14. Appendix - Implementation Statement

NextiraOne Pension Scheme

Statement of Investment Principles - Implementation Statement

The purpose of this Statement is to provide information, which is required to be disclosed in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2019, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. In particular, it confirms how the investment principles, objectives and policies of the Trustee's Statement of Investment Principles (SIP) dated May 2023 have been implemented.

It also includes the Trustee's voting and engagement policies, as well as details of any review of the SIP during the year, subsequent changes made with the reasons for the changes (if any). A description of the voting behaviour during the year, either by or on behalf of the Trustee, or if a proxy voter was used, is also included within this Statement. This Statement covers the period 1 April 2025 to 31 March 2026.

Investment objectives of the Scheme

The Trustee's objectives with regard to investing the Scheme's assets are:

- To acquire suitable assets such that these, together with new contributions from the Company, will be sufficient to meet the cost of benefits as they fall due.
- To limit the risk of assets failing to meet the liabilities over the long term.
- To minimise the long term costs of the Scheme by maximising the return on the assets, whilst having regard to the objectives shown above.
- To pay due regard to NTT United Kingdom Limited's interest in the size, stability and incidence of employer's contribution payments.

Stewardship policy

The Trustee's stewardship policy, as set out in the SIP is as follows.

> The Trustee expects Investment Managers to have integrated environmental, social and governance concerns into their risk analysis and investment process. Environmental concerns include climate change, energy efficiency, waste and pollution and scarcity of water and other resources. Social concerns include human rights, health & safety at work, welfare and other working conditions, and responsibility for the wider community in which a business operates. Corporate Governance concerns include audit quality, board structure, remuneration policy, shareholder and other stakeholder rights.

Review of the SIP and Investment Strategy

The Trustee last reviewed the SIP in May 2023, which was updated to take account of changes made to the Scheme's investment strategy.

The investment strategy was reviewed in June 2025 due to the liability hedging level falling below the lower tolerance threshold as at 31 March 2025. Following the review, it was agreed that the Scheme would rebalance towards the previously agreed target allocation detailed in the May 2023 SIP and to increase the real interest rate hedge ratio back to 100%.

The Trustee has a policy on financially material considerations relating to ESG issues, including the risk associated with the impact of climate change. In addition, the Trustee has a policy on the exercise of rights and engagement activities, and a policy on non-financial considerations. These policies are set out later in this Statement and are detailed in the Trustee's SIP.

Investment managers and funds in use

In alignment with the Scheme's investment objectives, the Trustee has put into effect the strategic asset allocation outlined in the table below:

Asset Class	Investment Manager	Fund	Target Asset Allocation as at 31 March 2026
Global Equities	State Street	International Equity (GBP Dynamic Currency Hedged) ESG Screened Index Sub-Fund	30%
UK Equities	State Street	UK ESG Screened Index Equity Sub-Fund	
Diversified Growth	State Street	Strategic Diversified Sub-Fund	30%
Index-Linked Gilts	State Street	UK 2068 Index-Linked Gilts Index Sub-Fund	40%
		UK Over 15 Years Index-Linked Gilts Index Sub-Fund	
Total			**100%**

Investment Governance

The Trustee is responsible for making investment decisions and seeks advice as appropriate from Broadstone as the Trustee's investment consultant.

The Trustee does not actively obtain views of the membership of the Scheme to help form their policies set out in the SIP.

The Trustee has put in place strategic objectives for Broadstone, as the Trustee's investment consultant, as required by the Investment Consultancy and Fiduciary Management Market Investigation Order 2019 and now the Pensions Regulator. These strategic objectives cover demonstration of adding value, delivery of specialist investment consultancy services, proactivity of investment consultancy advice, scheme management, compliance and service standards. The strategic objectives were put in place in December 2019, and are reviewed every three years.

There were no changes to the objectives put in place for Broadstone which were last reviewed December 2025. The Trustee is due to formally review these objectives by December 2028 or earlier.

