

J C Bamford Lifeplan - Implementation Statement

Statement of Compliance with the JC Bamford Lifeplan's ("the Plan") Stewardship Policy for the year ending 5 April 2025.

Introduction

The Trustees have prepared this Implementation Statement in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and subsequent amending legislation, and those of the Pensions Regulator's General Code of Practice. It sets out how the Trustees have complied with the Plan's Stewardship Policy during the period from 6 April 2024 to 5 April 2025.

Overall, the Trustees are satisfied that:

- The Plan's investments have been managed in accordance with the Plan's Stewardship Policy during the period;
- The Plan's investments have been managed in accordance with the remainder of the Plan's Statement of Investment Principles; and
- The provisions of the Statement of Investment Principles were suitable for the Plan's members over the last Plan Year.

Statement of Investment Principles

The Statement of Investment Principles sets out the principles and practices the Trustees follow when governing the Plan's investments. It describes the rationale for selecting the investment strategy and explains the risks and expected returns of the funds used, as well as the Trustees' approach to responsible investing (including climate change).

No changes were made to the Statement of Investment Principles during the period. The Statement was last reviewed in November 2024 and is scheduled for review by no later than November 2025.

The Trustees have prepared this Implementation Statement on the basis of the Statement of Investment Principles in force throughout the period, with reporting within this document in line with the Statement of Investment Principles applicable at the relevant time.

The Plan's Statement of Investment Principles can be consulted online at <https://www.jcb.com/dfsmedia/261086efe15a46f5afb95d093ef038ea/68617-source>.

Investment governance

The primary objective of the Plan is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependants, on a defined benefits basis.

The Trustees also offer members the opportunity to make additional contributions and invest in a range of vehicles at the members' discretion. The Trustees hold these assets separately from the Defined Benefit section of the Plan to secure benefits on a money purchase basis for those members electing to pay Additional Voluntary Contributions.

The Trustees have overall responsibility for how the Plan's investments are governed and managed, in accordance with the Plan's Trust Deed and Rules, as well as Trust Law, Pensions Law and Pension Regulations.

The Trustees have set objectives for the Plan's investment adviser designed to align with the Trustees' own objectives and investment strategy as set out in the Statement of Investment Principles. The suitability of these objectives was last reviewed by the Trustees in November 2024 and is scheduled for review no later than December 2025.

The Trustees have carried out an evidence-based review of the investment adviser's performance against these objectives in November 2024. This involved rating the adviser against the different objectives. The Trustees are satisfied that the objectives have been achieved for the year.

The Trustees have undertaken training during the last year to ensure that their knowledge of investment matters remains up to date. Over the period, training focused on topical responsible investment matters, such as energy transition and resulting infrastructure investment opportunities.

The Trustees have developed a set of Investment Beliefs which they use as a guide when making investment decisions. These beliefs are set out in the Statement of Investment Beliefs and were considered and used to help inform decision making with respect to the Plan's investments over the reporting period.

The investment risks and expected returns relating to the Plan are described in the Statement of Investment Principles. Further details regarding the investment strategy are set out in a separate Summary of Investment Arrangements document maintained by the Trustees.

The Trustees' views on the expected levels of investment risk and return inform decisions on the strategic asset allocation (i.e., what type of assets and areas of the world the Plan invests in over the longer term), and the style of management adopted by the Plan.

The Trustees have conflicts of interest policies in place covering the service providers, including the asset managers and investment adviser. The Trustees periodically ask service providers to confirm any conflicts of interest. No actual or potential conflicts were reported during the period.

Stewardship policy

The Trustees' Stewardship (voting and engagement) Policy sets out how the Trustees will behave as an active owner of the Plan's assets which includes the Trustees' approach to:

- The exercise of voting rights attached to assets; and
- Undertaking engagement activity, including how the Trustees monitor and engage with their investment managers and any other stakeholders.

