Implementation Statement

Harris & Sheldon Group Limited Pension Scheme

Purpose of this statement

The Implementation Statement has been prepared by the Trustee of the Harris & Sheldon Group Limited Pension Scheme ("the Scheme") to set out the following information over the year to 31 December 2025.

- 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;

This statement includes the additional voluntary contributions ("AVCs"), which are invested alongside the other assets of the Scheme.

Conclusions

In reviewing the activities of the past year, the Trustee believes that the policies set out in the Statement of Investment Principles ("SIP") have been effectively implemented.

The Scheme's investment manager has demonstrated transparency in their voting and engagement activities, and the Trustee believes that these activities reasonably align with the stewardship priorities of the Scheme.

However, the Scheme's investment manager was not able to provide all the voting and engagement information requested. The Trustee's investment consultant will continue to engage with the manager to encourage them to improve the availability of data.

Stewardship policy

The Trustee's SIP in force since April 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It has been made available online here:

https://schemedocs.com/harris-and-sheldon-group-statement-investment-principles.html

The SIP was updated in April 2025 to reflect the Scheme's revised strategic asset allocation following the decision to de-risk the Scheme's investment strategy. The updated SIP also introduced formal stewardship priorities for the Scheme.

The Trustee has agreed that the Scheme's stewardship priorities will be aligned with BlackRock's stewardship priority themes. The Trustee has delegated the exercise of rights attached to investments, including voting rights, to BlackRock when undertaking engagement activities.

The Trustee will review any changes made by BlackRock to its stewardship priorities on a periodic basis and will assess whether continued alignment with BlackRock's priorities remains appropriate for the Scheme.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment manager, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- 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.
- Annually the Trustee receives and reviews voting information and engagement activities from the investment manager, which is reviewed to ensure alignment with the Scheme's policies. This exercise is undertaken in the production of this statement.
- The Trustee believes that the voting and engagement activities undertaken by the investment manager on its behalf have been in line with the Scheme's policies.

Having reviewed the above in accordance with the Scheme's policies, the Trustee is comfortable the actions of the investment manager are in alignment with the Scheme's policies.

As part of ongoing monitoring of the Scheme's investment manager, the Trustee uses ESG ratings information available within the pensions industry or provided by its investment consultant, to assess how the Scheme's investment manager takes account of ESG issues.

Prepared by the Trustee of the Harris & Sheldon Group Limited Pension Scheme
July 2026

Voting Data

Over the year to 31 December 2025, the Scheme held its equity investments through funds managed by BlackRock Investment Management, ("BlackRock"). As a result of the Scheme's portfolio reorganisation in November and December 2024, the Scheme held its equity investments primarily through the BlackRock Aquila Life MSCI World Fund during 2025. An immaterial residual holding in the BlackRock Continental European Fund was subsequently disinvested in June 2025 and has not been included in the voting or engagement data.

This section provides a summary of the voting activity undertaken by BlackRock within the Scheme's Equity Portfolio on behalf of the Trustee over the year to 31 December 2025.

The BlackRock Aquila Life Over 15yr UK Gilt Index Fund, BlackRock Aquila Life All Stocks UK Index-Linked Gilt Index Fund, and BlackRock Buy and Maintain UK Credit Fund would not normally be expected to hold assets with voting rights attached and no voting data has been provided by BlackRock for these funds.

The voting data provided is specific for the pooled version of the fund in which the Scheme invests.

Manager	BlackRock Investment Management
Fund name	Aquila Life MSCI World Fund
Structure	Pooled
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.
No. of eligible meetings	1,385
No. of eligible votes	20,201
% of resolutions voted	91.5%
% of resolutions abstained[1]	0.4%
% of resolutions voted with management[1]	96.7%
% of resolutions voted against management[1]	3.3%

[1] As a percentage of the total number of resolutions voted on. Totals may not add up to 100%. Numbers are subject to rounding.
BlackRock provided voting data that categorised abstentions as votes against management. We have manually reduced the vote against metrics to exclude abstentions.

Proxy voting

BlackRock uses Institutional Shareholder Services (ISS) for proxy advisory and voting services as well as Glass Lewis for proxy advisory services. Recommendations from such firms are one of a number of inputs used in BlackRock's vote analysis process.

Significant votes

The Trustee has agreed to set the Scheme's stewardship priorities in accordance with BlackRock's stewardship priority themes and delegated the exercise of rights attached to investments, including voting rights, to BlackRock. Given the alignment of stewardship priorities with BlackRock's stewardship priority themes, the Trustee believes it is reasonable to align its significant votes with those that BlackRock views as significant. The Trustee has therefore asked BlackRock to determine what it believes to be a "significant vote".

The Trustee will review any changes BlackRock makes to its stewardship priorities from time to time and will consider whether they remain appropriate for the Scheme and whether to maintain the alignment to BlackRock's priorities.

For the fund where significant votes were provided, a subset of 3 votes are displayed below. Votes are selected to reflect the variety of votes provided by the manager.

A summary of the data provided is set out below.

BlackRock Aquila Life MSCI World Fund

	Vote 1	Vote 2	Vote 3
Company name	Air Products and Chemicals, Inc.	The Sage Group plc.	HCA Healthcare, Inc.
Date of vote	23 January 2025	6 February 2025	24 April 2025
Approximate size of fund's holding as at the date of the vote (as % of portfolio)		Data not provided	
Summary of the resolution	Elect Dissident Nominee Director Andrew Evans	Approve Remuneration Policy	Amend Patient Safety and Quality of Care Committee Charter
How the manager voted	For	For	Against
If the vote was against management, did the manager communicate its		Data not provided	

	Vote 1	Vote 2	Vote 3
intent to the company ahead of the vote?			
Rationale for the voting decision	BlackRock considers this to be in the best interests of shareholders.	BlackRock believes current remuneration arrangements are poorly structured, with a poor use of remuneration committee discretion regarding increases.	BlackRock believes the company already has policies in place to address these issues.
Outcome of the vote	Pass	Pass	Fail
Implications of the outcome		Data not provided	

Engagement

The investment manager may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by the manager during the year for the relevant funds.

Manager	BlackRock Investment Management	
Fund name	Buy and Maintain UK Credit Fund	Aquila Life MSCI World Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	49	1,059
Number of individual companies engaged	30	727

Examples of engagement activity undertaken over the year to 31 December 2025

Details are provided below of how BlackRock has engaged with a given company for each fund over the year to 31 December 2025, where data was provided.

Manager	BlackRock Investment Management	
Fund name	Buy and Maintain UK Credit Fund	Aquila Life MSCI World Fund
Company engagement example	UnitedHealth Group Inc	Shell Plc
Number of engagements over the year to 31 Dec 2025	1	8
Engagements in person	*Data not provided*	6
Engagements by video	*Data not provided*	-
Engagements over a conference call	*Data not provided*	2
Engagements by email	*Data not provided*	-
Engagements on Environmental issues	-	5
Engagements on Social issues	1	-

Manager	BlackRock Investment Management	
Engagements on Governance issues	1	6

Data may not sum due to cross-over in the classification of Environmental, Social and Governance issues.