Benenden Healthcare Pension Plan - Implementation Statement for the year ending 31 March 2026

Introduction

The Trustees have prepared this Implementation Statement in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and subsequent amending legislation, and those of the Pensions Regulator's General Code of Practice. It sets out how the Trustees have complied with the Stewardship Policy of the Benenden Healthcare Pension Plan (the "Plan") during the period from 1 April 2025 to 31 March 2026, as set out in the Statement of Investment Principles.

The Trustees are satisfied that:

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

Statement of Investment Principles

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

The SIP was updated during the period to reflect changes to the investment strategy; namely, the removal of synthetic global equity exposure. The SIP was last updated in September 2025 and is reviewed on an annual basis. The SIP is also reviewed following a significant change in the Plan's investments. Post-Plan year end, the Trustee has updated the SIP to reflect that the majority of the Plan's assets were disinvested to fund the purchase of a buy-in insurance contract, which now constitutes the vast majority of Plan assets. The Trustees undertook due diligence on Aviva and engaged with the insurer in advance of purchasing the insurance contract.

The Trustees have prepared this Implementation Statement on the basis of the Statement of Investment Principles in force at 31 March 2026.

The Plan's Statement of Investment Principles can be consulted online here.

Investment Governance

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

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

The Trustees have set objectives for the Plan's investment adviser designed to align with the Trustees' own objectives and investment strategy as set out in the Statement of Investment Principles.

The suitability of these objectives was last reviewed by the Trustees in November 2025 and is scheduled for review no later than November 2026.

The Trustees have carried out an evidence-based review of the investment adviser's performance against these objectives during 2025. This involved rating the adviser against the different objectives. The Trustees are satisfied that the objectives have been achieved for the year.

The investment risks relating to the Plan are described in page 3 of the Statement of Investment Principles. The Trustees' views on the expected levels of investment risk and return inform decisions on the strategic asset allocation (i.e., what type of assets and areas of the world the Plan invests in over the longer term), and the style of management adopted by the Plan.

Stewardship policy

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

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

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

The Trustees own engagement activity is focused on their dialogue with their investment managers which is undertaken in conjunction with their investment advisers.

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

Voting activity

The Trustees seek to ensure that their managers are excising voting rights and, where appropriate, seek to monitor managers' voting patterns. The Trustees also monitor investment managers' voting on particular companies or issues that affect more than one company.

The Trustees held investments in equity assets through the allocation to the Nordea Diversified Return Fund over the year ending 31 March 2026. The Trustees' investment manager has reported on how votes were cast in this mandate as set out in the table below.

Fund name	Nordea Diversified Return Fund
No. of meetings eligible to vote at during the period	152
No. of resolutions eligible to vote on during the period	2,200
% of resolutions voted	100%
% of resolutions voted with management	84%
% of resolutions voted against management	15%
% of resolutions abstained	1%
% of meetings with at least one vote against management	77%
% of votes that contradicted proxy adviser's recommendation	2%

Source: Nordea Asset Management ("Nordea"). Of the most significant votes reported by Nordea, the resolutions which Nordea voted against management the most on over the period were mainly in relation to social concerns, including human rights risk assessments, child safety, corporate DEI ambitions, targeting marginalised communities, and safety around AI-generated misinformation and disinformation. The Trustee disinvested from the Nordea Diversified Return Fund in December 2025 as part of a series of disinvestments which allowed the Plan to fund the purchase of a buy-in insurance contract, which is now in place and secures the Plan's member benefit liabilities.

Significant votes

The Trustees have asked their managers to report on the most significant votes cast within the portfolios they manage on behalf of the Trustees during the period for which the Plan was invested. Managers were asked to explain the reasons why votes they identified were significant, the size of the position in the portfolio, how they voted, any engagement the manager had undertaken with the company and the outcome of the vote. Voting activity pertains to the Nordea diversified growth fund held by the Plan during the reporting period. From the managers' reports, the Trustees have identified the following votes as being of greater relevance to the Plan:

Nordea: 1 April 2025 – 15 December 2025 (date of disinvestment)

Date	Company	Subject (theme and summary)	Manager's vote, rationale and outcome
6 June 2025	Alphabet Inc.	Report on due diligence process to assess human rights risks in high-risk countries	**Vote:** For (against management) **Resolution summary:** Nordea supported the proposal as it improves transparency on material ESG issues such as human rights risk **Voting outcome:** Against **Next steps:** Nordea will continue to support shareholder proposals on this issue as long as it is needed
28 May 2025	Meta Platforms Inc.	Report on combatting risks of online child exploitation	**Vote:** For (against management) **Resolution summary:** Nordea supported the proposal as the company's current disclosures provide insufficient transparency to properly assess the associated risks and opportunities **Voting outcome:** Against **Next steps:** Nordea will continue to support shareholder proposals on this issue as long as it is needed
30 April 2025	The Coca-Cola Company	Consider abolishing DEI goals from compensation inducements	**Vote:** Against **Resolution summary:** Nordea does not support proposals that are deemed immaterial, overly prescriptive, do not further disclosure, or are not in line with its expectations **Voting outcome:** Against

			Next steps: Nordea will continue to vote against proposals that align with the criteria and belief outlined in the above resolution summary

Nordea defines significant votes as those that are against its principles, and where it feels that it needs to enact change in companies.

Use of a proxy adviser

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

Manager	Proxy Advisor used
Nordea	ISS/Glass Lewis

Nordea primarily use ISS to facilitate proxy voting, execution and to provide analytical input. Glass Lewis is also an external vendor, however, is mainly used for analytical input only.

Manager engagement activity

The Trustees have typically met with their investment managers on an annual basis where stewardship issues are discussed in further detail. Over the last 12 months, the Trustees' key priority has been to prepare the portfolio for a full buy-in of liabilities with an insurance company, requiring full disinvestment of many of the Plan's mandates.

Undertaking regular engagement meetings was not deemed proportionate in this context, however the Trustees receive reporting from all managers on their engagement activity. The following table summarises the key engagement activity for the 12-month period ending 31 March 2026.

Manager	Number of engagements	Topics engaged on
Nordea	163	Climate change, natural resource use/impact, and human and labour rights predominantly
Manulife | CQS	52	Climate change, natural resource use/impact, pollution and waste, and corporate strategy, financials and reporting predominantly
Payden	128	Climate change, human capital management, green and sustainable bond issues, and social violations predominantly

Note: Number of engagements reported above relate to engagement at the strategy level for the duration of the Plan's investment throughout the year, aside from Payden, who were unable to provide the number of engagements specifically for the dates that the Plan's investment period applies to. Payden engagement information therefore covers the period 1 April 2025 to 31 March 2026. The Nordea Diversified Return Fund was disinvested on 15 December 2025, the CQS Credit Multi

Asset Fund was disinvested on 3 February 2026, and the Payden Absolute Return Bond Fund was disinvested on 9 January 2026.

Due to the nature of the mandates, data on the number of engagements was not available for the Schroders UK Real Estate fund and segregated LDI mandates. However, Schroders note that within the Real Estate fund, engagement is undertaken with tenants on utility data collection to support energy consumption improvements. Within the Schroders LDI mandate, climate change and fossil fuel financing are areas of focus in engagements with sovereign bond issuers and derivative counterparty banks. The main methods of engagement were direct engagements through face-to-face meetings, site visits, conference calls, and letters to company board or management. For the year ending 31 December 2025, Schroders engaged with over 35 public bodies and market participants in the LDI industry.

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

Prepared by:

Trustees of the Benenden Healthcare Pension Plan

August 2026