The Plan's Stewardship Policy can be found within the Plan's Statement of Investment Principles at the link provided above.

The Plan's Stewardship Policy is reviewed on an annual basis in line with the review of the Plan's Statement of Investment Principles (SIP), which was last completed in November 2024. There were no changes made to the Plan's Stewardship policy over the last year.

The Trustees have delegated voting and engagement activity in respect of the underlying assets to the Plan's investment managers (however may express particular voting preferences to managers if appropriate). The Trustees believe it is important that their investment managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with the management on issues which affect a company's financial performance.

The Trustees' own engagement activity is focused on their dialogue with their investment managers, which is undertaken in conjunction with their investment advisers. The Trustees meet regularly with their managers and consider the managers' exercise of their stewardship responsibilities both during these meetings and through reporting provided by their investment adviser.

The Trustees also monitor compliance with their Stewardship Policy on a regular basis and are satisfied that they have complied with the Plan's Stewardship Policy over the last year.

Voting activity

The Trustees seek to ensure that the Plan's managers are exercising voting rights and, where appropriate, the Trustees monitor managers' voting patterns.

Over the year, the Trustees held investments in listed equities through several different mandates, namely: Baillie Gifford Global Alpha Equity Fund, State Street Global Advisers (SSgA) Fundamental Index (GBP hedged) Global Equity Fund, BNY Mellon Real Return Fund, Legal and General Investment Management (LGIM) RAFI Multi-Factor Global Equity Fund and LGIM Future World Fund. In January 2025, the Plan fully disinvested from the BNY Mellon and SSgA mandates and re-invested the proceeds into the two LGIM funds.

The Trustees' investment managers have reported on how votes were cast in each of these mandates over the 12 months to 31 March 2025, as set out in the tables below.

Current mandates

Baillie Gifford Global Alpha Equity Fund	
Proportion of the Plan's assets as at 31 March 2025	10.8%
No. of meetings eligible to vote at during the period	97
No. of resolutions eligible to vote on during the period	1,260
% of resolutions voted	96.0
% of resolutions voted with management	93.5
% of resolutions voted against management	6.1
% of resolutions abstained	0.4
% of meetings with at least one vote against management	37.1

LGIM RAFI Multi-Factor Developed Equity Fund	
Proportion of the Plan's assets as at 31 March 2025	30.9%
No. of meetings eligible to vote at during the period	2272
No. of resolutions eligible to vote on during the period	29,266
% of resolutions voted	99.8
% of resolutions voted with management	77.4
% of resolutions voted against management	22.1
% of resolutions abstained	0.5
% of meetings with at least one vote against management	80.5

LGIM Future World Global Equity Fund	
Proportion of the Plan's assets as at 31 March 2025	9.8%
No. of meetings eligible to vote at during the period	5515
No. of resolutions eligible to vote on during the period	55,096
% of resolutions voted	99.8
% of resolutions voted with management	81.0
% of resolutions voted against management	17.9
% of resolutions abstained	1.1
% of meetings with at least one vote against management	58.6

Disinvested mandates

SSgA Fundamental Index (GBP hedged) Global Equity Fund	
Proportion of the Plan's assets as at 31 March 2025	0%
No. of meetings eligible to vote at during the period	3,197
No. of resolutions eligible to vote on during the period	38,960
% of resolutions voted	97.8
% of resolutions voted with management	92.1
% of resolutions voted against management	7.0
% of resolutions abstained	0.9
% of meetings with at least one vote against management	45.4

BNY Mellon Real Return Fund	
Proportion of the Plan's assets as at 31 March 2025	0%
No. of meetings eligible to vote at during the year	75
No. of resolutions eligible to vote on during the year	1,075
% of resolutions voted	99.3
% of resolutions voted with management	94.6
% of resolutions voted against management	5.4
% of resolutions abstained	0
% of meetings with at least one vote against management	35.0

Significant votes

The Trustees have asked their managers to report on the most significant votes cast within the portfolios they manage on behalf of the Plan. The managers were asked to explain the reasons why votes identified were significant, the size of the position in the portfolio, how they voted, any engagement the manager had undertaken with the company prior to voting, and the outcome of the vote. In particular, the Trustees have focused on reviewing votes in relation to climate change, modern slavery, and board composition (the Trustees' three engagement priorities). Examples of such votes are outlined below.

