

VWRI UK Pension Scheme

2025 SIP Implementation Statement

Introduction

This document has been prepared by the Trustees (the “Trustee”) of the VWRI UK Pension Scheme (“VWRI”, the “Scheme”).

Under regulatory requirements, the Trustee is required to produce an annual Implementation Statement setting out:

- a) How voting and engagement policies set out in the Statement of Investment Principles (“SIP”) in respect of the Scheme year from 1st January 2025 to 31st December 2025 have been followed; and
- b) A description of any voting behaviour by or on behalf of the Trustee during the Scheme year.

Summary of SIP Updates Over the Period

There have been no changes to the SIP over the reporting period. The SIP was last reviewed in 2023.

Significance of Stewardship in the Appointment and Monitoring of Investment Managers

When selecting and monitoring the Scheme’s investment managers, the Trustee considers managers’ ESG and Stewardship capabilities. This information is provided by the Scheme’s investment advisor.

The Trustee monitors and engages with the Scheme’s investment managers (via the Scheme’s investment advisor) on an ongoing basis.

Summary of the Scheme’s Stewardship Policy

The Trustee believes that good stewardship is an important part of general scheme governance, and understands good stewardship to be the responsible allocation, management, and oversight of capital to create long-term value for the Scheme’s members, leading to sustainable benefits for the economy, the environment and society.

The Trustee has selected **Climate Change** as its key stewardship theme.

Engagement

The Trustee’s Stewardship Policy can be found within the Scheme’s Statement of Investment Principles, which is publicly available. Having considered the further stewardship guidance issued by the Department for Work and Pensions (“DWP”) (effective October 2022), the Stewardship Policy as set out in the latest version of the SIP reflects the Trustee’s approach to practicing effective stewardship and acting in the best financial interests of the Scheme’s members.

The Trustee has issued a signed letter to the Scheme’s investment managers which sets out

its overall view on stewardship, its chosen stewardship theme and its expectations of the managers in exercising effective stewardship, including engagement, on the Scheme's behalf.

Where the Trustee meets with the Scheme's investment managers, their recent stewardship activity on behalf of the Scheme (among other topics) is often discussed. Additionally, the Trustee's investment advisor monitors on an ongoing basis the stewardship capabilities of its investment managers, to ensure stewardship continues to be exercised satisfactorily.

The Trustee delegates responsibility for engaging with individual issuers to the Scheme's investment managers. Examples of this activity are provided in Appendix A. On an annual basis, both the Trustee and its investment advisor review the stewardship activity of the Scheme's investment managers to ensure these have been carried out effectively and in line with the Trustee's expectations.

Voting Behaviour

The Trustee's ability to influence investment managers' voting and stewardship activities will depend on the nature of the investments held. The use of voting rights is most likely to be financially material in the sections of the portfolios where physical equities are held. This includes the Legal & General ("L&G") equity funds and the equity holdings within the multi-asset funds. As the holdings are made via pooled funds, where the investment manager is responsible for voting and engagement on the underlying assets rather than the Trustee, the Trustee's ability to influence voting activities undertaken is limited. However, the Trustee does take stewardship into account in selecting, monitoring, and retaining its investment managers.

Over the period, voting activities by the Scheme's third-party investment managers were undertaken with due consideration to investors' best interests considered on a fund-wide basis and in accordance with the voting procedures set out in each manager's voting policy. The Trustee is not aware of any material departures from the managers' stated voting policies. Given the nature of these mandates and the fact that voting activities were undertaken in line with the managers' voting policies, the Trustee is comfortable the voting policies for the Scheme have been adequately followed over the period. A summary of the managers' voting behaviour is shown in Appendix B below, including their use of proxy voting.

The assets underlying the L&G Pooled LDI fund mainly consist of gilts and gilt-based derivatives and the assets underlying the L&G Buy and Maintain Credit fund consist of corporate bonds. Therefore, the investment manager does not typically have voting rights for these particular funds. Given its governance structure, the Scheme relies on its managers to use their discretion with regards to voting.

Given the DWP's latest guidance, the Trustee has sought to define its own definition of what it considers to be a significant vote. The criteria set by the Trustee is provided immediately below and is used to determine significant votes for the purposes of reporting within this Implementation Statement.

