

Implementation Statement

Scheme year ended 31 March 2024

Purpose of the Implementation Statement

This Statement sets out how the Trustee of The Edinburgh Woollen Mill Ltd Retirement Benefits Scheme ("the Scheme") approached the implementation of the environmental, social and governance ("ESG") and stewardship policies set out in the Statement of Investment Principles ("SIP") over the year to 31 March 2024. This Statement contains:

- A summary of how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.
- The voting activity undertaken by the Scheme's investment manager on behalf of the Trustee over the year, including information regarding the most significant votes.

Investment manager and funds in use

The investment managers and funds in which the Scheme was invested as at 31 March 2024 are set out in the table below:

Manager	Fund	Asset class
Legal & General Investment Management ("LGIM")	Matching Core Funds Sterling Liquidity Fund	Liability-Driven Investment Cash

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's investment manager.

The Scheme has a policy on voting that sets out the Trustee's expectations regarding when Investment Managers should vote and the requirement for Investment Managers to report any significant votes. This policy is detailed in the SIP.

The Trustee has a policy to seek advice from the Scheme's Investment Adviser on taking into account ESG and climate change risks in any investment manager selection exercises. No investment manager selection exercises took place during the period covered by this Statement.

The Trustee has a policy to monitor the processes and operational behaviour of the investment manager from time to time to ensure they remain appropriate and in line with the Trustee's requirements as set out in the SIP. A detailed review exercise was not carried out during the reporting period covered by this Statement.

The Trustee's policy is that non-financial matters should not be taken into account in the selection, retention and realisation of investments.

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Stewardship Policy

The Scheme's SIP in force at the time of preparing this Statement describes the Trustee's policy on the exercise of rights (including voting rights) and engagement activities. The SIP has been made available online here:

<https://schemedocs.com/download/edinburgh-woollen-mill-sip-and-implementation-statement.pdf?ver=2023>

The SIP describes the investment policy being pursued by the Trustee of the Scheme. The SIP was last updated in October 2023 to reflect the new investment strategy that had been implemented in light of the Scheme having entered a PPF Assessment Period. This was the version in place at the end of the reporting period.

The Trustee has not set stewardship priorities for the Scheme at this stage, given the Scheme's status in PPF Assessment and the fact that the Scheme does not invest in any assets that carry voting rights. The Trustee will review this approach in future if the Scheme's status or investment strategy changes, alongside other Scheme risks.

Summary

Based on the information contained within this Statement, the Trustee is comfortable with how the SIP has been followed over the year and believes that the managers have acted in accordance with the Scheme's ESG and stewardship policies.

Approved by the Trustee of The Edinburgh Woollen Mill Ltd Retirement Benefits Scheme

Date: 17 October 2024

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Voting

During the Scheme year to 31 March 2024, the Scheme did not invest in any assets bearing voting rights. Therefore, no voting information is listed in this Statement.

Engagement Activity

The investment managers may engage with their investee companies on behalf of the Trustee. The tables below provide a summary and examples of the engagement activities undertaken by each of the relevant managers during the year to 31 March 2024.

As the size of AVCs are modest compared to total assets of the Scheme, details of engagement activities associated with these have been excluded from this statement on the basis of materiality.

Manager	LGIM	
Reporting Date	31/03/2024	
Fund Name	Matching Core Funds	Sterling Liquidity Fund
Does the manager perform engagement on behalf of the holdings of the fund	No	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	n/a	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	n/a	25*
Number of engagements undertaken at a firm level in the year	2,144	2,144

*Over the year to 31 December 2023. The Q1 2024 engagement data for the Sterling Liquidity Fund had not been published by LGIM and the time of preparing this statement.

Manager	LGIM
Example of engagement undertaken a firm level during the year	<p>Heidelberg Materials: Cement production is responsible for around 8% of global carbon emissions per year, therefore LGIM view this as an industry that needs to decarbonize significantly for the world to reach net zero. The sector is also included as a ‘climate critical’ sector in LGIM’s Climate Impact Pledge. Heidelberg, believes it has an industry-leading decarbonization policy as well as first-mover advantage in carbon capture and storage (“CCS”).</p> <p>During the third quarter of 2023, LGIM spoke with Heidelberg’s management team to discuss the progress and economic viability of their planned CCS projects. The topics focused on were: the economics of CCS (cost & pricing), the external factors affecting the viability of CCS projects, and the demand expectations for ‘carbon-free’ cement.</p>

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LGIM found that the economics of CCS for the company will only become economical with either an increase in the carbon price or if customers are willing to pay a premium for carbon-free cement. LGIM will continue to monitor these dynamics and discuss with management. They will also look to other competitors in the cement sector for their perspectives and trajectory.

Source: Legal & General Investment Management.