Nestlé UK Pension Fund (DC Section)
Statement of Investment Principles Implementation Statement

for the year ending 31 December 2025

June 2026

Introduction

Welcome to the Implementation Statement. The purpose of the Implementation Statement is for us, the Trustee of the Nestlé UK Pension Fund (the "Fund"), to explain what we have done during the year ending 31 December 2025 to implement our policies and achieve our objectives as set out in the Statement of Investment Principles ("SIP"). This statement includes:

1. A summary of any review and changes made to the SIP over the year;
2. How our policies in the SIP have been followed during the year; and
3. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services.

The Fund has both a defined benefit ("DB") and defined contribution ("DC") section. This document covers the DC Section of the Fund only.

What is the SIP?

The SIP sets out the investment principles, practices, objectives and beliefs the Trustee follows when governing the Fund's investments.

It describes the objectives for the investment options which you can choose (including the default arrangement if you don't make a choice – "the Default Option"), explains the risks and expected returns of the funds used and the Trustee's approach to responsible investing (including stewardship and climate change).

Why do the Fund's investments matter to me?

The DC Section of the Fund provides you with benefits on a DC basis (sometimes called money purchase benefits). This means that the size of the benefits paid to you when you retire will depend on how much the funds where your savings are invested grow over the years.

Where can I find out more?

If you want to find out more, you can find a copy of the Fund's SIP (and the Fund's DC Chair's Statement) at www.nestlepensions.co.uk/how-the-fund-is-run.

Our conclusion

Based on the activity we have undertaken during the year, we believe that our policies (as set out in the SIP) have been implemented effectively.

In our view, most of the Fund's investment managers were able to disclose good evidence of voting and engagement activity. We believe that the activities completed by our managers align with our stewardship priorities – the Nestlé UK Pension Fund ("NUKPF") Core Themes - and that our stewardship policy (as set out in the SIP) has been implemented effectively in practice. This includes the exercise of our voting rights which has been carried out on our behalf by our investment managers.

However, some investment managers were unable to provide the complete information set requested regarding their stewardship activities. This includes fund-specific engagement information as well as specific details regarding significant votes cast (e.g. implications of voting outcomes). We have asked for explanations from these investment managers and expect improvements in disclosures over time as reporting becomes more standardised and to reflect the increasing expectations on investment managers and their significant influence to generate positive outcomes for the Fund through considered voting and engagement.

We will continue to engage with our appointed managers as necessary over 2026 to set expectations regarding the provision of future information and we will continue to undertake regular, detailed environmental, social and governance ("ESG") monitoring of our investment managers.

1. Changes to the SIP during the year

The SIP was reviewed in November 2025 although the changes were not formally adopted until February 2026. The review of the SIP (and the Trustee's other policy documents) was to ensure the documents were accurate following the implementation of investment changes earlier in the year. No significant changes were made to the SIP.

The Fund's latest SIP can be found here.

2. How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP. Policies below have been summarised and should be read in conjunction with the SIP.

1. Introduction 1.2 Fund Governance	Whilst the main Trustee Board retains overall responsibility for Fund management, we have established a DC Sub-Committee ("DCC") that meets at least quarterly to focus on DC related issues. The DCC reports back to and makes recommendations to the main Trustee Board. During 2025, the DCC met four times as part of its business-as-usual activities (e.g., investment monitoring and statutory disclosures) as well as to discuss one-off projects and emerging issues. Our DC investment consultants and the Nestlé Investment Executive attended these meetings to support the DCC in its governance activities and provide advice, training and market updates as needed. The DCC also held a DC Strategy Day in October 2025 where wider Trustee Board members were also invited to join. The DCC and Trustee regularly undertake training to ensure their knowledge of investment and regulatory matters remains up to date. During the year the DCC received training on a number of different topics, including the Pensions Dashboard, different DC asset classes, ESG monitoring and a range of other topical issues (e.g. employee insight groups). This included training on private markets and broader DC market trends at the DC Strategy Day. Full details of the training undertaken by the Trustee over the Fund year is included in the Fund's Chair's Statement. Over 2025, we implemented some additional investment changes that had originally been agreed as part of the 2023 triennial investment strategy review following advice from our investment consultants. Further detail on these changes is given in the following sections as well as in the annual Chair's Statement. As well as reviewing the SIP to ensure it accurately reflected these changes, we also reviewed and updated the Investment Implementation Document ("IID") to reflect these changes. **We are comfortable that our governance activities have been carried out appropriately during the year in line with our policies.**
2. Investment Beliefs 2.1 Investment beliefs 2.2 Responsible Investment	The DCC considered the Trustee's collective investment beliefs when implementing investment changes in June 2025. The changes involved amending the underlying components of the Growth fund and amending the overall design of the Default Option. When discussing and agreeing the change, the DCC: ▪ Considered both past performance and volatility as well as forward looking risk/return expectations of funds and asset classes; ▪ Made decisions based on strategic asset allocation prior to selecting strategies in order to implement the agreed strategy; ▪ Considered diversification and complementarity of different asset classes and management styles; ▪ Considered costs and charges, including transaction costs involved in making the change and reviewed the costs and charges incurred by members; and

- Considered how the new strategic allocation aligned with the wider ESG beliefs and objectives of the Trustee, including stewardship.

