

CPL 1972 Pension Plan

Implementation Statement – 30 June 2025

Why have we produced this Statement?

The Trustee of the CPL 1972 Pension Plan has prepared this statement to comply with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

This statement sets out how the Trustee has complied with the voting and engagement policies detailed in the Plan's Statement of Investment Principles (SIP).

A copy of the SIP can be found on the following website: **To be added**

What is the Statement of Investment Principles (SIP)?

The SIP sets out key investment policies including the Trustee's investment objectives and investment strategy.

It also explains how and why the Trustee delegates certain responsibilities to third parties and the risks the Plan faces and the mitigated responses.

The Trustee last reviewed the SIP in June 2024.

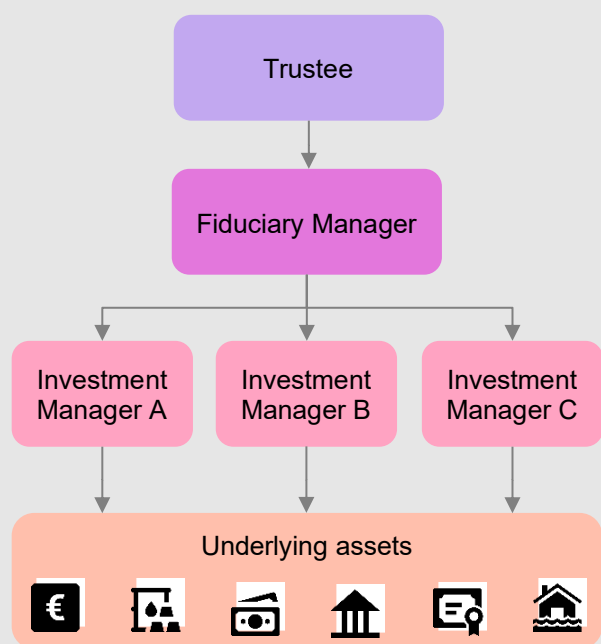
What is the purpose of this Statement?

1. To explain how the Trustee's engagement policy has been applied over the year.
2. To demonstrate that the voting rights attached to the Plan's assets have been exercised over the year.

What changes have we made to the SIP?

The Trustee has reviewed SIP and there were no significant changes made over the year.

How are the Plan's investments managed?



Trustee - The Trustee's key objective is to ensure sufficient assets to pay members' benefits as they fall due. The Trustee retain overall responsibility for the Plan's investment strategy, but delegates some responsibilities to ensure they are undertaken by somebody with the appropriate skills, knowledge and resources.

Fiduciary Manager (WTW) – The Trustee employs a Fiduciary Manager to implement the Trustee's investment strategy. The Fiduciary Manager allocates the Plan's assets between asset class and investment managers.

Investment managers – The Fiduciary Manager appoints underlying investment managers either using a pooled vehicle or a segregated mandate where these assets are held directly in the Plan's name. The Fiduciary Manager will look for best in class specialist managers for each asset class.

Underlying assets – The investment managers pick the underlying investments for their specialist mandate e.g. shares in a company or government bonds.

Why does the Trustee believe voting and engagement is important?

The Trustee's view is that Environmental, Social and Governance ("ESG") factors can have a potential impact on investment returns, particularly over the long-term and therefore contribute to the security of members' benefits. The Trustee further believes that voting and engagement are important tools to influence these issues.

The Trustee has appointed a Fiduciary Manager who shares this view and considers and integrates ESG factors, voting and engagement in its processes.

The Trustee incorporates an assessment of the Fiduciary Manager's performance in this area as part of its overall assessment of the Fiduciary Manager's performance.

What is the Trustee's voting and engagement policy?

When considering its policy in relation to stewardship including engagement and voting,

the Trustee expects investment managers to address broad ESG considerations, but has identified climate change, and human and labour as key areas of focus for the Trustee.

The day-to-day integration of ESG considerations, voting and engagement are delegated to the investment managers. The Trustee expects investment managers to sign up to local Stewardship Codes and to act as responsible stewards of capital.