Legal and General Investment Management Future World

UnitedHealth Group – 0.68% holding, 3 June 2024

LGIM opposed the election of director John Noseworthy to the board due to the lack of sufficient diversity on the board.

The manager's policy mandates that a company should have to have at least one-third women on the board of directors. This stance is rooted in the belief that gender diversity is a financially material issue, impacting the assets managed on behalf of their clients.

Despite LGIM's opposition the vote passed, and the director was elected for a one-year term. The manager will continue to engage on improving board diversity.

Baillie Gifford Global Alpha

Microsoft Corporation – 4.21% holding, 10 December 2024

Baillie Gifford opposed a shareholder resolution requesting a report on the implications of siting datacentres in countries with human rights concerns.

Whilst the manager recognises that issues related to Saudi Arabia and human rights are serious and that establishing data centres in this country places Microsoft at higher risk, they also recognise that Microsoft have operated in similarly challenging geographies following a robust human rights framework. Microsoft has very strong human rights declarations which promote technology being used for the good of humanity and shows a good awareness of human rights issues in challenging geographies. The company has a clear commitment to using the United Nations Guiding Principles on Business and Human Rights to assess geographies when opening data centres.

Baillie Gifford believes the proposal is more critical of Saudi Arabia than of Microsoft and are overall satisfied with Microsoft's current processes in relation to human rights and does not believe that the requested report would be additive therefore decided to vote against the shareholder proposal. This was the second time this proposal was filed receiving 33% and 32% support in 2023 and 2024, respectively.

BNY Mellon Real Return Fund

Amazon.com, Inc. – 1.39% holding, 22 May 2024

BNY Mellon supported a shareholder proposal requesting a third-party audit on the working conditions at Amazon as they considered the issue of working conditions material to the company and that the conclusion of an audit would help the board understand potential shortcomings and respond adequately to shareholder concerns.

The high level of support (31% of votes were cast in favour of this resolution) shows that the issue is significant to shareholders. Further engagement on the issue of human rights at Amazon will be conducted by the manager.

SSgA Fundamental Index Global Equity Fund

NIKE, Inc. – 0.06% holding, 10 September 2024

SSgA decided to vote against a shareholder resolution that requested the company to provide clearer reporting on its environmental targets. The shareholders pointed out that the company had failed to meet several of the targets set in their impact reports. Of the 19 targets established for FY15-20, only 7 were achieved. As for the FY20-25 period, many of the initial targets were either changed or discontinued. The shareholders requested an analysis of where targets were missed and a broader review of the company's sustainability strategy.

The board recommended shareholders vote against this proposal, arguing that the company already publicly discloses its year-over-year progress towards its purpose-related targets, as well as its processes for developing, monitoring, and executing those targets in the company's annual impact report. Within the annual impact report, NIKE includes context on each target, the approach and challenges this target raises, the initiatives underway to reach the target and updates on the results of their efforts for the fiscal year.

Given the level of granularity already provided in the report SSgA agreed that the company's existing disclosures were adequate and consequently voted in line with management. SSgA will however monitor NIKE closely to ensure that the set targets are met more consistently going forward.

Use of a proxy adviser

The Trustees' investment managers have made use of the services of the following proxy voting advisers over the Scheme year:

Manager	Proxy Adviser used
LGIM	Institutional Shareholder Services (ISS)
SSgA	Institutional Shareholder Services (ISS)
BNY Mellon	Institutional Shareholder Services (ISS)

Baillie Gifford confirmed that they do not delegate any stewardship activities to proxy advisers as all client voting decisions are made in-house. However, the manager noted that views from specialist proxy advisers are considered in some instances when additional market specific insight is particularly useful.