We are comfortable that our activities have been carried out appropriately during the year in line with our Investment Beliefs and our Responsible Investment Policy.

3. Investment Objectives

3.1 Objectives for the Default Option

3.2 Objectives for the self-select investment options

3.3 Choosing the default arrangement and investment options

We have made available a Default Option for members who do not wish to make an active investment choice. This investment strategy is designed to be appropriate for the majority of the Fund's membership.

We have also made available a self-select range of investment options covering the major asset classes, which members can choose to invest in.

Over the year to 31 December 2025, the DCC took action to ensure the investment objectives of the Default Option and self-select fund range continued to be met. This included:

- Monitoring the risk and return profile of underlying funds and the overall member investment experience on a quarterly basis against agreed risk thresholds and inflation-relative return targets.
- Monitoring investment performance versus objectives set for each of the individual funds used.
- Implemented changes to the Growth fund and Lifetime Pathway fund to improve the future growth potential for members invested in the growth phase of the Default Option.

As part of the last triennial investment strategy review (completed in 2023), the DCC considered the Fund's membership profile (salary, fund value, age), the projected size of members' savings upon reaching retirement and how adequate these outcomes were expected to be, past and future expected investment risk and returns and market developments. As a result of this review the DCC agreed to make the following investment changes:

- Amending the design of the Default Option to improve expected outcomes for members; and
- Adding additional lifestyle options alongside the Default Option to increase choice for members and reflect that different members may want to take their benefits in different ways.

Most of these changes were implemented in January 2024, with some additional changes made to the Growth fund and Lifetime Pathway fund in June 2025. The final changes are expected to be implemented later in 2026 following the completion of a wider administration-related project.

The next triennial investment strategy review is due to be completed in 2026.

We are comfortable that the Default Option and self-select range are designed to deliver in line with the set objectives.

4. Summary of the Fund's Investment Strategy

We take advice from our DC investment consultant regarding the appropriateness of the investments for members.

The DCC reviews the performance of each individual fund option and the Default Option on at least a quarterly basis via reports received from its

4.1 Investment strategy for the Default Option 4.2 Illiquid investments in the Default Option 4.3 Investment strategy for the self-select investment options 4.4 Additional Voluntary Contributions ("AVCs")	investment consultant. Further information on this performance review process can be found in the following section. Whilst the majority of funds performed in line with expectations over the year, the Fund's emerging market equity investments were discussed in further detail by the DCC over the year, as the underlying emerging markets equity fund invested in underperformed its benchmark and performance target. This was discussed on multiple occasions and the investment consultant provided regular updates and advice to the DCC. The DCC was comfortable that no immediate action was required but the underlying fund continues to be closely monitored and will be reviewed in more detail as part of the 2026 investment strategy review. We are comfortable that the investment changes made in June 2025 are in line with the overall investment strategy for the Default Option and self-select range as set out in the SIP. The DCC recognises that there is a risk in holding assets that cannot be easily realised should the need arise however remains of the belief that investing in property within the Default Option can bring diversification benefits to members. The DCC recognises that investing in illiquid investments may be associated with higher costs, but believes the diversification will benefit members over the long term. The DCC has a policy to carry out a strategic review of the investment options at least every three years. As above, the most recent review took place in 2023 with the next review scheduled to begin during 2026. As part of the last strategy review, the DCC discussed the naming convention of the existing investment options and plans to carry out a more detailed review of the existing investment option names following the completion of a wider administration-related project. The Fund also has a small amount of legacy AVC assets invested with Standard Life in two with profits funds. Members are no longer able to contribute to this arrangement, but existing assets remain in place. The provider and costs and charges associated with this arrangement are monitored as part of the annual Value for Members assessment, the outcome of which is summarised in the Chair's Statement. The DCC undertook a more detailed review of the AVC arrangement in 2023, but have postponed making any amendments in light of wider administration projects. **We are comfortable that our actions over the year relating to investments have been carried out in line with our strategy.**
5. Investment Managers 5.1 Manager incentives 5.2 Manager review and monitoring 5.3 Security of DC assets	The DC Section of the Fund invests entirely in pooled funds via the Fidelity Investment Platform. During the year, the DCC ensured that all investment manager appointments had appropriate benchmarks in place for monitoring purposes that were in line with our investment policies and were appropriately detailed in the Investment Implementation Document. The document was last updated in November 2025 to reflect the changes made to the Growth fund and the Lifetime Pathway (the Default Option) in June and July 2025. As part of the investment changes agreed during the 2023 triennial investment strategy review, the DCC selected some new funds to be used within the Fund's investment strategy. As part of the fund selection process, our DC investment consultant supported us in ensuring all

managers up for consideration had appropriate investment guidelines and offered competitive charging structures.

We carried out our annual Value for Members assessment, which concluded that the DC Section of the Fund continues to be good value for members. In this assessment, investment management charges and investment performance are key considerations. It was concluded that the charges paid by members to invest in the Fund options are reasonable and in line with the wider market. Further detail on this assessment can be found in the Chair's Statement.

The DCC monitored performance of the funds held in the DC Section of the Fund on a quarterly basis. The DCC received quarterly monitoring reports from its investment consultant to assist with this. These investment reports include long and short-term performance reporting on all the investment funds relative to their respective benchmarks or targets, and performance commentary which highlights key factors affecting the performance of the funds over the quarter. As part of these quarterly reports, there is a "RAG" (Red, Amber, Green) status that helps identify funds that suffer from prolonged poor performance against their benchmark/target.

