

Implementation Statement



STONEPORT
PENSIONS

Implementation Statement

The Stoneport Pension Scheme

This is the Implementation Statement prepared by the Trustees of Stoneport Pension Scheme (“the Scheme”) and sets out:

- How the Trustees’ policies on exercising rights (including voting rights) and engagement have been followed over the year to 31 December 2025.
- The voting and engagement behaviour of the Trustees, or that undertaken on their behalf, over the year.

Stewardship policy

The Trustees’ Statement of Investment Principles (SIP) in force at 31 December 2025 describes the Trustees’ stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in November 2024 and has been made available online here:

<https://www.stoneport.co.uk/wp-content/uploads/2024/11/Stoneport-Statement-of-Investment-Principles.pdf>

There were no changes made to the stewardship policy over the year.

The Trustees have delegated the exercise of rights attaching to investments, including voting rights, and the undertaking of engagement activities to the Scheme’s investment manager.

At this time, the Trustees have not set stewardship priorities or themes for the Scheme but will be considering the extent that they wish to do so in due course, in line with other Scheme risks.

How voting and engagement policies have been followed

Voting and engagement policies

The Trustees encourage the investment manager to make decisions in the long-term interests of the Scheme. The Trustees expect engagement with management of the underlying issuers of debt or equity and the exercising of voting rights, on the basis that such engagement can be expected to help the investment manager mitigate risk and improve long term returns.

Where the Scheme invests in pooled funds, the Trustees acknowledge that they cannot directly influence the policies and practices of the companies in which the pooled funds invest. They have therefore delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme’s investments to the investment manager. Where the Scheme invests in segregated mandates the Trustees will have greater influence on the policies and practices of the companies in which the investment manager invests. The Trustees encourage them to engage with investee companies and vote whenever it is practical to do so on financially material matters such as strategy, capital structure, conflicts of interest policies, risks, social and environmental impact and corporate governance as part of their decision-making processes. The Trustees require the investment manager to report on significant votes made on behalf of the Trustees.

If the Trustees become aware of an investment manager engaging with the underlying issuers of debt or equity in ways that they deem inadequate or that the results of such engagement are mis-aligned with the Trustees' expectations, then the Trustees may consider terminating the relationship with that investment manager.

Policy implementation

The Scheme's assets currently consist of an Investment Fund, invested in growth assets, and a Matching Fund invested in protection assets. The Investment Fund is invested in two underlying funds managed by Legal and General Asset Management ("L&G") and is administered by Mobius Life via their platform. The Matching Fund is invested in underlying funds managed by L&G and administered by Mobius Life via their platform.

The Matching Fund with Mobius is invested in a mix of Liability-Driven Investment ("LDI"), cash and buy and maintain credit funds. There are no voting rights attached to these investments and the scope for engagement is extremely limited given the nature of these asset classes.

The Trustees have reviewed the stewardship and engagement activities of their investment manager through the preparation of this Implementation Statement. They are satisfied that their stewardship policy has been followed and that no further action is required as a result.

Having reviewed the above in accordance with their policies, the Trustees are comfortable the actions of the fund manager are broadly in alignment with the Scheme's stewardship policies.

Prepared by the Trustees of the Stoneport Pension Scheme April 2026

Voting Data

Voting only applies to equities held in the portfolio. During the year, the Scheme held equity investments through two pooled equity funds held with L&G. As such, L&G voted on behalf of the Trustees over the Scheme year.

Manager	Legal and General Asset Management
Fund name	ESG Paris Aligned World Equity Index Fund (GBP hedged and unhedged)
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustees to influence the manager's voting behaviour.
Number of company meetings the manager was eligible to vote at over the year	1,137
Number of resolutions the manager was eligible to vote on over the year	16,186
Percentage of resolutions the manager voted on for which they were eligible	99.9%
Percentage of resolutions the manager abstained from	0.4%
Percentage of resolutions voted <i>with</i> management, as a percentage of the total number of resolutions voted on	77.7%

Manager	Legal and General Asset Management
Percentage of resolutions voted <i>against</i> management, as a percentage of the total number of resolutions voted on	22.0%
Percentage of resolutions voted contrary to the recommendation of the proxy provider	17.2%

Totals may not sum to 100% due to rounding.

