

ASSOCIATED INDEPENDENT STORES LIMITED PENSION AND LIFE ASSURANCE SCHEME

IMPLEMENTATION STATEMENT FOR THE YEAR ENDING 31 MARCH 2026

Implementation Statement – Associated Independent Stores Limited Pension and Life Assurance Scheme

Year ending 31 March 2026

1. Introduction

This implementation statement ("the Statement") has been prepared by the Trustees of the Associated Independent Stores Limited Pension and Life Assurance Scheme in compliance with the governance standards introduced under The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

The purpose of this statement is to set out how, and the extent to which, the Trustees have followed the stewardship policies set out in the Scheme's Statement of Investment Principles ("SIP") during the Scheme's accounting year, and to describe the voting behaviour and engagement activities undertaken in respect of the Scheme's investments.

2. Stewardship and governance framework

The Trustees have delegated day-to-day investment decisions, including the exercise of voting rights and engagement with issuers, to its Fiduciary Manager, Charles Stanley (trading name of Raymond James Wealth Management Limited).

The Trustees retain overall responsibility for stewardship, including:

- Setting the Scheme's stewardship policies within the SIP
- Monitoring the Fiduciary Manager and underlying asset managers
- Reviewing voting and engagement activity

The Trustees acknowledge that stewardship can include direct engagement with an investee or debtor company, indirect engagement via an investment manager, 'peer-to-peer' engagement with fellow shareholders of an investee company, and any engagement with other stakeholders, on any relevant matters such as matters concerning the investee or debtor entity, including performance, strategy, risks, social and environmental impact, corporate governance, capital structure and management of actual or potential conflicts of interest. The Trustees believe that, where appropriate, such engagement activity has the potential to improve the medium and long-term performance of underlying investments.

The Trustees monitored the effectiveness of the Fiduciary Manager and underlying managers' stewardship activities through regular reporting, and through periodic meetings where these activities were reviewed and challenged where appropriate. No concerns were identified over the period.

3. Voting information

The Scheme invests in a combination of pooled investment vehicles and direct securities. Voting rights are exercised as follows:

- In the case of direct investments, the Trustees have delegated voting decisions to the Fiduciary Manager.
- In the case of pooled funds, the Trustees have delegated voting decisions to the underlying investment managers of these pooled funds. The Trustees expect the Fiduciary Manager to be mindful of the engagement and voting policy of underlying pooled fund managers when selecting them and to report these policies to the Trustees upon request.

The Trustees expect managers to exercise voting rights in accordance with the SIP where possible, including stewardship and ESG considerations. The Trustees believe that, where appropriate, the voting rights pertaining to the scheme's investments should be deployed in order to seek to improve the medium and long-term performance of companies, in particular where the scheme is a debt or equity shareholder.

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The Scheme is invested across a range of assets which carry different ownership rights. The voting disclosures in this report relate to the Scheme's direct investments, and listed equity holdings via pooled funds, where voting rights are attached.

In the case of direct investments, voting activity was carried out by the Fiduciary Manager on the following investments. In all cases, the Fiduciary Manager voted with management on all resolutions.

- International Public Partnerships Ltd
- Greencoat UK Wind PLC
- The Renewables Infrastructure Group PLC
- SEGRO

The Trustees reviewed the voting activity of the Fiduciary Manager, and are satisfied that it is consistent with their stewardship policies.

In the case of pooled funds, voting and engagement activity was carried out by underlying investment managers. A summary of aggregate voting activity for the managers over the reporting period is outlined below:

Manager	Number of votes eligible	Number of votes cast	% of votes against management
L&G	13,349	13,349	23%
Blackrock*	Undisclosed	154,644	12%
Vanguard*	Undisclosed	190,710	Undisclosed
Schroders	76,868	74,609	12%
State Street*	Undisclosed	212,400+	8%

*Voting data covers period 1 Jan 25-31 Dec 25

The Trustees are aligned with Charles Stanley's definition of "significant votes" as those that:

- Relate to material environmental, social or governance (ESG) issues;
- Represent a vote against management or board recommendations;
- Concern contentious or high-profile shareholder resolutions;
- Align with key stewardship priorities or themes we have actively engaged on during the year;
- or
- Have broader market or systemic relevance.