The DCC also reviewed fund ratings and ESG ratings provided by its investment consultants on a quarterly basis. Where there were rating changes over the year, the DC investment consultant provided regular updates and advice to the DCC. Overall it was agreed that no immediate action was required but that a further review of the emerging market equity investments would be completed in 2026 as part of the triennial investment strategy review.

A separate ESG monitoring exercise was undertaken by the DCC which considered a number of areas including:

- Investigating any breaches of the Trustee's Core Themes (as detailed in the Appendix of the SIP);
- Manager proxy voting policies and evidence of voting activity carried out;
- Manager engagement policies and evidence; and
- Example of stewardship activity.

This review allowed the DCC to monitor how the Fund's investments and appointed managers align with the Trustee's responsible investment beliefs. No action was required as a result of the ESG monitoring exercise.

The DCC regularly reviews the suitability of the Fidelity investment platform and the overall security of member assets, typically every five years. This review was last completed in November 2024 and assessed the likelihood, and impact on members, of insolvency of either the Fund's platform provider or investment managers and aimed to ensure the necessary safeguards were in place across our investment managers, custodians and investment platforms. The review concluded that the risk of potential loss caused by fraud or negligence was low.

We are comfortable that we have monitored our investment managers in line with our policies over the year and that the structures in place ensure that managers are appropriately

	incentivised to deliver good outcomes for members whilst also offering good value.
6. Costs and charges	We have established a cost-benefit analysis framework in order to assess whether the member borne charges deliver good value for members. This assessment forms part of the annual Chair's Statement and includes benchmarking against broader market practice, reviewing compliance with relevant regulatory guidance, and assessing performance against industry standards. The results of this assessment can be found in the Value for Members assessment section of the Chair's Statement. The DCC also closely monitors costs and charges during any strategy changes, both before and after any changes. When changes were made to the Growth fund in June 2025 (see above for further detail), the DCC considered the impact of transaction costs on members, and how these can be minimised where possible. The total costs associated with the transition were in line with similar transactions of that scale and were lower than the anticipated costs calculated prior to the transition. Overall, we consider the costs and charges borne by members to be reasonable compared to other similar schemes. **We are comfortable that the costs and charges associated with the DC investments were reasonable over the year.**
7. Types of investments held 7.1 Realisation of investments 7.2 Expected returns on investments	Through its investment monitoring processes, the DCC is comfortable that all investment managers held suitably diversified portfolios and were able to invest/divest payments in a timely manner over 2025. No restrictions were placed upon the Fund's investments over the year. The DCC received information on historic performance from its investment consultant via quarterly investment monitoring reports over 2025. Some funds did flag as underperforming benchmarks and/or market expectations however the DCC anticipates that the changes made to these funds in January 2024 will improve future performance expectations. No significant performance concerns were raised in 2025 that required immediate action though, as noted above, the DCC will review the emerging market equity investments in more detail as part of the 2026 triennial investment strategy review. Long-term return expectations were also analysed and considered as part of the Fund's 2023 triennial investment strategy review. The DCC considered the level of projected member retirement outcomes relative to the PLSA Retirement Living Standards; it looked at factors such as actual fund performance and forward-looking return expectations and how this could impact members' benefits upon reaching retirement age. The changes agreed by the DCC to the investment strategy are expected to improve projected member outcomes. **We are comfortable that the types of investments available in the DC Section remain appropriate for our members to invest in and should support us in achieving our overall objective of delivering good member outcomes.**
8. Responsible Investment 8.1 Stewardship	We have a policy to delegate stewardship activities (including voting and engagement) to our appointed investment managers. As such we have not set our own voting policy, but instead have set expectations regarding how our managers vote and engage. We review managers

versus these expectations annually and will engage directly with managers if they fail to meet our expectations.

8.2 Climate change

8.3 Non-financial factors

In 2025, the DCC reviewed the investment managers' approaches to responsible investing, including their stewardship activities, through the annual implementation statement process and the ESG monitoring exercise.

As part of the production of this statement, we have received information on our managers' voting policies, engagement policies as well as statistics and examples on how they have voted and engaged during the previous year. No significant concerns were raised as a result of this exercise and we are of the view that overall, our manager policies and activities align with our own beliefs.

As detailed in Section 5 above, the ESG monitoring report focuses on breaches of the Trustee's Core Themes and managers' approaches to stewardship, including voting and engagement. Again, no significant concerns were raised as a result of the report.

The DCC received quarterly reports from our investment consultant, which included an ESG rating for each manager. All ratings over 2025 were in line with expectations and no concerns were raised.

The DCC explicitly considered potential managers' approach to responsible investment and the extent to which ESG issues are factored into investment decision making as part of the triennial investment strategy review and the strategic asset allocation changes agreed. This included consideration of the net-zero alignment target for the Fund. All new funds implemented in January 2024 are expected to increase consideration of responsible investment issues across the investment strategy and support us in meeting our net-zero ambition.