Significant votes have been defined as votes which meet one or more of the following criteria, as set by the Trustee:

- Votes relating to our key stewardship theme;
- Votes relating to an issuer to which the Scheme has a large £ exposure;
- Votes which may be inconsistent between investment managers; and
- Votes identified due to potential controversy, driven by the size and public significance of a company, the nature of the resolution, and the weight of shareholder vote against management recommendation.

Appendix A – Summary of Engagement Activity

Below the Trustee provides two examples of engagement activity conducted on their behalf by the Scheme's Buy & Maintain Credit fund manager, L&G.

References to “we”, “us” and “our” in these sections refer to the relevant investment manager, rather than the Trustee.

Company: Toyota Motor Corp

Focus of engagement: Climate change

Details of engagement: Toyota is one of the world's largest and most influential companies. They have long pushed their multi-pathway strategy of decarbonisation, incorporating a mixture of vehicle types - hybrids, EVs¹, fuel cell. These will have important roles in transitioning to net zero transportation. In certain regions that are making rapid progress towards EVs, Toyota have received negative press on their lobbying practices. We have been clear in our engagement that Toyota should advocate for public policies that support global climate ambitions and not stall progress on a Paris-aligned regulatory environment. With regards to our Climate Impact Pledge expectations, we would like to see greater clarity from the company regarding how its 'multi-pathway' strategy aligns with its climate goals and with regulatory developments, specifically relating to the absence of a target for phasing out ICE² vehicles.

Our objectives in our engagements are to enhance climate lobbying disclosures and transparency on the TICO proposal: encourage Toyota to provide detailed disclosures on valuation assumptions, especially regarding the TOB price, cross-held shares, real estate, and business plans, to facilitate informed investor decisions. Additionally, the company is included within our Climate Impact Pledge engagement programme, within which we assess companies in road transport against the following minimum expectations:

- Does the company have a net-zero emissions target, covering all of the scopes of material emissions, including the phasing out of ICE vehicles?
- Does the company disclose its climate-related lobbying activities, including trade association memberships, and explain the action it will take if these are not aligned with a 1.5°C scenario?

¹ Electric Vehicles

² Internal Combustion Engine

We joined five meetings with Toyota in 2025, three of which were as members of collaborations (the Asia Corporate Governance Association and the Asia Investors Group on Climate Change). The remainder were led by our investment stewardship team. Levels of individual typically engaged included the President and CEO, and the Head of Investor Relations. We appreciate the ongoing engagement with Toyota, who have demonstrated increased willingness to engage with shareholders following expressions of dissent through low support for the re-election of the Chair in the company's 2024 AGM. Our own vote against in that year had been prompted by a lack of independence on the Board, accountability for certification irregularities, a lack of diversity on the board, and a potential disconnect between Toyota's stated climate ambitions and its current multi-pathway strategy. We voted for the re-election of the Chair in the company's 2025 AGM, while continuing to monitor the company's progress against our Climate Impact Pledge expectations, set out above.

Outcome of engagement: We are pleased to note that Toyota continues to unwind its cross-shareholdings, having begun this process in 2023. Meanwhile, we have also communicated that the process of unwinding cross shareholdings is facing investor scrutiny as a big test of whether the improved governance is generating increased value for all investors. We also note that changes to the company's committee structures mean that outside directors are better able to counterbalance the significant influence of internal directors. We consider the objectives noted above to be in progress and will continue our engagement, both collaboratively and L&G-led, to monitor progress and understand the challenges the company faces in terms of meeting our expectations.

Company: BP

Focus of engagement: Climate change

Details of engagement: As one of the largest integrated oil and gas producers in the world, BP has a significant role to play in the global transition to net zero, hence our focus on this company for in-depth engagements. We believe that company engagement is a crucial part of transitioning to a net zero economy by 2050.

