<u>Claude Fenton Holdings Pension Fund</u>

<u>Investment Principles Implementation Report for 2026</u>

The Trustees are satisfied that the implementation of the pension fund's investments over the year have been in accordance with the Statement of Investment Principles (SIP) and that there has been no significant divergence from the SIP.

Day to day investment decisions are dlegated to the Scheme's Investment Manager LGT Wealth Management who are regulated by the Financial Services Authority. The Investment Manager has been provided wioth a copy of the SIP and has adopted the latest edition of the UK Stewardship Code as published by the Financial Reporting Council.

Set out below is a statement from the Investment Manager covering Stewardship under this code.

Stewardship at LGT Wealth Management

<u>Discharging our responsibilities under the UK Stewardship Code</u>
As a wealth manager, LGT Wealth Management's (LGT WM) primary duty is to maximise investment returns for our clients while operating within the confines of our contractual obligations and the objectives, goals, and other parameters we have agreed with our clients. Our secondary duty is to create a safer and more sustainable future for our clients, their families and future generations through sound capital management. We look to achieve this through a sound and thorough approach to identifying suitable investment opportunities. These opportunities are identified through comprehensive financial analysis, alongside consideration of other aspects of the company or fund, including but not limited to:

- Corporate governance
- Strategy
- Culture
- Non-financial performance and risks
- Capital structure
- Social and environmental impact

The significance assigned to these factors is considered on a case-by-case basis by LGT WM's in-house Research and Stewardship teams. As part of this process, LGT WM's stewardship approach incorporates engagement, monitoring and proxy voting to manage risks, strengthen governance and encourage companies to adopt practices that support sustainable performance over time. Stewardship activities are prioritised where material risks or concerns are identified, and where constructive dialogue with companies or external managers can help protect the long-term interests of clients and stakeholders. Further detail on LGT WM's stewardship approach is set out in its Stewardship policy, available here.

<u>Monitoring investee companies and funds</u>
Effective monitoring of investee companies and funds is fundamental to fulfilling our responsibility to our clients. Each company or fund´s ability to create, sustain and protect value is central to our investment process. Therefore, we continually assess the performance and management of companies and funds in which we have invested on behalf of our clients to determine if our clients' interests are being served. For more information on our stewardship activities, please see our annual Stewardship and Fund Engagement reports.

We can confirm we have fully complied with our published stewardship and proxy voting policies.

Proxy voting

Voting is a core component of the stewardship approach at LGT WM. Voting activities are governed by our Global voting principles, which set out how management and shareholder proposals are assessed in line with long-term value creation, effective governance, and progress observed through engagement.

We vote on all directly held equities on our buy list for discretionary client portfolios, as well as those held within LGT WM-managed funds. To enhance transparency and comply with relevant regulations and stewardship codes, we provide full visibility of proxy votes cast through a proxy voting disclosure tool, which includes detailed company-level voting records. The tool can be accessed here.

LGT WM utilises the services of Institutional Shareholder Services (ISS) to provide voting recommendations across the markets in which it invests. To support a consistent and efficient decision-making process, we subscribe to the ISS Sustainability Proxy Voting Guidelines, which help to highlight the importance of material sustainability issues and support the assessment of companies' performance and disclosures.

Notwithstanding the use of ISS research and guidelines, voting decisions are not applied mechanistically. Each proposal is independently assessed to ensure alignment with the Global voting principles and the broader engagement strategy being pursued with the company. As a result, we may vote against ISS recommendations where our in-house research and analysis support a different conclusion.

The Scheme has imposed no specific additional requirements to our standard engagement and voting activities in the Scheme year.

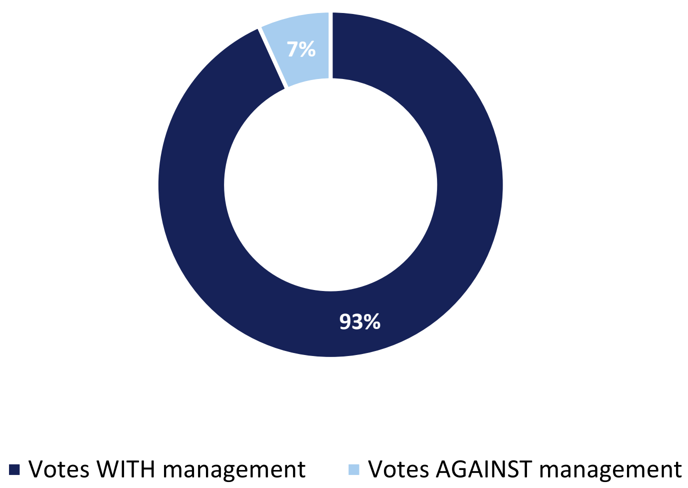
2025 Proxy voting activity

In 2025, we supported **51%** of shareholder proposals across a range of issues.

Voting activity 2025	Total
Number of companies voted	185
Number of meetings	224
Number of different markets voted	22
Total number of resolutions	>3,200
Percentage of votes against management	7%

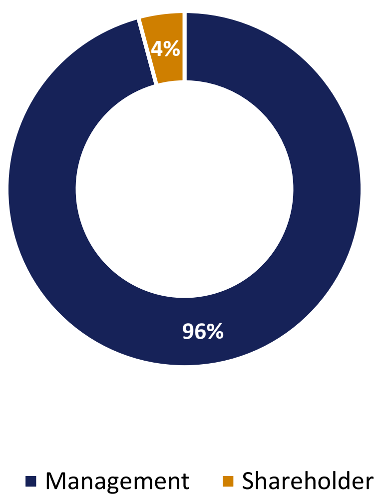
In 2025, LGT WM voted against management in **7%** of cases. The majority of these votes fell into two key categories, with the largest share relating to director re-elections. These reflected concerns including conflicts of interest, disagreement over long-term strategic direction, and instances where leadership was not considered to be delivering sufficient shareholder value. Each case was assessed independently.

Alignment with Company Boards



LGT WM generally supports shareholder resolutions where they are considered reasonable, address material sustainability issues and do not introduce disproportionate or unintended costs for the company.

Resolution / Proposal Types



For LGT WM’s equity holdings, the majority of proposals were put forward by management. These primarily addressed issues related to compensation, the board and corporate structure and capitalisation.