The Fund's fourth TCFD report was completed in July 2025. Information gathered, including carbon emissions data, supported the Trustee in understanding the climate-related risks and opportunities the Fund is exposed to. At the time of writing, the Fund's fifth TCFD report (as at 31 December 2025) is currently being completed and will be published in July 2026.

The Trustee and DCC recognise that some members will have strong personal views or ethical / religious convictions that influence where they believe their savings should, or should not, be invested. In light of this, the Trustee has made available a Shariah compliant self-select option.

We are comfortable that we have acted in line with our Responsible Investment policy over the year.

9. Risk Management and monitoring

9.1 Principal investment risks

9.2 Other investment risks

The DCC received quarterly investment monitoring reports from our investment consultants over the year to support with managing the different types of risks faced by members.

Over 2025, risk exposures were generally higher driven by general market volatility and geopolitical events as well as volatility in the fund's emerging market equity investments. However, most of these risks (inflation and market volatility) are outside of the Trustee's control, are considered to be a short-term issue and importantly, volatility remained below the thresholds set by the DCC. The DCC was comfortable, having received advice from their investment consultant, that no immediate action was needed to manage any emerging risks in both the Default Option and the self-select range.

Risks were also considered as part of the 2023 triennial investment strategy review. The DCC decided to increase the growth potential within the Blended Assets, Growth and Ethical Growth funds to reduce the risk of members not accumulating enough retirement savings to support their expected retirement lifestyle. These changes were made in January 2024 and June and July 2025 with consideration to potential impacts on volatility and risk.

The DCC also decided to add additional lifestyle options to support members in taking their benefits in the most appropriate form for them, whilst also offering them the benefits of automatic switching from higher growth potential (and higher volatility) investments to more diversified, lower expected volatility investments over time. These additional options are expected to be made available to members in 2026/27 following the completion of a wider administration-related project.

We are comfortable that over the year, we considered all investment risks appropriately in line with our policies.

3. The exercise of our voting rights

The DC Section invests in pooled funds, and we have delegated responsibility for the selection, retention and realisation of investments to the Fund's appointed investment managers. We have also delegated our stewardship activities, including the exercise of our voting rights, to our managers.

We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Fund's investments is an important factor in deciding whether a manager remains the right choice for the Fund.

The rest of this section sets out the stewardship activities, including the exercise of our voting rights, carried out on our behalf over the year to 31 December 2025. Based on the information provided, we are comfortable that most managers are carrying out stewardship activities that are in line with our expectations and policies set out in the SIP.

Where managers have been unable to provide the requested information, our investment consultant is engaging with these managers to set expectations regarding the provision of this data in the future.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which ESG issues to focus on, **engaging** with investees/issuers, and **exercising voting rights**.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. Understanding and monitoring the stewardship that investment managers practice in relation to the Fund's investments is an important factor in deciding whether a manager remains the right choice for the Fund.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We have delegated the exercise of our voting rights to our investment managers, and we expect the Fund's equity-owning investment managers to responsibly exercise their voting rights.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Voting statistics

The table below shows the voting statistics for each of the Fund's funds that have voting rights attached to them for the year to 31 December 2025.

	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
BlackRock World ESG Screened and Optimised Equity Tracker Fund*	6,736	97.7%	6.8%	0.3%
BlackRock World Multi Factor ESG Screened and Optimised Equity Tracker Fund*	3,816	92.2%	4.7%	0.5%
L&G FTSE4Good Equity Index Fund	16,886	99.9%	17.9%	0.3%
L&G 70:30 Hybrid Property Fund*	4,156	99.8%	22.4%	0.2%

Loomis Sayles Emerging Markets Equity Fund*	542	100.0%	15.0%	0.0%
HSBC Islamic Global Equities Fund	1,627	97.0%	16.0%	0.0%

*Source: Managers. *used within the Default Option, the Lifetime Pathway. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.*

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

The table below describes how the Fund's managers use proxy voting advisers.

	Description of use of proxy voting adviser(s) *Wording provided directly by investment managers*
BlackRock	"BlackRock Investment Stewardship leverages Institutional Shareholder Services (ISS) as an external proxy services vendor. ISS' electronic voting platform allows BlackRock Investment Stewardship to monitor voting activity, execute proxy vote instructions, record keep, and generate client and regulatory voting reports. BlackRock Investment Stewardship also uses Glass Lewis' services to support research and analysis. In addition to the global research provided by Institutional Shareholder Services (ISS) and Glass Lewis, BlackRock Investment Stewardship subscribes to market-specific research providers including Institutional Voting Information Service in the UK, Ownership Matters in Australia, Stakeholder Empowerment Services in India, and ZD Proxy in China. Although proxy research firms provide important data and analysis, BlackRock Investment Stewardship does not follow any proxy research firm's voting recommendations. BlackRock Investment Stewardship has operational specialists on the team who are fully focused on ensuring votes cast on behalf of clients are successfully instructed, using its vendor's electronic voting platform. The controls BlackRock Investment Stewardship has in place ensure that the team identifies upcoming meetings, cast votes ahead of the voting deadline for each meeting, reconcile holdings with ballots received, and identify any uninstructed ballots."
Legal & General ("L&G")	"L&G's Investment Stewardship team uses Institutional Shareholder Service's (ISS) 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions."
Loomis Sayles	"Loomis Sayles uses the services of third parties (each a "Proxy Voting Service" and collectively the "Proxy Voting Services"), to provide research, analysis and voting recommendations and to administer the process of voting proxies for those clients for which Loomis Sayles has voting authority. Loomis Sayles will generally follow its express policy with input from the Proxy Voting Service that provides research, analysis and voting recommendations to Loomis Sayles unless the Loomis Sayles Proxy Committee determines that the client's best interests are served by voting otherwise."
HSBC	"We use the voting research and platform provider Institutional Shareholder Services (ISS) to assist with the global application of our own bespoke voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene our guidelines."