Where ESG factors are considered to be particularly influential to outcomes, the Trustee expect the Fiduciary Manager to engage with investment managers to improve their processes.

What training has the Trustee received over the year?

To ensure the Trustee is kept up to date with best practice in ESG considerations, voting and engagement, the Trustee received training and an industry update on sustainable investment from the Fiduciary Manager in July 2025.

What are the Fiduciary Manager's policies?

Climate change and net zero goal

The Trustee believes Climate Change is a current priority when engaging with public policy, investment managers and corporates.

The Fiduciary Manager has a goal to achieve net zero greenhouse gas emissions across 'In Scope Solutions' by 2050. They believe the trajectory is important, so are also aiming to approximately halve emissions per amount invested by 2030.

Public policy and corporate engagement

The Fiduciary Manager employs an external stewardship service provider, whose services include public policy engagement, and corporate voting and engagement on behalf of its clients (including the Trustee).

Some highlights from 2024 include:

- 994 companies engaged across regions on 4,267 issues and objectives
- 62 companies in their core programme featured engagements with the CEO or chair
- Making voting recommendations on 143,075 resolutions at 14,701 meetings, including recommended votes against 25,070 resolutions
- Participation in a range of global stewardship initiatives.

Industry initiatives

The Fiduciary Manager participated in a range of industry initiatives over the year to seek to exercise good stewardship practices. Please refer to their latest UK Stewardship Code for more information: <https://www.wtwco.com/en-gb/solutions/services/sustainable-investment>.

How does the Fiduciary Manager assess the investment managers?

Investment manager appointment - The Fiduciary Manager considers the investment managers' policies and activities in relation to ESG factors and stewardship (which includes voting and engagement) at the appointment of a new manager. In 2024 the Fiduciary Manager conducted engagements with over 70 managers across asset classes. They also engaged over 100 products on sustainability and stewardship. In addition, over 150 sustainability-theme strategies were researched.

Investment manager monitoring - The Fiduciary Manager produces detailed reports on the investment managers' ESG integration and stewardship capabilities on an annual basis monitoring.

Investment manager termination - The Fiduciary Manager engages with investment managers to improve their practices and increases the bar by which they are assessed as best practice evolves. The Fiduciary Manager may terminate an investment manager's appointment if they fail to demonstrate an acceptable level of practice in these areas. However, no investment managers were terminated on these grounds during the year.

Example of engagement carried out over the year

Infrastructure manager Human & labour rights - Modern slavery issue

Issue: This investment manager's engagement with companies was part of a wider effort to address modern slavery compliance and regulation in the UK. They monitor the modern slavery policies of their investee companies and participate in initiatives aligned with the UN's Sustainable Development Goal of decent work and economic growth. The aim is to reduce financial risk to investors by strengthening corporate commitments to addressing modern slavery in business practices and supply chains.

Outcome: In February 2024, the investment manager joined a group focused on modern slavery compliance and regulation. The group submitted a response to the House of Lords consultation reviewing the 2015 Modern Slavery Act, with objectives to encourage the Home Office to strengthen the Act, introduce penalties for non-compliance and create a government-run registry of modern slavery statements. The external asset manager also signed a letter to encourage companies to comply with modern slavery legislation, as part of the investor group, Votes Against Slavery.

By December 2024, 32 of the FTSE 350 companies had been contacted, with 31 becoming compliant and one committing to make necessary changes. While none of the external asset manager's investee companies were targeted via this group, the engagement is having a broader impact on UK corporate compliance with modern slavery laws, hence reducing risk to investors.

Equity manager Environment – Climate issue

Issue: There has been good evidence of improvement from the manager over the year on key components previously engaged with. However, the focus of this engagement by the Fiduciary Manager was on key outstanding issues, around impact, broader governance, and voting, where the strategy has returned neutral scores.

