

Gleeds Retirement Benefits Scheme Implementation Statement Year Ending 31 May 2025

Glossary

ESG	Environmental, Social and Governance
Investment Adviser	First Actuarial LLP
L&G	Legal & General Investment Management
Scheme	Gleeds Retirement Benefits Scheme
Scheme Year	1 June 2024 to 31 May 2025
SIP	Statement of Investment Principles
UNPRI	United Nations Principles for Responsible Investment

Introduction

This Implementation Statement reports on the extent to which, over the Scheme Year, the Trustee has followed their policy relating to the exercise of rights (including voting rights) attaching to the Scheme's investments of the DB and Settlement Distribution Trust (SDT) section.

In addition, the statement provides an assessment of how, and the extent to which, the policies described in the DC section of the SIP were followed over the Scheme Year.

The Implementation Statement summarises the voting behaviour of the Scheme's relevant investment manager (for the DB, SDT and DC sections) and includes details of the most significant votes cast and the use of the services of proxy voting advisers

In preparing this statement, the Trustee has considered guidance from the Department for Work & Pensions which was updated on 17 June 2022, as well as the expectations set out in the General Code of Practice.

Relevant investments

The Scheme's assets are invested in pooled funds. Within the DB and SDT sections, a Diversified Growth Fund (DGF) managed by L&G is held. In the DC section, four equity funds and a DGF, also managed by L&G, are held. All of these funds have an allocation to equities. Where equities are held, the investment manager has the entitlement to vote.

The Trustee's policy relating to the exercise of rights

Summary of the Policy

DB section

A summary of the Trustee's policy relating to the exercise of rights for the DB section is as follows:

- The Trustee believes that good stewardship can help create, and preserve, value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that may apply over the appropriate time horizon.
- The Trustee invests in pooled investment vehicles and therefore accepts that ongoing engagement with the underlying companies (including the exercise of voting rights) will be determined by the investment managers' own policies on such matters.
- The Trustee expects that each investment manager should discharge its responsibilities in respect of investee companies in accordance with that investment manager's own corporate governance policies and current best practice, such as the UK Stewardship Code and the UN Principles for Responsible Investment.

DC section

A general summary of the Trustee's policy for the DC section is as follows:

- The exercise of rights relating to stewardship, voting and discharge of responsibilities by the investment managers noted above for the DB section also apply to the DC section.
- Offering an appropriate range of investment options – The range of funds that is offered is intended to offer sufficient investment flexibility for members of all ages.
- Offering suitable lifestyle strategies – The Trustee considers the likely form of benefits that will be paid to members and determine the lifestyle strategies accordingly.
- Offering a default investment option – The Trustee sets a default investment option which will be used by those members who do not select their own investment strategy.

Has the policy been followed during the Scheme Year?

The Trustee's opinion is that their policy relating to the exercise of rights (including voting rights) attaching to the investments has been followed during the Scheme Year. In reaching this conclusion, the following points were taken into consideration:

- There has been no change to the Trustee's belief regarding the importance of good stewardship.
- The Scheme's invested assets (for the DB, DC and SDT sections) remained invested in pooled funds over the period.
- No new funds were selected during the Scheme Year (for the DB, DC or SDT sections).
- During the Scheme Year, the Trustee considered the voting records of the investment manager over the period ending 31 March 2024.
- Since the end of the Scheme Year, an updated analysis of the voting records of the investment managers based on the period ending 31 March 2025* has been undertaken as part of the work required to prepare this Implementation Statement. A summary of the key findings from that analysis is provided below.
- The investment managers used by the Scheme are UNPRI signatories.

**Note the voting analysis was over the year ending 31 March 2025 because this was the most recent data available at the time of preparing this statement. The Trustee is satisfied that the analysis provides a fair representation of the investment managers voting approach over the Scheme Year.*

The investment manager's voting record

A summary of the investment manager's voting record is shown in the table below.

Investment Manager	Number of votes	Split of votes:		
		For	Against / withheld	Did not vote/ abstained
L&G	120,000	76%	23%	1%

Notes

These voting statistics are based on the manager's full voting record over the 12 months to 31 March 2025 rather than votes related solely to the funds held by the Scheme.

Use of proxy voting advisers

Investment Manager	Who is their proxy voting adviser?	How is the proxy voting adviser used?
L&G	Several advisers	Uses ISS for research and voting administration. May also use research from Glass Lewis and IVIS (part of the Investment Association). However, voting decisions ultimately remain in-house.

L&G's voting behaviour

The Trustee has reviewed L&G's voting behaviour by considering the following:

- broad statistics of L&G's voting records such as the percentage of votes cast for and against the recommendations of boards of directors (i.e. "with management" or "against management");
- the votes cast by L&G in the year to 31 March 2025 on the most contested proposals in nine categories across the UK, the US and Europe;
- L&G's policies and statements on the subjects of stewardship, corporate governance and voting.

The Trustee has also compared the voting behaviour of L&G with their peers over the same period.

Further details of the approach adopted by the Trustee for assessing voting behaviour are provided in the Appendix.