Source: Fund Managers

Voting policies

We have delegated the exercise of our voting rights to our investment managers, and therefore take responsibility for how they cast votes on our behalf. A summary of each manager's voting policy, and how this aligns to our stewardship priorities - the NUKPF Core Themes - is included in the Appendix.

As a reminder, the NUKPF Core Themes include:

- Environmental

1. Environment
2. Climate change

- Social
  3. Human rights
  4. Labour
- Governance
  5. Corporate Governance
  6. Corruption

Further details on these core themes can be found in the SIP.

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Fund's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Fund's funds. Given the very large number of significant votes identified by the investment managers, a sample of these significant votes can be found in the Appendix. The sample of votes chosen has been selected based on relevance of the voting theme to the NUKPF Core Themes set out above.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Fund's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm level i.e., is not necessarily specific to the fund invested in by the Fund.

Funds	**Number of engagements**		**Themes engaged on at a fund-level**	**NUKPF Core Theme alignment**
	Fund specific	Firm level	*Provided by manager*	
BlackRock World ESG Screened and Optimised Equity Tracker Fund	428	2,362	Environment - Climate Risk Management, Biodiversity, Other company impacts on the environment Social – Talent and culture, Health and Safety, Supply Chain, Other Social/Human Capital issues Governance – Board Effectiveness & Director Qualifications, Corporate Strategy (Disclosure/ Governance), Compensation & Remuneration	Environment, Corporate Governance
BlackRock World Multi Factor ESG Screened and Optimised Equity Tracker Fund	310	2,362	Environment - Climate Risk Management, Water and Waste, Other company impacts on the environment, Biodiversity Social - Human Capital Management, Social Risks and Opportunities, Diversity and Inclusion, Health and Safety Governance - Corporate Strategy (Disclosure/Governance), Board Effectiveness and Director Qualifications, Compensation & Remuneration	Environment, Corporate Governance
L&G FTSE4Good Equity Index Fund	904	3,201	Environment - Climate Impact Pledge, Deforestation, Climate Change, Climate Mitigation Social - Human Rights, Gender Diversity, Income Inequality, Lobbying and Political Donations Governance - Capital Management, Remuneration, Board Composition, Governance of Technology	Climate change, Human Rights, Corporate Governance
L&G 70:30 Hybrid Property Fund	168	3,201	Environment - Climate Impact Pledge, Environmental Opportunities, Energy, Climate Change Social - Gender Diversity Governance – Remuneration, Board Composition, Accounting & Audit, Capital Management	Climate change, Corporate Governance
Loomis Sayles Emerging Markets Equity Fund	130	641	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity) Pollution, Waste Social - Human and labour rights, Public health Governance – Remuneration, Board effectiveness-Diversity, Board effectiveness - Independence or Oversight	Climate change, Human Rights, Labour, Corporate Governance
PIMCO GIS Income Fund	179	>1,300	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity), Pollution, Waste Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human and labour rights (e.g. supply chain rights, community relations), Inequality Governance - Board effectiveness – Diversity, Independence or Oversight, Remuneration, Strategy, Financial and Reporting	Climate change, Human Rights, Labour, Corporate Governance, Corruption
HSBC Islamic Global Equities Fund	83	2,030	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity), Pollution, Waste	Climate change, Human Rights, Labour, Corporate

			Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying), Human capital management (e.g. inclusion & diversity, employee terms, safety), Human and labour rights (e.g. supply chain rights, community relations) Governance - Strategy, Financial and Reporting, Board effectiveness – Other, Remuneration	Governance, Corruption
Robeco Global SDG Credits Fund	19	304	Environment - Climate change, Natural resource use/impact (e.g. water, biodiversity Social - Human capital management (e.g. inclusion & diversity, employee terms, safety), Human and labour rights (e.g. supply chain rights, community relations), Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying) Governance - Shareholder rights, Board effectiveness - Other	Climate change, Human Rights, Labour, Corporate Governance, Corruption
Standard Life Pension With Profits One 2006 Fund			*Not provided*	
Standard Life Pension With Profits One Fund			*Not provided*	

Source: Investment managers. L&G's firm level engagements relate to the number of companies engaged with over 2025.

Data limitations

At the time of writing, L&G has provided a complete list of engagements for the invested funds, however, it did not include as much detail as recommended in Investment Consultants Sustainability Working Group ("ICSWG") reporting guide (which our investment consultant considers to be industry standard). We expect L&G to provide further engagement information, in line with the ICSWG reporting guide, after it publishes its annual stewardship report later this year. We do also note that L&G's quarterly engagement reports include a number of detailed engagement case studies which we view as positive.
Similarly, BlackRock did provide fund level engagement information but not in the ICSWG template. Standard Life did not provide any information requested regarding the AVC With Profits funds.

