

The Hadley Industries PLC Pension and Life Assurance Scheme (“the Scheme”)

Implementation Statement 1 May 2024 – 30 April 2025

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The purpose of the Implementation Statement is for the Trustees of the Scheme to explain what has been done during the year (the “reporting period”) to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. A summary of any changes made to the SIP during the reporting period
2. How the policies in the SIP have been followed during the reporting period
3. ESG matters and how voting rights have been utilised

1. Changes to the SIP

There have been no changes to the SIP during the reporting period.

2. How the SIP has been followed

Portfolio Composition – As at 30 April 2025, 47.6% of Scheme assets were held in equities (or similar asset classes), 38.7% were held in bonds and cash and 13.7% was held in a direct property investment. The Trustees consider that this is in line with the investment principles set out in the Scheme SIP.

Portfolio Management – Assets (excluding the direct property investment) were managed on a discretionary basis by the fund manager, Brown Shipley. There was no significant rebalancing of Scheme investments during the year.

Portfolio Performance – the Trustees were satisfied with financial performance of investments held during the reporting period.

Liquidity – the Scheme has been able to meet all of its short term obligations in full and on time. As at 30 April 2025, 4.8% of scheme assets were held in cash or easily accessible cash deposit balances.

3. Voting rights and ESG

The Trustees’ policies on ESG considerations and the exercise of voting rights

The Trustees believe that environmental, social and governance (“ESG”) issues do not have a material financial impact on investment returns. The Trustees have given their fund manager their full discretion when evaluating ESG issues and in exercising rights, engagement activities, and stewardship obligations attached to the Scheme’s investments. The Trustees have not given their manager any instructions or restrictions regarding these matters.

The Trustees’ policy is to delegate the exercise of voting rights to their managers.

Full details of the Trustees’ Stewardship and Engagement policies are included in the Scheme’s SIP.

Stewardship

Brown Shipley is a signatory to the UK Stewardship code and UN Principles for Responsible Investment (UN PRI). The UN PRI are a set of global best practices that provide a framework for integrating ESG issues into financial analysis, investment decision-making and ownership practices.

Voting behaviour

Brown Shipley have been unable to provide details of their specific voting records in relation to the assets held by the Trustees during the period. They have, however, provided details of their firm-wide voting and engagement behaviour, as shown in Appendix A. Further information regarding Brown Shipley's 'Active Ownership' policy is available on request from the Scheme's Trustees.

Review of asset managers

The Trustees regularly reviewed the performance of the investments held during the reporting period and were satisfied, given overall market conditions, with the performance .

The Trustees continually assess the fees charged by asset managers and advisors to ensure that value for money is obtained.

Statement of compliance

The Trustees are pleased to report that during the period under review, they have in their opinion, adhered to the policies set out in the SIP and have complied with all appropriate regulations.

Appendix A – summary of Brown Shipley firm-wide voting behaviour

Key voting facts 2024



Breakdown of meetings by region



Proposals voted upon by category



Our voting group comprises representatives of diverse investment teams across all regions overseeing voting decisions



Support for environmental proposals: 53%. This is 2.5x the industry average¹



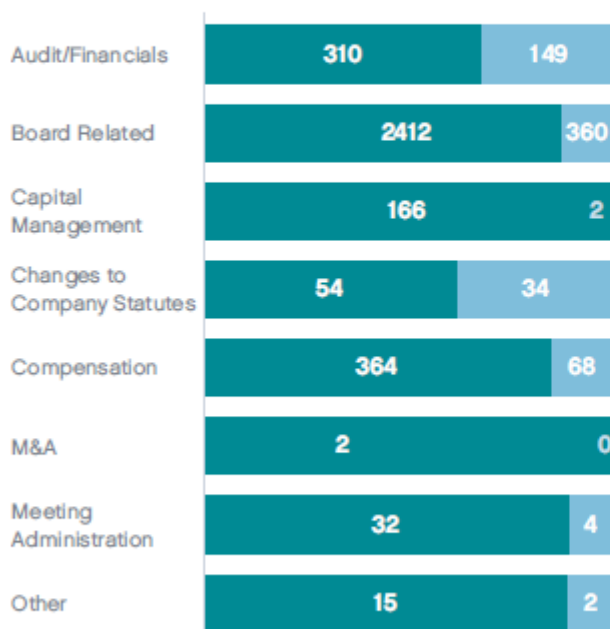
Support for social proposals: 44%. This is almost triple the industry average¹



Support for governance proposals: 39%. This is greater than the industry average¹

Management proposals by category

Votes compared to management



■ Votes with management ■ Votes against management

Compensation

We voted on 432 compensation-related proposals and voted against management on 16% of them. We believe compensation should be fair and create appropriate incentives to promote long-term value. We opposed proposals where we believed that executive pay lacked links to performance and/or sustainability, or where pay packages appeared excessive relative to peers. An example can be seen in the case study on our LVMH vote; other similar votes included Morgan Stanley and Estée Lauder.

Brown Shipley

Voting Statistics

PROPOSAL CATEGORY TYPE	FOR	AGAINST	ABSTAIN
Totals	144	28	35
Audit/Financials	9	3	17
Board Related	105	15	7
Capital Management	6	0	0
Changes to Company Statutes	0	0	9
Compensation	14	1	2
Meeting Administration	2	0	0
SHP: Compensation	1	2	0
SHP: Environment	3	2	0
SHP: Governance	2	0	0
SHP: Misc	0	0	0
SHP: Social	2	5	0