Our objectives for this engagement include:

- Demonstrate business resilience against plausible Net Zero scenarios and underlying assumptions, including stress-testing against multiple pathways.
- Demonstrate business strategy alignment with climate related 1.5C objectives.
- Apply responsible divestment principles by ensuring clear disclosure and integration of responsible divestment standards throughout asset sale processes.
- Clarify and reconcile climate targets with consistent, transparent reporting on interim and long-term targets, including methodology and progress tracking.
- Enhance board climate competency by demonstrating board-level expertise and oversight on climate strategy, supported by training and accountability mechanisms.
- Align remuneration with climate best practice by ensuring the remuneration report reflects recognised standards and incentivises delivery of climate objectives.
- Commit to no new long lead-time oil and gas projects by formalising and disclosing a policy prohibiting investment in new long-cycle developments.

We held 12 engagements with BP in 2025 to discuss the objectives outlined above. These dialogues were led by our Investment Stewardship and Climate Solutions teams and involved senior leadership, including the CEO, the current and former Chair, the CFO, and the Senior Independent Director. As one of our longest-standing company relationships, built over many years, we continue to maintain an active and constructive dialogue with members

of the board.

We recognise the significant steps BP took earlier this decade on climate-related commitments, which we supported through extensive engagement aimed at creating long-term value during the energy transition. However, we were deeply concerned by the substantive revisions to the company’s strategy announced at the 2025 Capital Markets Day on 26 February, coupled with the decision not to allow a shareholder vote on the amended climate transition strategy at the 2025 AGM. These developments led us to vote against the re-election of the Chair, Helge Lund, at the AGM—a decision we pre-declared, given our expectation that the succession process should follow a clearer and more expedited timeframe to ensure an orderly and meaningful transition. We also note similar concerns that informed our vote against Mr Lund’s re-election at the 2023 AGM, primarily related to governance and accountability

Outcome of engagement: In terms of the objectives set out above, BP have succeeded in aligning remuneration with climate best practice, and have made progress in the following areas:

- Demonstrate business resilience against plausible Net Zero scenarios and underlying assumptions, including stress-testing against multiple pathways.
- Demonstrate business strategy alignment with climate related objectives
- Clarify and reconcile climate targets
- Board competency

So far, BP have failed to commit to no new long lead-time oil and gas projects and on the responsible divestment of assets. As one of our most-engaged and longest standing companies, we will continue our dialogue with BP on these long-term objectives and monitor their progress.

Appendix B – Summary of Managers’ Voting Record

The Trustee’s investment advisor collected voting information from the Scheme’s relevant investment managers for the period in consideration. **References to “we”, “us” and “our” in these sections refer to the relevant investment manager, rather than the Trustee.** Under the ‘Most significant vote(s)’ section for each manager below, a sample of three significant votes for this Implementation Statement have been included per manager, selected based on the Trustee’s criteria (as defined above).

Amundi

Key Voting Statistics	
Value of Trustee assets as at 31 December 2025	£8,440,511.77
Number of equity holdings at period end	33
Number of meetings eligible to vote	23
Number of resolutions eligible to vote	403
% of resolutions voted	87%
% of resolutions voted with management	81%
% of resolutions voted against management	19%
% of resolutions abstained	0%

% of meetings with at least one vote against management	75%
% of resolutions where manager voted contrary to recommendation of proxy adviser	N/A
Any use of proxy voting services during the period?	Amundi uses its firm wide Proxy Voting Policy, please refer to policy here . The team uses the ISS Proxy exchange platform to send its voting instructions.

Most significant votes

Below are details of three of Amundi's most significant votes during the relevant reporting period.

Company name	The Goldman Sachs Group, Inc.
Approx. size of fund's holding as at 31 December 2025	0.3%
Summary of resolution	Shareholder resolution - Report on Clean Energy Supply Financing Ratio
How manager voted	FOR
Where manager voted against management, did the manager communicate intent to company ahead of vote?	N/A
Brief rationale for voting decision	Amundi believe such a ratio would improve transparency to enable shareholders to better assess the bank's climate risk as well as to track the bank's implementation of its climate strategy. Amundi see this ratio as a supplementary disclosure building on sustainable finance metric disclosures and allowing shareholders to see this relative to the bank's financing of fossil fuel energy supply.
Outcome of vote	Failed
On which criteria has the Trustee assessed this vote to be "significant"?	Vote related to the Trustee's key stewardship theme.