The use of proxy voting is summarised below:

- 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 LGIM, and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with their position on ESG, they have put in place a custom voting policy with specific voting instructions.

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 Trustees over the year to be set out. 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 or themes. At this time, the Trustees have not set stewardship priorities or themes for the Scheme but will be considering the extent that they wish to do this in due course, in line with other Scheme risks. As a result, for this Implementation Statement, the Trustees have asked the investment manager to determine what they believe to be a “significant vote”.

The Trustees have not communicated voting preferences to their investment manager over the period, including in relation to what they considered to be significant votes prior to these votes taking place. This is because the Trustees are yet to develop a specific voting policy. In future, the Trustees will consider the most significant votes in conjunction with any agreed stewardship priorities or themes.

L&G have provided a selection of over 30 votes. In the absence of agreed stewardship priorities or themes, the Trustees have selected 3 votes that cover a range of themes to represent what they consider the most significant votes cast on behalf of the Scheme. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below.

L&G ESG Paris Aligned World Equity Index Fund (GBP hedged and unhedged)

	Vote 1	Vote 2	Vote 3
Company name	Microsoft Corporation	Lam Research Corporation	National Australia Bank Limited
Date of vote	05/12/2025	04/11/2025	12/12/2025
Approximate size of fund’s holding as at the date of the vote (as % of portfolio)	5.8%	0.9%	0.3%
Summary of the resolution	Elect Director Satya Nadella	Reduce ownership threshold for shareholders to call special meeting	Approve strategy to eliminate financed deforestation

How the manager voted	Against	For	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as L&G's engagement is not limited to shareholder meeting topics.		
Rationale for the voting decision	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.	A vote in favour is applied as the current threshold necessary to call a special meeting is high and this resolution is seeking to reduce the threshold.	A vote in favour is applied as L&G expects companies to be taking sufficient action on the key issue of climate and nature. Disclosure of a strategy to eliminate financed deforestation in line with credible frameworks such as the Accountability Framework Initiative (AFI) would provide shareholders with visibility on governance, targets, client expectations, controls, and escalation pathways for this financially material risk.
Outcome of the vote	Pass	Fail	Withdrawn
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 - Board Leadership: L&G considers this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO.	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.	Thematic - Nature: L&G considers this vote to be significant as it is applied under our engagement program on deforestation, targeting companies in high-risk sectors.

Fund level engagement

The table below provides a summary of available engagement information for L&G. The scope for engagement within the Matching Fund (invested in a mix of LDI, cash and buy and maintain credit funds) is limited given the nature of the asset classes and so engagement data for the LDI and cash holdings has not been provided.

	Legal & General	
Manager (fund names)	ESG Paris Aligned World Equity Fund (GBP hedged and unhedged)	Future World Net Zero Buy and Maintain Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes

Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	759	208
Number of entities engaged with on behalf of holdings in this fund in the year	436	113
Number of engagements undertaken at a firm level in the year		3,114

Examples of engagement undertaken

The table below provides an example of engagement activity undertaken by L&G during the year.

Fund	Engagement example
L&G ESG Paris Aligned World Equity Index Fund (GBP hedged and unhedged); L&G Future World Net Zero Buy and Maintain Fund	<p>Since 2021, L&G have engaged with Nestlé on the topic of nutrition. L&G believe that, as the largest food company in the world, Nestlé have the potential to set an example for the industry more broadly in terms of raising market standards on transparency of nutrition reporting.</p> <p>L&G's primary concerns have been that Nestlé's targets for sales of healthy products would not aid improvements in consumer health as they include products that are generally considered out of the scope of government-endorsed nutrient profiling models. As such, at the 2024 annual general meeting, L&G co-filed a shareholder resolution to ask the company to publish more effective targets to increase healthier food choices.</p> <p>The resolution proposed by L&G received support from approximately 11% of shareholders, however, L&G were pleased to see that Nestlé recently announced planned improvements to their nutrition reporting and plans to include new data on the healthiness of product categories in line with guidelines from the access to Nutrition Initiative.</p>