterated a focus on LNG expansion, including 4-5% compound annual growth in LNG sales from 2024 to 2030.7 Several shareholders filed a binding special resolution at Shell's 2025 annual meeting seeking further disclosure on its LNG demand forecasts and strategy, and how these align with its stated climate ambitions, which include targets to reduce both operational emissions and the net carbon intensity of sold products. BlackRock's stewardship team has had extensive, multiyear engagements with Shell, including with their investment teams, where they have sought to further our understanding of, among other topics, board composition, corporate strategy, and the board's oversight of, and management's approach to, financially material risks and opportunities. BlackRock stewardship and investment teams had several meetings with Shell, including with representatives of the board and management team, including the Chairman, CEO, CFO and Investor Relations, to discuss these topics. More recently, since its capital markets day and ahead of its May 2025 annual meeting, BAIS engaged twice with the company to better understand the updates to its strategy and the underlying assumptions behind its global energy demand forecast, including LNG, and its stated medium-term emissions targets. Based on further understanding gained through these engagements, and internal research, votes were cast against the special shareholder resolution. BAIS and the investment teams considered that, in the context of the uncertainty over the speed of the energy transition, the information already disclosed by the company was sufficient to enable an understanding of how Shell have assessed the transition risks associated with its revised strategy and LNG outlook, as well as how this aligns with the company's stated climate ambitions.	human rights due diligence carried out by Alphabet in relation to this material operational risk. Following changes to the company's AI-related disclosures during the 2024-25 year — including the publication of updated safety frameworks — as well as its annually published advertising safety report. Conversely, BlackRock did not support the shareholder proposal, viewing it as overly prescriptive. It is the responsibility of company leadership to establish and implement the company's strategy. Supporting this proposal would have contradicted the Energy Transition Strategy 2024 presented by the board and management team.

Section 4

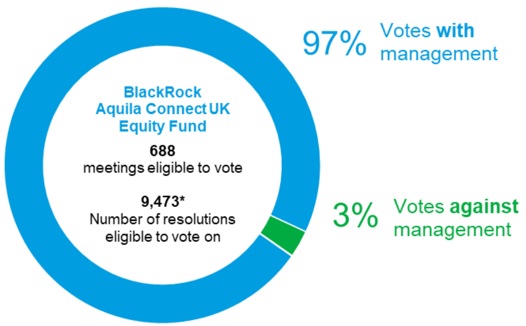
Voting Activity during the Scheme Year

DB

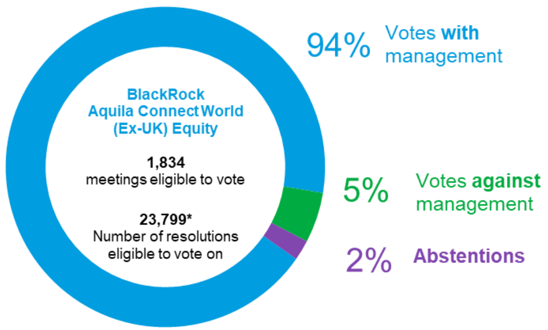
Given the nature of the mandates held within the DB section there is no voting activity to report on for the Scheme Year. During the Scheme Year, BlackRock had a total of 40 engagements with a total of 22 different companies engaged in respect of the Buy & Maintain Credit. Duri

DC

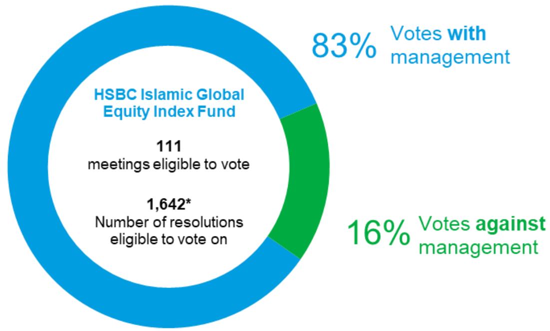
Set out below is a summary of voting activity for this reporting period relating to the relevant strategies in the DC Section of the Scheme. Voting activity has been requested from all managers at the time of writing this report. **Votes "for / against management"** assess how active managers are in voting for and against management. **Purple** represents abstentions.