Company name	Mizuho Financial Group, Inc.
Approx. size of fund's holding as at 31 December 2025	0.4%
Summary of resolution	Shareholder Resolution - Amend Articles to Add Provision on Assessment of Clients' Climate Change Transition Plans
How manager voted	FOR
Where manager voted against management, did the manager communicate intent to company ahead of vote?	N/A
Brief rationale for voting decision	Amundi believe that increased disclosure of the bank's high-emitting clients' climate

	transition plans and potential escalation measures would enable shareholders to better understand how it is managing and mitigating climate related risks.
Outcome of vote	Failed
On which criteria has the Trustee assessed this vote to be “significant”?	Vote related to the Trustee’s key stewardship theme.

Company name	Rio Tinto Plc
Approx. size of fund’s holding as at 31 December 2025	0.4%
Summary of resolution	Management resolution - Approve Climate Action Plan
How manager voted	FOR
Where manager voted against management, did the manager communicate intent to company ahead of vote?	N/A
Brief rationale for voting decision	Amundi appreciate the evolution of Rio’s Climate strategy since the last “Say on Climate”, notably the strong capex allocation, strategy to grow production of materials essential for the energy transition, and some positive evolution to better quantify scope 3 reduction ambitions for steel. It is important to note that, we understand the complexities for diversified miners to set quantitative scope 3 reduction for the moment, but we continue to encourage Rio to advance on scope 3 and hope to see a more quantitative target in the future.
Outcome of vote	Passed
On which criteria has the Trustee assessed this vote to be “significant”?	Vote related to the Trustee’s key stewardship theme.

Legal & General Investment Management (L&G)

Given the L&G World Developed Equity Index fund and the L&G World Developed Equity Index – GBP Hedged fund contain the same underlying holdings and voting rights, they have been grouped together in the below table.

Key Voting Statistics	
Value of Trustee assets as at 31 December 2025	GBP-unhedged: £4,324,145.49 GBP-hedged: £4,311,120.91 Total: £8,635,266.40
Number of equity holdings at period end	2,354
Number of meetings eligible to vote	2,175
Number of resolutions eligible to vote	28,175
% of resolutions voted	99.9%
% of resolutions voted with management	78.3%

% of resolutions voted against management	21.4%
% of resolutions abstained	0.3%
% of meetings with at least one vote against management	74.1%
% of resolutions where manager voted contrary to recommendation of proxy adviser	16.1%
Any use of proxy voting services during the period?	L&G's Investment Stewardship team uses ISS's '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.

Most significant votes

Below are details of 3 of L&G's most significant votes during the relevant reporting period.

Company name	National Australia Bank Limited
Approx. size of fund's holding at date of vote	0.2% / 0.2% Hedged vs Unhedged.
Summary of resolution	Resolution 5b: Approve Disclosure of Financed Deforestation
How manager voted	For (Against management)
Where manager voted against management, did the manager communicate intent to company ahead of 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.
Brief rationale for voting decision	Shareholder Resolution - Climate and nature: A vote in favour is applied as L&G expects companies to be taking sufficient action on the key issue of climate and nature. Enhanced disclosure on financed deforestation exposure would improve transparency on material environmental and credit risks given the banks meaningful exposure to the agri-business lending. While L&G note NABs reporting in line with elements of TNFD and its disclosures of sectoral exposures, its current approach largely frames risk around illegal deforestation only. Additional, decision-useful disclosure aligned with credible frameworks such as the Accountability Framework Initiative (AFI) that recognises both legal and illegal deforestation risks, and quantifies exposure where practicable, would be beneficial to shareholders.
Outcome of vote	Withdrawn
On which criteria has the Trustee assessed this vote to be "significant"?	Vote related to the Trustee's key stewardship theme.

Company name	Texas Pacific Land Corporation
Approx. size of fund's holding at date of vote	0.02% / 0.02% Hedged vs Unhedged.
Summary of resolution	Resolution 1a: Elect Director Rhys J. Best
How manager voted	Against
Where manager voted against management, did the manager communicate intent to company ahead of 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.
Brief rationale for 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 L&Gs public Climate Impact Pledge ratings.
Outcome of vote	Accepted
On which criteria has the Trustee assessed this vote to be "significant"?	Vote related to the Trustee's key stewardship theme.