This report does not include commentary on certain asset classes such as gilts or cash because of the limited materiality of stewardship to these asset classes.

Appendix 1 – Voting Policies (Default Option managers)

The table below summarises the voting policies each manager has in place as well as how this aligns with our stewardship policy, including the NUKPF Core Themes.

Manager	Policy	Alignment with stewardship policy
BlackRock	"Some of our clients are pursuing decarbonization as an investment objective, including many of our largest European clients, who have made net zero commitments. To support our clients' unique and varied investment objectives, in July 2024, BlackRock launched the Climate and Decarbonization Stewardship Guidelines. These Guidelines set out the dedicated team's approach to engaging and voting on matters related to climate risks and the transition to a low-carbon economy at companies that are held by in-scope funds and accounts that apply these Guidelines. The Guidelines differ from the Benchmark Policies in that they consider, in addition to financial objectives, companies' strategies to align with the transition to a low-carbon economy. They also incorporate the more ambitious goal of the Paris Agreement - namely to limit average global temperature rise to 1.5°C above pre-industrial levels. The Guidelines apply primarily to companies in sectors that play an important role in the transition to a low-carbon economy. This includes companies which produce goods and services that contribute to real world decarbonization or have a carbon intensive business model and face outsized impacts from the low-carbon transition, particularly those representing the major sources of scopes 1, 2, and 3 greenhouse gas (GHG) emissions across companies held by in-scope funds and accounts that have selected the Guidelines. For companies and matters not related to climate and transition risks, the dedicated team follows BIS' Benchmark Policies. When evaluating each voting item across management or shareholder proposals, the dedicated team applies a case-by-case approach that reflects the uneven pace of the low-carbon transition across sectors and markets and acknowledges the distinction between what company management can influence and what lies beyond its control. As a result, voting decisions — on behalf of in-scope funds and SMAs — on similar proposals included on different companies' shareholder meeting agendas may vary depending on company, sector, or market-specific circumstances." Further information is available here: https://www.blackrock.com/corporate/insights/investment-stewardship/blackrock-investment-stewardship	▪ Policy focuses on both voting and engagement. ▪ Policy (and wider engagement priorities disclosed on BlackRock's website) align with NUKPF Core Themes. ▪ Focus on creating value for long-term investors which aligns with Trustee's fiduciary duty.
L&G	"We believe effective stewardship involves working with companies, regulators, policymakers, peers and other stakeholders around the world to tackle systemic issues, material risks and opportunities – as well as collaborating with our investment experts to identify future challenges. Exercising voting rights is a powerful engagement tool with which to hold company boards to account and raise market standards; it is used extensively by our Investment Stewardship team. Importantly, the team votes with one voice across all of our clients' investments where we have discretion, because it operates independently from – but in collaboration with – our portfolio managers. Our team exercises voting rights globally across LGIM's active and index funds, holding companies to account on the issues that matter most to our clients. These range from climate change to board independence and diversity. While LGIM has a high proportion of equity investments in Index strategies, this does not absolve us from making active voting decisions; in fact, it makes informed voting on key topics more important and underlies our universal owner approach to improving the market as a whole. LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all our clients. Our voting policies are reviewed annually and take into account feedback from our clients. Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as we continue to develop our voting and engagement policies and define strategic priorities in the years ahead. We also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.	▪ Focus on creating sustainable value and wider benefits for the economy. This algins with the Trustee belief that consideration of ESG factors can reduce risk, enhance returns and potentially contribute to secure a sustainable world for society. ▪ LGIM's stewardship themes (climate, nature, people, health, governance and organisation) align with the NUKPF Core Themes.

	All decisions are made by LGIM's Investment Stewardship team and in accordance with our relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures our stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies."	
Loomis	"Loomis Sayles has established certain specific guidelines intended to achieve the objective of the Proxy Voting Procedures: to support good corporate governance, including ESG Matters, in all cases with the objective of protecting shareholder interests and maximizing shareholder value. The Proxy Voting Procedures are designed and implemented in a way that is reasonably expected to ensure that proxy matters are conducted in the best interests of clients. When considering the best interests of clients, Loomis Sayles has determined that this means the best investment interest of its clients as shareholders of the issuer. To protect its clients' best interests, Loomis Sayles has integrated the consideration of ESG Matters into its investment process. The Proxy Voting Procedures are intended to reflect the impact of these factors in cases where they are material to the growth and sustainability of an issuer. Loomis Sayles has established its Proxy Voting Procedures to assist it in making its proxy voting decisions with a view toward enhancing the value of its clients' interests in an issuer over the period during which it expects its clients to hold their investments. Loomis Sayles will vote against proposals that it believes could adversely impact the current or future market value of the issuer's securities during the expected holding period. Loomis Sayles also believes that protecting the best interests of clients requires the consideration of potential material impacts of proxy proposals associated with ESG Matters." Loomis Sayles Proxy Voting Policies and Procedures and additional information about their proxy voting record can be found here: https://www.loomissayles.com/policies-reports/	▪ Focus on creating sustainable value and wider benefits for the economy. This aligns with the Trustee belief that consideration of ESG factors can reduce risk, enhance returns and potentially contribute to secure a sustainable world for society. ▪ Loomis integrated approach around ESG considerations (including good corporate governance and practices that address environmental and social issues) aligns with NUKPF Core Themes.
Standard Life	*Not provided*	-

Source: Investment managers

Appendix 2 – Significant Voting Examples

In the table below are some significant vote examples provided by the Fund's managers. We consider a significant vote to be one which the manager considers significant and that aligns with the NUKPF Core Themes. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below. Note the managers provided a longer list per fund and the Trustee has picked the one it considers to be most significant based on the Trustee's Core Themes.