The Trustee's key observations are set out below.

Voting in significant votes

Based on information provided by the Trustee's Investment Adviser, the Trustee has identified significant votes in nine separate categories. The Trustee considers votes to be more significant if they are closely contested, i.e. close to a 50:50 split for and against. A closely contested vote indicates that shareholders considered the matter to be significant enough that it should not be simply "waved through". In addition, in such a situation, the vote of an individual investment manager is likely to be more important in the context of the overall result.

The five most significant votes in each of the nine categories based on shares held by L&G are listed in the Appendix. In addition, the Trustee considered L&G's overall voting record in significant votes (i.e. votes across all stocks, not just the stocks held within the funds used by the Scheme).

Analysis of voting behaviour

The Net Zero Asset Managers initiative ("NZAM") brings together asset managers committed to the goal of achieving net-zero greenhouse gas emissions by 2050 as per the Paris Climate Agreement. In January 2025, following announcements of some managers exiting the agreement, NZAM announced a review of their overarching policies, which is ongoing.

The Trustee has considered L&G's approach to NZAM as part of this analysis.

L&G

The Trustee notes that L&G's voting record continues to compare very favourably with its peers. As in previous years, analysis of L&G's voting record identifies clear evidence that the manager is willing to vote against company directors on a broad range of issues. It is unsurprising that the manager has committed to remaining a member of NZAM, irrespective of the review's outcome.

While L&G has come under some criticism from the campaign group Make My Money Matter, the Trustee is satisfied that L&G is among the most proactive on tackling climate-related proposals. Indeed, the manager has opposed several climate-related proposals based on an assessment that proposals put forward by a company's management did not go far enough and has supported shareholder proposals designed to tackle a range of ESG issues.

Conclusion

Based on the analysis undertaken, the Trustee has no material concerns regarding the voting records of L&G.

The Trustee will keep the voting actions of L&G under review.

Signed on behalf of the Trustee of the Gleeds Retirement Benefits Scheme

Significant votes

The table below records how the Scheme's investment manager voted in the most significant votes identified by the Trustee.

Company	Meeting Date	Proposal	Votes For (%)	Votes Against (%)	L&G
Audit & Reporting					
HERALD INVESTMENT TRUST PLC	24/03/2025	Receive the Annual Report	63	37	For
AKER BP ASA	30/04/2024	Allow the Board to Determine the Auditor's Remuneration	79	21	Against
PETRA DIAMONDS LTD	13/11/2024	Re-appoint BDO LLP as the Auditors of the Company	80	20	For
HAYS PLC	20/11/2024	Re-appoint PricewaterhouseCoopers LLP as Auditor of the Company	80	20	For
OCADO GROUP PLC	29/04/2024	Allow the Board to Determine the Auditor's Remuneration	81	19	For
Shareholder Capital & Rights					
EDINBURGH WORLDWIDE I.T. PLC	14/02/2025	Issue Shares for Cash	58	41	For
TOPPS TILES PLC	15/01/2025	Issue Shares with Pre-emption Rights	61	39	For
HERALD INVESTMENT TRUST PLC	24/03/2025	Issue Shares for Cash	65	35	For
METRO BANK PLC	21/05/2024	Issue Shares for Cash	32	67	For
FERREXPO PLC	23/05/2024	Issue Shares with Pre-emption Rights	30	70	For
Pay & Remuneration					
VIATRIS INC	06/12/2024	Advisory Vote on Executive Compensation	49	50	Against
AXON ENTERPRISE INC	10/05/2024	Advisory Vote on Executive Compensation	50	49	Against
ALCON AG	08/05/2024	Approve the Remuneration Report	49	49	Against
PALO ALTO NETWORKS	10/12/2024	Advisory Vote on Executive Compensation	50	49	Against
WARNER BROS DISCOVERY INC	03/06/2024	Advisory Vote on Executive Compensation	53	46	Against
Constitution of Company, Board & Advisers					
BUILDERS FIRSTSOURCE	04/06/2024	Elect Cleveland A. Christophe - Non-Executive Director	56	44	Against
UBER TECHNOLOGIES INC	06/05/2024	Elect David I. Trujillo - Non-Executive Director	56	44	Against
ALEXANDRIA R E EQUITIES INC	14/05/2024	Elect James P. Cain - Non-Executive Director	57	43	Against
EDINBURGH WORLDWIDE I.T. PLC	14/02/2025	Re-elect Jane McCracken - Senior Independent Director	57	42	For
PETRA DIAMONDS LTD	13/11/2024	Elect Alex Watson as a Board Observer	60	40	For
Merger, Acquisition, Sales & Finance					
HIKMA PHARMACEUTICALS PLC	25/04/2024	Approval of Buyback Waiver	56	43	Against
HOCHSCHILD MINING PLC	13/06/2024	Approve of the Rule 9 Waiver	63	37	Against
HERALD INVESTMENT TRUST PLC	24/03/2025	Approve the Continuation of the Company	65	35	For
JPMORGAN GLOBAL CORE REAL ASSETS LIMITED	03/09/2024	Approve the Continuation of the Company	34	66	For
FORESIGHT GROUP HOLDINGS LIMITED	02/08/2024	Approve the Waiver of Rule 9	70	30	Against
Climate Related Resolutions					
Shell plc	21/05/2024	Say on Climate	73	21	Against
REPSOL SA	09/05/2024	Advisory Vote on the Company's Energy Transition Strategy	70	21	Against
PENNON GROUP PLC	24/07/2024	Climate-Related Financial Disclosures	80	18	Against
GLENCORE PLC	29/05/2024	Approve the Company's 2024-2026 Climate Action Transition Plan dated 20 March 2024.	83	9	Against
FERROVIAL S.A.	11/04/2024	Say on Climate	90	7	Against
Other Company Resolutions					
HERALD INVESTMENT TRUST PLC	24/03/2025	Meeting Notification-related Proposal	65	35	For
QUILTER PLC	23/05/2024	Approve Political Donations	73	27	For
BOUYGUES SA	25/04/2024	Approve the Board to Issue Equity Warrants Free of Charge During the Period of a Public Offer for the Company's Shares	73	27	Against
ENERGEAN PLC	23/05/2024	Meeting Notification-related Proposal	78	22	For
NCC GROUP PLC	28/01/2025	Approve Political Donations	81	19	For
Governance & Other Shareholder Resolutions					
PROLOGIS INC	09/05/2024	Simple Majority Voting	50	50	For
ABBVIE INC	03/05/2024	Simple Majority Voting	49	51	For
HUMANAINC.	18/04/2024	Introduce Majority Voting for Director Elections	51	49	For
CORPAY, INC	06/06/2024	Introduce an Independent Chair Rule	49	51	For
DEXCOM INC	22/05/2024	Transparency in Lobbying	51	48	For
Environmental & Socially Focussed Shareholder Resolutions					
AMERICAN TOWER CORPORATION	22/05/2024	Disclosure of Racial and Gender Pay Gaps	49	51	For
NETFLIX INC	06/06/2024	Report on Netflix's Use of Artificial Intelligence	43	56	For
QUEST DIAGNOSTICS INCORPORATED	16/05/2024	Climate Change Targets	42	57	For
CINTAS CORPORATION	29/10/2024	Shareholder Resolution: Political Disclosure	39	60	For
GENERAL MILLS INC	24/09/2024	Report on the use of plastic	39	58	For