Trustee Policies

The table below sets out how, and the extent to which, the relevant policies in the Scheme's SIP have been followed:

Requirement	Policy	Implementation of Policy
Financially and Non-Financially Material Considerations	The Trustee expects Investment Managers to have integrated environmental, social and governance concerns into their risk analysis and investment process. Environmental concerns include climate change, energy efficiency, waste and pollution and scarcity of water and other resources. Social concerns include human rights, health & safety at work, welfare and other working conditions, and responsibility for the wider community in which a business operates. Corporate Governance concerns include audit quality, board structure, remuneration policy, shareholder and other stakeholder rights. No non-financial factors have been taken into account in setting the Trustee's investment strategy. Currently the Trustee does not intend to seek the views of the membership on ethical considerations.	No deviation from this policy over the year to 31 March 2026
Voting Rights and Engagement	The Trustee's voting and engagement policy is to use their investments to improve the Environmental, Social and Governance behaviours of the underlying investee companies. These ESG topics encompass a range of priorities, which may over time include climate change, biodiversity, the remuneration and composition of company boards, as well as poor working practices. The Trustee believes that having this policy, and aiming to improve how companies behave in the medium and long term, are in the members' best interests. The Trustee will aim to monitor the actions taken by the Investment Managers on their behalf and if there are significant differences from the policy detailed above, they will escalate their concerns which could ultimately lead to disinvesting their assets from the Investment Manager. The Trustee cannot exercise their responsibilities directly as they do not hold investments in their name. The Trustee has given the Investment Managers full discretion when evaluating environmental, social and governance issues and in exercising rights, engagement activities, and stewardship obligations attached to the Scheme's investments.	No deviation from this policy over the year to 31 March 2026

Financially and non-financially material considerations

The Trustee notes that the manner by which financially material ESG factors will be taken into account in an investment strategy or pooled fund offering will depend on the underlying asset classes within the pooled fund offering and the management style (e.g. active or passive).

The Trustee is satisfied that the funds the Scheme currently invests in are managed in accordance with their views on financially material considerations, as set out below, and in particular with regards to the selection, retention, and realisation of the underlying investments held.

This position is monitored periodically. As part of the monitoring process, the Trustee has access to updates on governance and engagement activities by their investment manager, and input from their investment advisors on ESG matters. These views are also taken into account when appointing and reviewing an investment manager.

The Trustee acknowledges that they are delegating the consideration of financially material factors in relation to determining the underlying holdings to their investment manager, given they are investing in pooled funds.

The Trustee invests across a range of asset classes and styles. The Trustee expects the investment manager to take into account ESG considerations by engaging with the underlying companies and where relevant, by exercising voting rights on these companies.

A summary of the Trustee's views for each of the Scheme's asset classes is outlined below:

Asset Class	Actively or Passively Managed?	Comments
Global Equities	Passive	The Trustee acknowledges that the Investment Manager must invest in line with specified indices and, therefore, may not be able to disinvest from a particular security if they have concerns relating to ESG. The Trustee does expect the Investment Manager to take into account ESG considerations by engaging with companies that form the index, and by exercising voting rights on these companies.
UK Equities	Passive	The Trustee acknowledges that the Investment Manager must invest in line with specified indices and, therefore, may not be able to disinvest from a particular security if they have concerns relating to ESG. The Trustee does expect the Investment Manager to take into account ESG considerations by engaging with companies that form the index, and by exercising voting rights on these companies.
Diversified Growth	Active	The Trustee expects the Investment Manager to take financially material ESG factors into account, given the active management style of the fund and the ability of the Investment Manager to use its discretion to generate higher risk adjusted returns. The Trustee also expects its Investment Manager, to engage with the underlying investee companies, where possible, although it appreciates that fixed income assets within the portfolio do not typically attract voting rights.
Index-Linked Gilts	Passive	The Trustee believes there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the investment.

Voting rights and engagement activities

The Trustee currently invests in pooled investment funds with the investment manager, and they acknowledge that this limits their ability to directly influence the investment manager. In particular, all voting activities have been delegated to the investment manager as the Trustee does not have any administrative mechanism to cast a vote in line with their views on the underlying holdings. The Trustee's stewardship policy is detailed at the start of this document although this has not been shared with the investment manager to influence what they believe to be the most significant votes.

Within the current investment arrangements, the Scheme invests in three funds that contain publicly listed equity holdings. These funds have voting rights attached to these underlying equities, and the Trustee has delegated these voting rights to the investment manager, where they will set their own voting policy. A summary of the votes made by the investment manager from 1 April 2025 to 31 March 2026 on behalf of the Trustee for each fund currently used by the Scheme bearing equities is provided in the table below:

Manager	Fund	Resolutions voted on	Total Resolutions Voted: For	Against	Abstained
State Street	International Equity (GBP Dynamic Currency Hedged) ESG Screened Index Sub-Fund	19,679	91%	7%	2%
State Street	UK ESG Screened Index Equity Sub-Fund	9,483	93%	7%	0%
State Street	Strategic Diversified Sub-Fund	56,672	84%	14%	2%

Information regarding proxy voting is detailed below:

- **State Street** uses ISS's 'ProxyExchange' electronic voting platform to assist with managing the voting process at shareholder meetings.