BlackRock World ESG Screened and Optimised Equity Tracker Fund	**Company name**	Shell Plc
	Date of vote	20/05/2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	Not provided
	Summary of the resolution	Request Company Disclose Whether and How Its: Demand Forecast For Liquified Natural Gas ("LNG"); LNG Production And Sales Targets; And New Capital Expenditure In Natural Gas Assets; Are Consistent With Climate Commitments, Including Target To Reach Net Zero Emissions By 2025
	How you voted	For
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Not provided
	Rationale for the voting decision	Decarbonisation policy - proposal is considered in alignment with the investment objectives of the funds in scope of the BlackRock Investment Stewardship Climate and Decarbonization Stewardship Guidelines.
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Generally, BlackRock Investment Stewardship supports the vote recommendations of the board of directors and management. When we determine it is in our clients' financial interests to convey concern to companies through voting, we may do so in two forms: we might not support the election of directors or other management proposals, or we might not support management's voting recommendation on a shareholder proposal. In some cases, companies may request an engagement after a shareholder meeting to provide additional clarity. We value the opportunity to listen to company leadership, which enhances our understanding of their business models, ensuring that our proxy voting decisions are based on a comprehensive view on company practices and priorities. In these conversations, we do not direct companies on how they should manage their business. That responsibility lies with management, with input from the board.
	On which criteria have you assessed this vote to be "most significant"?	BlackRock Investment Stewardship periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions we expect will be of particular interest to clients. Our vote bulletins can be found here: https://www.blackrock.com/corporate/insights/investment-stewardship
	Relevance to NUKPF Core Themes	Environment – Climate Change
BlackRock World Multi Factor ESG Screened and Optimised Equity Tracker Fund	**Company name**	The Sage Group PLC
	Date of vote	06/02/2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	Not provided
	Summary of the resolution	Approve Remuneration Policy
	How you voted	For
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Not provided
	Rationale for the voting decision	Sage Group Plc proposed amendments to its remuneration policies at its February 2025 AGM. The company updated its program following significant growth in its business, and related efforts to ensure such policies remained competitive in the U.S. market, where a majority of its revenue is based. BIS voted in favour of the proposed amendments,

		which received ~81% shareholder support.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Generally, BlackRock Investment Stewardship supports the vote recommendations of the board of directors and management. When we determine it is in our clients' financial interests to convey concern to companies through voting, we may do so in two forms: we might not support the election of directors or other management proposals, or we might not support management's voting recommendation on a shareholder proposal. In some cases, companies may request an engagement after a shareholder meeting to provide additional clarity.
	On which criteria have you assessed this vote to be "most significant"?	BlackRock Investment Stewardship periodically publishes Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions we expect will be of particular interest to clients. Our vote bulletins can be found here: https://www.blackrock.com/corporate/insights/investment-stewardship
	Relevance to NUKPF Core Themes	Governance – Corporate Governance
L&G FTSE4Good Equity Index Fund	**Company name**	Dyno Nobel Limited
	Date of vote	17-12-2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.0%
	Summary of the resolution	Approve Progress on Climate Change Transition
	How you voted	Against
	Where you voted against management, did you communicate your 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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Climate change: We recognise the progress that the company has made in its transition plan, including improved disclosure of its operational GHG transition pathway and the introduction of scope 3 targets. However, L&G Asset Management requires short-, medium- and long-term targets aligned to a 1.5°C trajectory and covering all scopes of emissions. Dyno Nobel does not currently meet these criteria. Nor does it disclose capex linked to its climate transition plan. As a result, we will be voting against this resolution.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	Thematic - Climate: L&G is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5°C scenario. Given the high-profile nature of such votes, L&G deems such votes to be significant, particularly when L&G votes against the transition plan.
	Relevance to NUKPF Core Themes	Environment – Climate Change
Loomis Sayles Global Emerging Markets Equity Fund	**Company name**	Juniper Hotels
	Date of vote	24/12/2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.34%
	Summary of the resolution	Approve Payment of Remuneration/Commission to Rajiv Kaul as Non-Executive Independent Director
	How you voted	For
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Not provided
	Rationale for the voting decision	Financial Materiality
	Outcome of the vote	Passed
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will	No implication