Note

Where an investment manager's voting record has not been provided for each fund, reliance is placed on periodic stock holding information to identify votes relevant to the fund. This means it is possible that some of the votes listed above may relate to companies that were not held within a pooled fund at the date of the vote. Equally, it is possible that there are votes not included above which relate to companies that were held within a fund at the date of the vote.

Methodology for determining significant votes

The methodology used to identify significant votes for this statement uses an objective measure of significance: the extent to which a vote was contested - with the most significant votes being those which were most closely contested.

The Trustee believes that this is a good measure of significance because, firstly, a vote is likely to be contentious if it is finely balanced, and secondly, in voting on the Trustee's behalf in a finely balanced vote, an investment manager's action will have more bearing on the outcome.

If the analysis were to rely solely on identifying closely contested votes, there is a chance many votes would be on similar topics which would not help to assess an investment manager's entire voting record. Therefore, the assessment incorporates a thematic approach; splitting votes into nine separate categories and then identifying the most closely contested votes in each of those categories.

A consequence of this approach is that the number of significant votes is large. This is helpful for assessing a manager's voting record in detail but it presents a challenge when summarising the Significant Votes in this statement. Therefore, for practical purposes, the table on the previous page only includes summary information on each of the significant votes.

The Trustee has not provided the following information which DWP's guidance suggests could be included in an Implementation Statement:

- Approximate size of the Scheme's holding in the company as at the date of the vote.
- If the vote was against management, whether this intention was communicated by the investment manager to the company ahead of the vote.
- An explanation of the rationale for the voting decision, particularly where: there was a vote against the board; there were votes against shareholder proposals; a vote was withheld; or the vote was not in line with voting policy.
- Next steps, including whether the investment manager intends to escalate stewardship efforts.

The Trustee is satisfied that the approach used ensures that the analysis covers a broad range of themes and that this increases the likelihood of identifying concerns about a manager's voting behaviour. The Trustee has concluded that this approach provides a more informative assessment of an investment manager's overall voting approach than would be achieved by analysing a smaller number of votes in greater detail.

The Trustee's primary objective remains to ensure that the assets are sufficient to pay benefits over the long term. The Trustee regularly reviews the appropriateness of the Scheme's assets to ensure that they remain consistent with this primary objective. The

Trustee's view is that over the long term, environmental factors have the potential to have a material impact on the Scheme. Environmental factors are one of the themes used by the Trustee when assessing an investment manager's voting records.

L&G's voting policy

For more information concerning L&G's voting policy and rationale, please visit the link below.

<https://am.landg.com/en-uk/institutional/responsible-investing/investment-stewardship/>