Outcome: The manager has made significant progress in several areas. They now report in line with the TCFD framework and provide climate-related metrics at the fund level. They have further developed their sustainability policy, planning to track carbon reduction objectives from 2025 and improving coverage across most strategies. In terms of voting, the manager has implemented a new process to track every vote and its rationale, along with a new voting policy. Additionally, they have developed a firm-wide ESG data tool for immediate access to ESG/Sustainable Investment research for analysts.

However, the manager still faces challenges in implementing a modern slavery policy and impact measurements due to difficulties in obtaining disclosures in the Japanese market. They are working to track progress in this area, and it will be closely monitored. Engagement on the Governance/Stewardship policy review process has also taken place, with a preference for annual reviews. A follow-up meeting is scheduled to review the strategy and check progress on these points.

Equity manager Environment - Climate Issue

Issue: The Fiduciary Manager engaged with the manager to understand and assess their framework for analysing the risks and opportunities associated with Net Zero alignment in the companies they invest in. The discussion aimed to gain insights into their strategic approach and evaluation criteria for achieving sustainability goals.

Outcome: The Fiduciary Manager discussed integrating executive compensation and ESG metrics into the manager's investment strategy. Specific company examples were reviewed to illustrate the manager's approach. Additionally, the assessment of climate-related risks, particularly concerning high-risk issues in the energy sector, was a key topic of discussion.

While the investment-driven exercise was the primary focus, the co-portfolio manager deferred detailed discussions to the ESG analyst. This remains an area requiring ongoing monitoring. The objective of the meeting was to understand the framework and processes in place and to reassess our initial understanding of sustainability and climate-related areas. Actions will continue to emphasize robust analysis of these risks and stewardship around them.

What are the voting statistics we provide?

The Plan is invested across a diverse range of asset classes which carry different ownership rights, for example, bonds do not have voting rights attached. Therefore, voting information was only requested from the Plan's equity investment managers.

Responses received are provided in the following pages. The Trustee used the following criteria to determine the most significant votes:

- The manager deems the vote to be notable for the scheme significant
- The vote is in one of the stewardship priority areas identified by the Trustee (climate change, and human and labour rights).
- The size of the company holding related to the vote
- It was a vote against company management
- The vote provides representation of the stewardship activity across different types of investment manager and mandates
- The total number of votes identified and reported by the Trustee is at a proportionate level

The Plan is invested in both active (trying to outperform the market) and passive (aiming to perform in line with the market) equity funds.

How have our Investment Managers voted over the last 12 months?

State Street Global Advisors – Multi-Asset Diversified Growth Sub-Fund Pooled multi-asset growth fund

How many votes has this manager cast?

Number of meetings at which the manager was eligible to vote:	1,195
Number of resolutions on which manager was eligible to vote:	15,325
Percentage of eligible votes cast:	97.2%
Of the votes cast, percentage of votes	
with management:	93.3%
against management:	6.0%
abstained from:	1.5%
% of meetings, where the manager voted and there was at least one vote against management:	40.5%
% of resolutions, where the manager voted and the vote was contrary to the recommendation of the proxy adviser? (if applicable)	5.0%

What is this manager's voting policy?

All voting decisions are made in accordance with house guidelines or specific client instructions. Robust controls and auditing procedures are established to guarantee that votes are executed as instructed, with transparency being a key priority. The Stewardship team collaborates closely with global client relationship teams to maintain an open dialogue, allowing clients to understand the approach, provide feedback, and hold the team accountable. Proxy voting is managed with the assistance of third-party service providers like Institutional Shareholder Services (ISS), which helps monitor voting rights and apply voting guidelines. Significant issues are referred to the ESG Committee for determination, ensuring that all voting decisions are made in the best interest of clients.

Which of these votes do we think were significant?

Company:	Meta Platforms, Inc.
Resolution:	Disclose a climate transition plan resulting in new renewable energy capacity
Allocation in manager portfolio:	1.1%
Date of vote:	28 May 2025
How manager voted:	Against shareholder resolution, for management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The proposal does not merit support as the company's climate-related disclosures are reasonable.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (climate change) and size of the position.
Outcome of the vote:	Resolution failed
Implications of the outcome:	Where appropriate the manager will contact the company to explain their voting rationale and conduct further engagement.