Examples of significant votes cast over the year are included below:

Fund manager / company	Approx. Exposure	Issue	Vote (For/Against)	Rationale for voting decision and inclusion as a significant vote
L&G / Walmart Inc.	0.1%	Election of Director Gregory B. Penner	Against resolution, against management	In 2023, L&G launched their inaugural engagement campaign on the living wage, with specific vote sanctions against the re-election of the chair, the chair/CEO or president of companies that fail to meet their minimum expectations by the time of the 2025 AGM. Walmart had been identified as a target for engagement. Following L&G's engagement, Walmart had not made progress that L&G expected to see. In line with the escalation policy, they voted against the re-election of the Chair of the Board. This is considered a significant vote as it is against management.

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BlackRock / Rio Tinto	0.1%	Approve 2025 climate action plan.	For resolution, with management	At the 2025 AGM, Rio Tinto sought shareholder approval on its 2025 Climate Action Plan. In particular, the company shared that it planned to maintain its existing scope 1 and 2 emissions reduction target, with an ultimate target of net zero operational emissions by 2050. BlackRock supported the action plan. This is considered a significant vote as it relates to the company's approach to managing climate-related risks and opportunities.
BlackRock / Alphabet	0.3%	Proposal requesting that the company conduct an independent human rights impact assessment (HRIA) related to AI-driven targeted advertising policies.	Against resolution, with management	Approximately 85% of Alphabet's fiscal year 2025 revenues were derived from AI-enabled advertising. Failure to comply with the EU Digital Services Act 2022/2065 and forthcoming EU Artificial Intelligence Act 2024/1689, which outline due diligence obligations to protect fundamental human rights, could result in penalties up to 6% of global annual revenue for systemic noncompliance. BlackRock supported the proposal given their assessment that the independent HRIA would help investors understand the effectiveness of the human rights due diligence carried out by Alphabet in relation to this material operational risk. This is considered a significant vote as it is a relatively large exposure in the portfolio.

4. Fiduciary Manager's approach

The Fiduciary Manager's policy on voting and engagement on direct securities is as follows:

"We believe voting is an effective method of engagement. We use the services of proxy voting service provider Institutional Shareholder Services (ISS) to advise us on corporate governance issues and provide voting recommendations on our top 250 holdings by aggregated value and positions in which we hold more than 3% of shares in issue, however all other holdings are available to be voted at the discretion of the Charles Stanley or where clients give us voting instructions. The advice of our proxy voting service provider is based on the UK Corporate Governance Code and its own set of voting principles built on a collection of industry best practice guidelines, which are designed to protect and enhance shareholders' interests. ISS has a long-standing relationship with many of the UK-listed issuers within its coverage universe and regularly engages with the senior management teams of such issuers. With in-depth knowledge of the UK Corporate Governance Code and a long history of corporate engagement, we believe the provision of voting advice from our proxy service provider enhances our engagement with investee companies. However, we are not bound to follow the advice of ISS and retain the ultimate say on which way to vote on each item raised at general and extraordinary shareholders meetings, based on what we believe is in the best interests of our clients. Where we believe it would assist shareholder interests, we may inform the company in advance of our voting intentions. We do not engage in securities lending with client holdings."

The Fiduciary Manager evaluates the engagement and reporting policies of all third-party managers and is responsible for monitoring their activity on an ongoing basis.

During the period, the Fiduciary Manager monitored ESG risks, including climate change, across the Scheme's portfolio and reported this to the Trustees. The Trustees reviewed this update and engaged with the Fiduciary Manager to clarify the approach taken to assessing climate-related risks across

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underlying managers. The Trustees are satisfied that ESG risks are being appropriately considered within the portfolio.

5. Adherence to the SIP

The SIP was last reviewed in December 2023 and is available [here](#). During the year, the Trustees monitored the extent of compliance with the SIP.

In addition to stewardship, the Trustees have monitored how the wider policies set out in the SIP have been implemented. This has included:

- Monitoring investment strategy, in line with the policies outlined in the SIP, through regular reporting from the Fiduciary Manager;
- Reviewing manager performance and mandate alignment; and
- Reviewing changes to asset allocation and portfolio positioning.

No change to the overall investment strategy was made during the year. The Trustees are satisfied that the Scheme's assets have been managed in accordance with the agreed strategy and risk framework set out in the SIP.

The Trustees confirm that the Scheme has acted in accordance with the SIP in all material respects

Approved by the Trustee of the Associated Independent Stores Limited Pension and Life Assurance Scheme on 4 September 2026