Significant votes

The Trustee has requested details of the significant votes made on behalf of the Trustee by the investment manager. In determining significant votes, the investment manager will take into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement;
- Vote linked to an engagement campaign, in line with Investment Stewardship's 5-year ESG priority engagement themes.

The Trustee believes the following represents the significant votes undertaken on their behalf over the scheme year:

SIGNIFICANT VOTE – State Street	
Company	**Hermes International SCA**
Date	30 April 2025
% of portfolio invested in firm	0.077% in the State Street International Equity (GBP Dynamic Currency Hedged) ESG Screened Index Sub-Fund
Resolution	Approve Acquisition OR Issue Shares in Connection with Acquisition
Why significant	State Street have assessed this to be a significant vote relating to strategic transactions
How voted	**VOTED AGAINST (against management recommendation)**
Manager Comments	*"Votes AGAINST these delegations are warranted as they are not considered in shareholders' interests.."*
Vote outcome	Pass

SIGNIFICANT VOTE – State Street	
Company	**SSE Plc**
Date	17 July 2025
% of portfolio invested in firm	1.317% in the State Street UK ESG Screened Index Equity Sub-Fund
Resolution	Management Climate-Related Proposal
Why significant	State Street have assessed this to be a significant vote due to it being an environmental proposal
How voted	**VOTED FOR (with management recommendation)**
Manager Comments	*"State Street Global Advisors is voting FOR the proposal as the company's climate-related disclosures are mostly aligned with State Street Global Advisors' guidance."*
Vote outcome	Pass

SIGNIFICANT VOTE – State Street	
Company	**Mastercard Incorporated**
Date	24 June 2025
% of portfolio invested in firm	0.192% of the State Street Strategic Diversified Sub-Fund
Resolution	Racial Equity and/or Civil Rights Audit
Why significant	State Street have assessed this to be a significant vote relating to Diversity which comes under the investment managers Sustainability Proxy Voting and Engagement Policies four priorities.
How voted	**VOTED FOR (against management recommendation)**
Manager Comments	*"This proposal merits support per voting guidelines."*
Vote outcome	Fail

The Trustee believes that the most significant votes detailed above are aligned with the Scheme's stewardship priorities as detailed at the start of this document.

Engagement activities

A notable engagement activity of the investment manager over the last 12 months is provided below:

- **State Street** – State Street engaged with Toronto-Dominion Bank's ("TD Bank") lead independent director to better understand the board's oversight of AML processes and the appointment of a new CEO, prior to the 2025 April AGM. State Street were concerned with the board's approach to oversight of risk management related to its anti-money laundering ("AML") processes since Toronto-Dominion Bank agreed to pay a record $3 billion in penalties to resolve an AML investigation in 2024. In the 2025 AGM State Street withheld their support for three independent directors, who all served on the risk and audit committees prior to the start of the AML investigations. State Street believe the board did not demonstrate an effective oversight process and failed to ensure effective leadership of the AML risks. Following the annual meeting, State Street had an engagement with TD Bank's CEO to discuss management's approach to the overhauling of AML processes and the overall company strategy. After the engagements, TD Bank added additional disclosure in their presentation materials that provided investors with more transparency around their AML KPIs and progress made in overhauling these processes. State Street value this improved disclosure, and will continue their dialogue with the company on the topic of risk management and oversight.

Signatories to the UNPRI (United Nations Principles for Responsible Investment) will receive an overall 'score' which represents how well ESG metrics are incorporated into managers' investment processes. The investment managers will submit a transparency report on their processes across different categories which is then assessed by the UNPRI and graded in a formal report.

For the UNPRI Assessment Reports, scores are presented as a 'star' rating ranging from 1 star to 5 stars, with more stars representing a higher score.

The latest available UNPRI scores of the Investment Managers are outlined in the table below:

Manager	UNPRI Score
State Street	4
Median	*4*

*2024 score as investment manager has not received 2025 score.

The Trustee also considers the investment manager's policies on stewardship and engagement when selecting and reviewing an investment manager.

Monitoring of Investment Arrangements

In addition to any reviews of the investment manager or approaches, and direct engagement with the investment manager (as detailed above), the Trustee receives performance reports on a quarterly basis from Broadstone to ensure the investment objectives set out in their SIP are being met.

Signed: [redacted] **Date:** 20 Oct 2026

Jenny Croxall (Oct 20, 2026, 3:43pm)

On behalf of the Trustee of The NextiraOne Pension Scheme