	you take in response to the outcome?	
	On which criteria have you assessed this vote to be "most significant"?	A vote for which the company is heavily weighted and/or a core position in the portfolio
	Relevance to NUKPF Core Themes	Governance - Corporate Governance
HSBC Islamic Global Equities Fund	**Company name**	Tesla, Inc.
	Date of vote	06/11/2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	3.5%
	Summary of the resolution	Report on the Use of Child Labor in Connection with Electric Vehicles
	How you voted	For
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	We believe that the proposal would contribute to the better management of human rights issues and be in the interest of shareholders.
	Outcome of the vote	The shareholder resolution did not pass.
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	We will likely vote for a similar proposal.
	On which criteria have you assessed this vote to be "most significant"?	The company has a significant weight in the portfolio and we voted against management.
	Relevance to NUKPF Core Themes	Social – Human rights
L&G 70:30 Hybrid Property Fund	**Company name**	Region Group
	Date of vote	21/10/2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.0%
	Summary of the resolution	Resolution 2: Elect Steven Crane as Director
	How you voted	Against
	Where you voted against management, did you communicate your 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 our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Climate Impact Pledge: A vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management as set out in LGIM's public Climate Impact Pledge ratings.
	Outcome of the vote	Passed
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be "most significant"?	Thematic - Climate: L&G considers this vote to be significant as it is applied under the Climate Impact Pledge, our flagship engagement programme targeting companies in climate-critical sectors. More information on L&G's Climate Impact Pledge can be found here: https://am.landg.com/en-uk/institutional/responsible-investing/climate-impact-pledge/
	Relevance to NUKPF Core Themes	Governance - Corporate Governance

Source: Investment managers

Appendix 3 – Engagement Examples (Default Option managers)

BlackRock	"In 2024, BlackRock engaged with Rio Tinto on topics such as climate-related risks and opportunities, including the company's climate action plan. On the ballots of Rio Tinto's April and May 2025 AGMs were management proposals to approve the company's climate action plan, for which it was seeking shareholder approval, as well as proposals on the election of directors, approval of executive compensation, and other corporate governance matters. The agendas of the April and May 2025 AGMs also included a shareholder proposal requesting that the company review the impact of unifying Rio Tinto under a single Australian-domiciled holding company. BlackRock's engagements with Rio Tinto included discussions with company representatives in August 2024 who oversaw and advised on the company's approach to managing climate-related risks and opportunities, and a further engagement in March 2025 with the company's chair on climate-related topics and strategic opportunities, including the implications of the net zero transition for Rio Tinto's portfolio and demand for its products. BlackRock supported management's recommendations on all proposals because the company provided a clear assessment of its plans to manage material climate-related risks and opportunities, including maintaining its existing scope 1 and 2 emissions reduction target with an ultimate target of net zero operational emissions by 2050, while also setting out its broader climate action plan and governance arrangements. BlackRock did not support the shareholder proposal on unifying the company's structure because we considered it overly constraining to management's decision-making and it was unclear how the unification would improve operational efficiencies."
L&G	"As one of the largest steelmakers globally, Nippon Steel Corporation has a significant role to play in the transition to low-carbon steel, hence our focus on this company for in-depth engagements under our Climate Impact Pledge (CIP). Traditional steelmaking is highly carbon intensive and assessments by third parties, including InfluenceMap in 2022, have indicated that Nippon Steel lags peers on climate policy engagement disclosures. Under our CIP, we set minimum expectations for climate-critical sectors and may vote against and/or divest from in-depth engagement companies that continue to fall short, including on transparency of climate-related lobbying and trade association memberships. Following limited progress on these issues, we co-filed a shareholder resolution at Nippon Steel's 2024 AGM requesting greater transparency on its climate policy engagement, which received 28% support, one of the highest levels for a climate-related proposal in Japan. Since then, we have engaged the company multiple times, including a site visit and meetings in 2025 with senior representatives, both individually and alongside other investors via Climate Action 100+ and ACCR/Corporate Action Japan coalitions. We were pleased that, ahead of its 2025 AGM, Nippon Steel published its first Industry Association Review and policy positions, including a commitment to positive climate- and energy-related policy engagement in Japan. We view these as encouraging first steps towards aligning the company's policy engagement with its long-term strategy and decarbonisation objectives, and we will continue to engage with the company on climate, strategy and related governance topics."
Loomis	"Engagement with Localiza has been ongoing since we first invested in the stock in 2019 with regular meetings at investment conferences in New York with senior management as well as site visits to Brazil in 2020, 2022 and 2024. Over the last 12 months, our focus on Localiza's EV strategy has become much more pronounced, especially given our developing understanding of how this transition has evolved in other countries like China and the US. These engagements are typically on a 1x1 basis either with the company's head of investor relations or senior management including the CEO and CFO at the direction of the Loomis research team. All of these communications have been factored into our proxy voting decisions and support the fact that we have consistently voted with management. At this early stage of development, Localiza has met our targets. The company has disclosed EV fleet numbers "in the dozens" and is working on creating a strategy to make these vehicles economically viable given high depreciation vs. rental price. In the transition period, Localiza is pushing its customers towards ethanol fuels at a much lower level of carbon emissions vs. gasoline and a 30.0% lower price point. Going forward we will continue to monitor Localiza's investments in alternative fuel vehicles for its fleet while also carefully assessing the economics of this new business. Given the high carbon intensity of this business vs. others in our portfolio, it is critical that we see a viable plan forward to remain shareholders."
PIMCO	*Case study of engaging with a European Bank:* PIMCO engaged with the bank to discuss their disclosure of greenhouse gas emissions and climate risks. The discussion focused on encouraging the company to disclose year on year financed emissions for priority sectors, in both absolute and intensity terms, ideally with insights on data quality. Following the engagement the bank began to issue a breakdown of yearly financed emissions for the lending section of the bank's portfolio.

Source: Investment managers