Company name	ANZ Group Holdings Limited
Approx. size of fund's holding at date of vote	0.2% / 0.2% Hedged vs Unhedged.
Summary of resolution	Resolution 8: Approve Strategy to Eliminate Financed Deforestation
How manager voted	For
Where manager voted against management, did the manager communicate intent to company ahead of 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.
Brief rationale for voting decision	Shareholder Resolution - Climate and nature: A vote in favour is applied as L&G expects companies to be taking sufficient action on the key issue of climate and nature. Disclosure of a strategy to eliminate financed deforestation would provide investors with visibility on governance, targets, client expectations, controls, and escalation pathways for this financially material risk. L&G acknowledge that none of the big four Australian banks has a formal no-deforestation commitment, and that ANZ plans to strengthen due diligence processes and review exposure to potential deforestation risk, informed by engagement with the Accountability Framework Initiative (AFI) or its delivery partners in 2026, and has set expectations for land and forest sector clients aligned to high standards via certification for soy and palm oil. However, concerns remain regarding the lack of disclosure of specific

	and quantified processes for identifying and addressing deforestation, including consequences for adverse findings. A clear, board-overseen strategy and disclosure is considered beneficial for shareholders.
Outcome of vote	Withdrawn
On which criteria has the Trustee assessed this vote to be “significant”?	Vote related to the Trustee’s key stewardship theme.

Third Party Investment Manager

Key Voting Statistics	
Value of Trustee assets as at 31 December 2025	£12,924,365.44
Number of equity holdings at period end	975
Number of meetings eligible to vote	626
Number of resolutions eligible to vote	7,491
% of resolutions voted	98.1%
% of resolutions voted with management	89.6%
% of resolutions voted against management	8.4%
% of resolutions abstained	0.2%
% of meetings with at least one vote against management	55.3%
% of resolutions where manager voted contrary to recommendation of proxy adviser	3.3%
Any use of proxy voting services during the period?	The Manager appointed Glass Lewis as its proxy service provider. They use Glass Lewis’s voting platform ‘Viewpoint’ to vote shares electronically, receive research reports and custom voting recommendations. The manager has monitoring controls in place to ensure that the recommendations provided are in accordance with their custom voting policy and that our votes are timely and effectively instructed. Specifically, the voting framework employs screening to identify high-value positions and the Stewardship Team manually reviews the pre-populated votes for such positions. In addition to this manual check, the manager also have electronic alerts in place to inform them of votes against our policy, votes that need manual input and rejected votes that require further action.

Most significant votes

As per the manager's policies on disclosing voting information on their underlying companies, they have anonymised the company name and kept confidential the size of each holding.

Below are details of 3 of the manager's most significant votes during the relevant reporting period.

Company name	Food Processing company
Summary of resolution	Elect Hala G. Moddelmog
How manager voted	Against
Where manager voted against management, did the manager communicate intent to company ahead of vote?	No.
Brief rationale for voting decision	No Net Zero targets (the company is on the manager's transition laggards list and therefore in scope for our custom climate voting guidelines)
Outcome of vote	Passed.
On which criteria has the Trustee assessed this vote to be "significant"?	Vote related to the Trustee's key stewardship theme.

Company name	Insurance Company
Summary of resolution	Shareholder Proposal Regarding Disclosure of GHG Emissions
How manager voted	For (against management).
Where manager voted against management, did the manager communicate intent to company ahead of vote?	No.
Brief rationale for voting decision	Favour increased environmental reporting/responsibility. Additional reporting will better allow shareholders to understand how the company is managing climate change.
Outcome of vote	Failed.
On which criteria has the Trustee assessed this vote to be "significant"?	Vote related to the Trustee's key stewardship theme.

Company name	Healthcare Company
Summary of resolution	Shareholder Proposal Regarding Report on Contribution to Climate Change and Alignment with the Paris Agreement
How manager voted	For (against Management).
Where manager voted against management, did the manager communicate intent to company ahead of vote?	No.
Brief rationale for voting decision	Favour increased environmental reporting/responsibility. Additional reporting will better allow shareholders to understand how the company is managing climate change.
Outcome of vote	Failed.
On which criteria has the Trustee assessed this vote to be “significant”?	Vote related to the Trustee’s key stewardship theme.