Company:	Alphabet Inc.
Resolution:	Report on meeting 2030 climate goals
Allocation in manager portfolio:	0.6%
Date of vote:	6 June 2025
How manager voted:	Against shareholder resolution, for management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The proposal does not merit support as the company's climate-related disclosures are reasonable.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (climate change)
Outcome of the vote:	Resolution failed
Implications of the outcome:	Where appropriate the manager will contact the company to explain their voting rationale and conduct further engagement.

Towers Watson Global Equity Focus Fund

Pooled multi-manager equity fund

How many votes has this manager cast?

Number of meetings at which the manager was eligible to vote:	178
Number of resolutions on which manager was eligible to vote:	3,482
Percentage of eligible votes cast:	99.4%
Of the votes cast, percentage of votes	
with management:	89.2%
against management:	10.4%
abstained from:	0.3%
% of meetings, where the manager voted and there was at least one vote against management:	46.6%
% of resolutions, where the manager voted and the vote was contrary to the recommendation of the proxy adviser? (if applicable)	10.0%

What is this manager's voting policy?

Responsibility for voting is ultimately delegated to the underlying stock pickers given their detailed knowledge of companies they invest in.

To strengthen the stewardship process, the manager has appointed EOS at Federated Hermes (EOS) to provide voting recommendations and additional company engagement. EOS's voting recommendations are informed by its extensive research and experience in the area of stewardship as well as its long-term engagement activities with companies.

The underlying managers use ISS's 'ProxyExchange' electronic voting platform to electronically vote investors' shares. The underlying manager is required to provide an explanation and note their rationale when they choose to vote differently to the recommendation.

Which of these votes do we think were significant?

Company:	Microsoft Corporation
Resolution:	Report on risks of operating in countries with significant human rights concerns
Allocation in manager portfolio:	4.8%
Date of vote:	10 December 2024
How manager voted:	For shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	Additional transparency through an independent assessment would benefit shareholders and stakeholders.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (human rights) and size of the position. The manager also voted against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to vote proxies in the interest of maximising investment value for clients.

Company:	Meta Platforms
Resolution:	Report on child safety and harm reduction
Allocation in manager portfolio:	3.1%
Date of vote:	14 May 2025
How manager voted:	For shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The manager voted "FOR" in support of the shareholder proposal for additional disclosure related to how Meta measures & tracks metrics that impact child safety and harm reduction on its platforms (like last year). The manager's vote was against management recommendation. In the manager's view, greater transparency would serve to help shareholders' understanding of these risks and enhance the brand perception of the platform. While the company has disclosures addressing these areas of concern, the manager again determined that greater disclosures would overall reduce related risks and should be supported.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (human rights) and size of the position. The manager also voted against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager expressed disappointment with the outcome of the vote. In their view, issues related to child safety and self-harm represent areas of significant concern, where enhanced transparency could help build greater confidence in the company's efforts to address these challenges. The proposed annual report would have introduced quantitative metrics to assess the company's performance in these areas. The manager will support similar proposals in the future.

Company:	Amazon
Resolution:	Shareholder proposal regarding disclosure of material Scope 3 emissions
Allocation in manager portfolio:	2.4%
Date of vote:	21 May 2025
How manager voted:	Against shareholder proposal, with management recommendation
Prior notice to management (if voting against management):	Not applicable
Manager rationale for vote:	The company has various initiatives in place and does not appear to have neglected issues related to its value chain emissions. The manager notes that its supply chain standards set forth its expectation that suppliers track, document, and, upon request, report greenhouse gas emissions to the company. Additionally, the highest-emitting suppliers that contribute over 50% of Scope 3 emissions are expected to provide a plan for decarbonizing operations. It has also introduced a sustainability solutions hub to help sellers reduce emissions.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (climate change) and size of the position.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to monitor the company's approach to its climate disclosures and may change their recommendation on future proposals should it become clear that it is not making sufficient progress toward its commitments.