LGIM's use of ISS recommendations is purely to augment the manager's own research and proprietary ESG assessment tools. All voting decisions are made in-house by LGIM.

Engagement activity

Given the strategy review and implementation work over the last year, the Trustees' own engagement with the investment managers focused on manager selection. The Trustees met with all of the Plan's incoming investment managers (LGIM, JP Morgan Asset Management and the liquid credit team of M&G Investments) to discuss the respective funds' features, investment processes and integration of responsible investment and ESG matters.

Summary of manager engagement activity

BNY Mellon provide updates on engagement in their quarterly engagement reports. Baillie Gifford, SSgA and LGIM issue ICSWG engagement reporting statistics upon request. Partners Group can also provide similar updates on request. All of these reports are reviewed periodically by the Trustees and their investment advisers.

The table below provides a summary of the managers' engagement activity. Please note that the reporting periods are different for the various managers. For this reason, it was not possible to obtain data covering the full year ending 31 March 2025 for all managers.

Period	Manager	Number of engagements	Examples of topics engaged on
1 April 2024 – 31 March 2025	SSgA (Fundamental Index – GBP hedged – Global Equity Fund)	1101	Board refreshment, climate risk management, climate transition planning, racial diversity, equity and inclusion, board structure, leadership and accountability, remuneration, director time commitments, pollution, and waste
1 April 2024 – 31 March 2025	BNY Mellon (Real Return)	16	Climate transition risk and net zero strategy, minority shareholder treatment, human capital (safety, working conditions, employee engagement, diversity, and inclusion), remuneration, transparency and reporting, strategy
1 April 2024 – 31 March 2025	Baillie Gifford (Global Alpha Equity Fund)	35	Artificial intelligence, climate change and net zero, remuneration, worker right and working conditions, strategic direction, board diversity
1 April 2024 – 31 March 2025	LGIM (RAFI Multi-Factor Developed Equity Index)	1579	Biodiversity, board composition, climate change, corporate strategy and culture, deforestation, gender diversity, remuneration, shareholder rights
1 April 2024 – 31 March 2025	LGIM (Future World)	1944	Biodiversity, board composition, climate change, corporate strategy and culture, deforestation, gender diversity, remuneration, shareholder rights
1 January 2024 – 31 December 2024	Partners Group (Private Debt)	4	Trading updates (including engagement company performance), realisation of investments

Review of policies

The Trustees have committed to reviewing the managers' Responsible Investment (RI) and voting policies on an annual basis – the most recent review was undertaken in September 2024. It considered the managers' broader approach to responsible investment issues but particularly focused on the managers' policies in relation to climate change, modern slavery, and board composition, in keeping with the key engagement themes the Trustees have adopted.

The Trustees and their advisers remain satisfied that the responsible investment policies and, where appropriate, the voting policies of the managers are suitable for the Plan.

Cost transparency

As stewards of the Plan's assets, the Trustees are also responsible for reviewing the costs associated with the management of the assets, to ensure that these remain competitive and are broadly comparable with industry standards.

The Trustees' approach to monitoring these costs is set out in the SIP, which states that:

- The Trustees periodically review the fees paid to their investment managers against industry standards; and
- The Trustees will request turnover costs incurred by the asset managers over the Plan's reporting year.

The last cost transparency review was completed in September 2024 (covering the year ending 5 April 2024). The Trustees are currently in the process of obtaining cost data from their investment managers and are awaiting a full report from their investment advisers, which is due to be produced in Q3 2025.

Member communication

The Trustees issue an annual newsletter to the members covering the Plan's investment strategy, the performance of the assets in the context of the wider market movements, and the Trustees' planned actions for the year ahead. Over the year there were no changes to the Trustees' approach to communication with members.