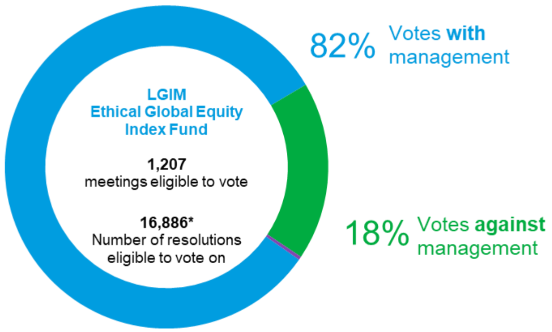
*99% of resolutions voted on



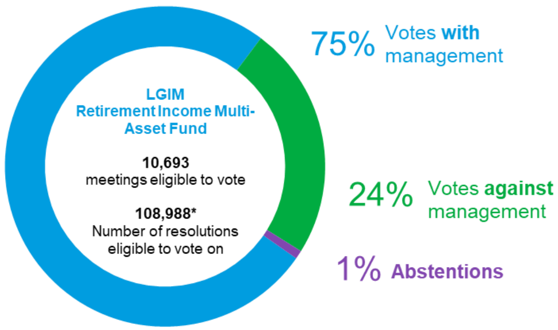
*99% of resolutions voted on



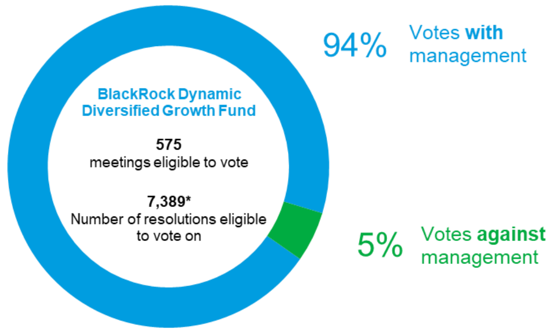
*97% of resolutions voted on



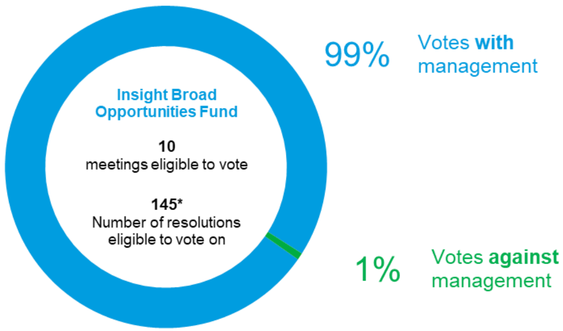
*100% of resolutions voted on



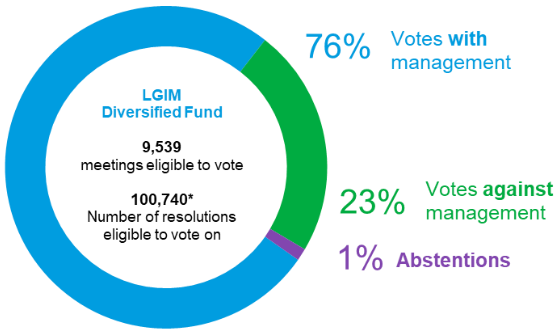
*100% of resolutions voted on



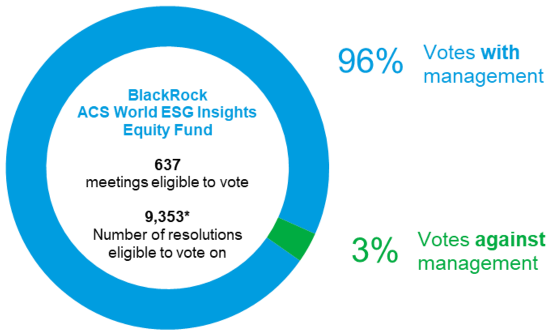
*94% of resolutions voted on



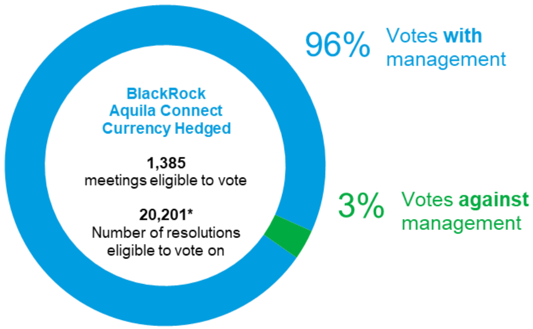
*100.0% of resolutions voted on



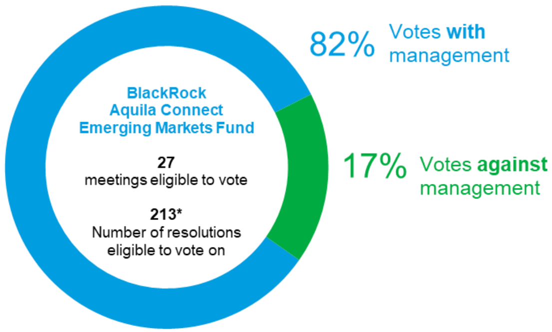
*100% of resolutions voted on



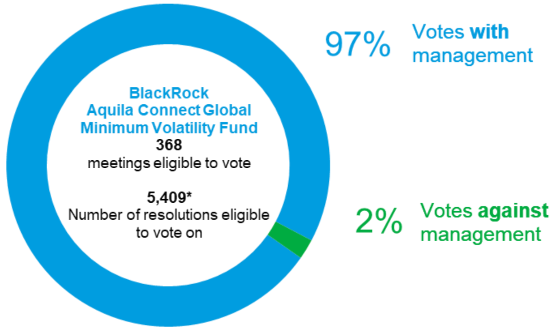
*97% of resolutions voted on



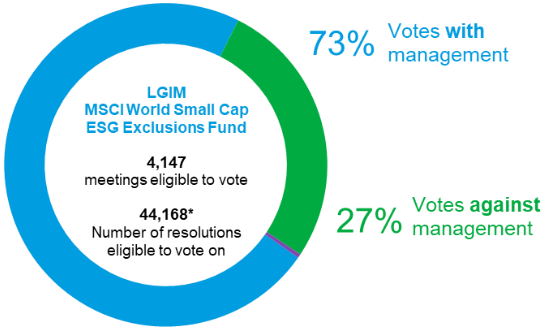
*91% of resolutions voted on



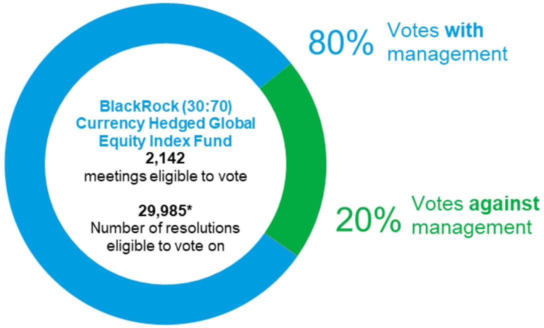
*82% of resolutions voted on



*97% of resolutions voted on



*100% of resolutions voted on



*93% of resolutions voted on

Source: Aviva, L&G, BlackRock, HSBC, and Insight as at 31 December 2025.
Data may not sum to 100% due to rounding.

Most significant votes

The following votes meet the Trustees criteria of a significant vote set out earlier in this statement. Where this criteria was not met, the Trustees have still included at least one vote per relevant fund for the largest holding.

Where the investment manager's rationale for voting against greater disclosure / review of areas of the Trustees priorities on the grounds that it is *against Shareholders interests* we have challenged the manager further on 1) on why that was and 2) how that reconciles with their stewardship objectives more generally, given the issues at hand.

✗ 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	Significant Vote Theme	Next Steps
HSBC Islamic Global Equity Index Fund	8.28	Microsoft Corporation	05/12 /2025	Human Rights Risk Assessment	For	HSBC believe that the proposal would contribute to better management of human rights issues and be in the interest of shareholders.	✗	Social (Human Rights)	HSBC will likely vote for a similar proposal.
	8.28	NVIDIA Corporation	25/06 /2025	Enhance Workforce Data Reporting	For	HSBC believe that the proposal would enhance accountability to shareholders.	✗	Social (Safety in workforce)	
	8.01	Alphabet Inc.	06/06 /2025	Report on Meeting 2030 Climate Goals	For	HSBC believe that the proposal would lead to better management of climate-related risks and be in the interest of shareholders.	✗	Environmental (Climate Change)	