Company:	NVIDIA Corp
Resolution:	Shareholder proposal regarding workforce data
Allocation in manager portfolio:	1.5%
Date of vote:	25 June 2025
How manager voted:	For shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	This proposal asks the company to enhance its existing public reporting to include a chart identifying employees according to gender and race in each of the nine Equal Employment Opportunity Commission (EEOC)-defined job categories. NVIDIA previously provided this information from 2018 to 2022 but no longer publishes this disclosure. As of April 2024, over 80% of the S&P 500 and nearly 50% of the Russell 1000 Index companies disclose Equal Employment Opportunity-1 (EEO-1) data. While NVIDIA's disclosures around workforce demographics are fairly comprehensive, EEO-1 reporting provides shareholders with data that is comparable across industry peers. Moreover, this reporting is already required and therefore should not be a significant burden to make available to shareholders. While the company's stance is that the data does not accurately depict its practices given its organizational structure, it would be a helpful supplement to existing reporting and increase shareholders' understanding of how the company is addressing human capital-related risk exposures.

Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (human rights) and size of the position. The manager also voted against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	Although the proposal did not pass, given the relatively high level of shareholder support, the manager may follow up with the company in the short or long term for an additional engagement.

Company:	HCA Healthcare Inc.
Resolution:	Amend patient safety and quality of care committee charter
Allocation in manager portfolio:	1.4%
Date of vote:	24 April 2025
How manager voted:	For shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The core of the proposal is to mandate that the committee review staffing levels and their direct influence on patient safety, the quality of care provided, and overall patient satisfaction. The manager felt that the shareholder proposal promotes appropriate accountability or incentivization.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (human rights) and size of the position. The manager also voted against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will share these best practices with other portfolio companies.

Company:	Netflix Inc.
Resolution:	Shareholder proposal regarding climate transition plan
Allocation in manager portfolio:	1.4%
Date of vote:	5 June 2025
How manager voted:	Against shareholder proposal, with management recommendation
Prior notice to management (if voting against management):	Not applicable
Manager rationale for vote:	This proposal requests the company issue a climate transition plan "above and beyond existing disclosure," describing how it intends to align its operations and full value chain emissions with existing science-based targets. However, the company has already adopted emissions targets that are aligned with the Paris Agreement and reports on progress toward these goals annually, in line with TCFD standards. Netflix has also published a long-term plan to achieve these targets, on par with industry peers. Given the current level of climate reporting by the company, the Manager finds this proposal to be unnecessary and overly prescriptive and recommended voting against.
Trustee rationale for significance:	Vote topic is one of the Trustee's stated stewardship priorities (climate change) and size of the position.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The proposal did not pass, which is in line with the manager's decision to vote against.

Company:	State Street Corporation
Resolution:	Require independent board chair
Allocation in manager portfolio:	0.7%
Date of vote:	14 May 2025
How manager voted:	For shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	The manager has confirmed the voting decision was communicated but was not able to confirm whether this was before or after the meeting
Manager rationale for vote:	As a rule, the manager believes that boards should be led by an independent chair, who can provide better oversight of management and represent the long-term interests of the owners. The manager allows exceptions when the CEO/Chairperson has a large stake in the business which makes them more closely aligned with shareholders.
Trustee rationale for significance:	The manager voted against the management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to monitor this engagement.

Company:	Daimler Truck Holding AG
Resolution:	Approve virtual-only shareholder meetings until 2030
Allocation in manager portfolio:	0.5%
Date of vote:	27 May 2025
How manager voted:	Against management proposal
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The manager voted against this proposal as this may limit shareholders' voice. They believe that shareholders' ability to raise key issues to the board is important to their long-term interests if it is not onerous for the company board/management.
Trustee rationale for significance:	The manager voted against the management proposal.
Outcome of the vote:	Resolution passed
Implications of the outcome:	The manager will continue to consider proposals whether from management or shareholders which enhance transparency.

In conclusion...

The Trustee is satisfied that over the year, all SIP policies and principles were adhered and in particular, those relating to voting and engagement.