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
	3.93	Meta Platforms, Inc.	28/05/2025	Disclose a Climate Transition Plan Resulting in New Renewable Energy Capacity	For	HSBC believe that the proposal would lead to better management of climate-related risks and be in the interest of shareholders.	✕	Environmental (Climate Change)	
	3.45	Tesla, Inc.	06/11/2025	Report on the Use of Child Labor in Connection with Electric Vehicles	For	HSBC believe that the proposal would contribute to better management of human rights issues and be in the interest of shareholders.	✕	Social (Human Rights)	
	1.34	Walmart Inc.	05/06/2025	Report on Reduction of Plastic Packaging and Recyclability Claims	For	HSBC believe that the proposal would be in the interest of shareholders.	✕	Environmental (Climate Change)	
BlackRock Aquila Connect UK Equity Fund	7.58	Shell Plc	20/05/2025	Shareholder Proposal Regarding Disclosure Concerning	Against	BlackRock supports improved disclosure of Shell's LNG business but, given recent progress and Shell's	✕	Environmental (Climate Change)	BlackRock views engagement as an ongoing dialogue, using

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
				LNG and Climate Commitments		commitment to further enhance LNG reporting before the 2026 AGM, believes continued engagement over the next year is a better way to achieve transparency than backing the resolution now.			direct discussions over time to assess companies' actions on ESG issues. If concerns are not addressed, BlackRock may vote against management, and they continue to monitor companies' subsequent progress and responsiveness
L&G FTSE4 Good Developed Equity Index Fund	2.17	Alphabet Inc.	06/06 /2025	Elect Director John L. Hennessy	Against	A vote against is applied as L&G expects a company to have at least one-third of women on the board.	✓	Governance (Diversity)	L&G will continue to engage with their investee companies, publicly advocate their position on this issue and monitor
	1.74	Broadcom Inc.	21/04 /2025	Elect Director Henry Samueli	Against	A vote against is applied as the company is deemed not to have made sufficient progress against climate	✓	Environmental (Climate Change)	

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						expectations and red lines, as set out in sector guides through L&G's dial-mover engagement programme.			company and market-level progress.
	1.02	Mastercard Incorporated	24/06 /2025	Oversee and Report on a Racial Equity Audit	For	A vote in favour is applied as LGIM support such information and risk management approach to Diversity.	✕	Governance (Diversity)	
BlackRock (30:70) Currency Hedged Global Equity Index Fund	1.68	Amazon.com Inc	21/05 /2025	Shareholder Proposal Regarding Report on Working Conditions	For	BlackRock considers the reports of worker health and safety issues serious and, given the potential legal, reputational and regulatory impacts, believes an additional independent review of how the company manages these risks would be helpful.	✕	Social (Human Rights)	BlackRock does not perceive engagement as one conversation. BlackRock have ongoing direct dialogue with companies to explain their views and how they evaluate their actions on relevant ESG issues over time. Where BlackRock have concerns that
	1.64	Alphabet Inc.	06/06 /2025	Shareholder Proposal Regarding Disclosure Related to 2030 Climate Goals	For	A vote in favour is warranted because, although Alphabet reports on several sustainability initiatives, its emissions are still	✕	Environmental (Climate Change)	

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						rising significantly, and its disclosures lack sufficient detail on how it will achieve its 2030 climate targets. Enhanced, forward-looking transparency on key decarbonisation levers would better support investor decision-making and long-term value creation.			are not addressed by these conversations, they may vote against management for their action or inaction. Where concerns are raised either through voting or during engagement, BlackRock monitor developments and assess whether the company has addressed their concerns.
BlackRock ACS World ESG Insights Equity Fund	2.34	Alphabet Inc.	06/06 /2025	Publish a Human Rights Impact Assessment of AI Driven Targeted Advertising	Against	The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures	✕	Social (Human Rights)	
BlackRock Aquila Connect World (Ex-UK) Equity	2.38	Amazon.com , Inc.	21/05 /2025	Report on Impact of Data Centers on Climate Commitments	For	Decarb policy - proposal is considered in alignment with the investment objectives of the funds in scope of the BlackRock Investment Stewardship Climate	✕	Environmental (Climate Change)	

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						and Decarbonization Stewardship Guidelines.			
L&G MSCI World Small Cap ESG Exclusions Fund	0.32	Performance Food Group Company	19/11 /2025	Elect Director Kimberly S. Grant	Against	A vote against is applied as L&G expects a company to have at least one-third of women on the board.	✓	Governance (Diversity)	
L&G Retirement Income Multi-Asset	0.29	Microsoft Corporation	05/12 /2025	Elect Director Satya Nadella	Against	A vote against is applied as L&G expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	✓	Governance (Diversity)	L&G will continue to engage with their investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
L&G Diversified Fund	0.21	National Australia Bank Limited	12/12 /2025	Approve Disclosure of Financed Deforestation	For	A vote in favour is applied as L&G expects companies to act on climate and nature risks, and believes the bank should provide fuller, framework-aligned disclosure on its financed deforestation exposure (including both legal and illegal deforestation) to better quantify and	Withdrawn	Environmental (Climate Change)	

Fund	Portion of the fund (%)	Company	Date of vote	Resolution	How the Manager voted	Rationale of Manager vote	Final outcome following the vote	Significant Vote Theme	Next Steps
						communicate its material environmental and credit risks.			

Source: L&G, BlackRock, HSBC, and Insight as at 31 December 2025.

Please note BlackRock and L&G communicate their intention to the company in advance of meetings when they intend to vote against management recommendations.

Proxy Voting Policies

L&G

L&G's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G and they do not outsource any part of the strategy decisions. To ensure their proxy provide votes in accordance with our position on ESG, they have put in place a custom voting policy with specific voting instructions.

HSBC

HSBC uses the leading voting research and platform provider Institutional Shareholder Services (ISS) to assist with the global application of their voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene our guidelines. HSBC reviews voting policy recommendations according to the scale of our overall holdings. The bulk of holdings are voted in line with the recommendation based on their guidelines.

Insight

Insight utilises Minerva to analyse resolutions against their specific voting policy templates to determine the direction of the vote, where applicable.

BlackRock

As the proxy voting process is operationally complex, BlackRock Active Investment Stewardship ("BAIS") has operational specialists on the team who are fully focused on ensuring votes cast on behalf of clients are successfully instructed. We use the electronic voting platform provided by Institutional Shareholder Services ("ISS"), a proxy services vendor. The ISS platform allows BAIS to monitor voting activity, execute proxy vote instructions, maintain voting records, and generate client and regulatory voting reports. The controls in place ensure that the BAIS team identifies upcoming meetings, casts votes ahead of the voting deadline for each meeting, reconciles holdings with ballots received, and identifies any uninstructed ballots.

The following steps describe the process for casting votes on behalf of clients from onboarding portfolios to providing voting reports to clients:

1. **Onboarding:** For portfolios where BlackRock is authorized to vote, the portfolio is onboarded to be voted on the electronic voting platform.

2. **Reconciliation:** BAIS reconciles portfolio holdings with upcoming shareholder meetings to ensure we are casting vote instructions on all active equity positions we are authorized to vote.

3. **Ballot creation:** When a company announces an upcoming shareholder meeting, custodian banks send voting entitlements to a ballot distributor who in turn distributes proxy ballots to ISS.

4. **Ballot reception, research, and issue spotting:** The respective BAIS analyst is alerted to a shareholder meeting allocated to them entering the proxy services vendor’s electronic platform. The analyst reviews company materials, broker research, third-party data, and other publicly available information, as necessary, to determine the appropriate vote in light of BAIS’ Engagement and Voting Guidelines. The analyst may also discuss the company and the items on its shareholder meeting agenda with the relevant portfolio managers. Straightforward meetings proceed to vote execution. The remainder are flagged for additional research.

5. **Review and engagement:** In certain cases, the BAIS analyst conducts in-depth research and may engage with the company’s executives or board members to better inform a vote decision. The stewardship analyst discusses issues and vote options with stewardship colleagues and the relevant portfolio managers.

6. **Vote execution:** The stewardship analyst executes the final vote decisions. For companies where voting is outsourced under our conflicts of interest policy, an independent third-party voting service provider makes voting recommendations for ISS to execute directly.

7. **Reporting:** BAIS provides portfolio-level engagement and vote reports to clients and relevant regulatory reporting such as U.S. SEC Form N-PX1 and will publish a voting record and quarterly engagement statistics on the BlackRock w