

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

Engagement Policy Implementation Statement for the year ending 31 March 2025

Introduction

The Trustee of the Crane Flow Saunders Pension Scheme (the 'Scheme') has a fiduciary duty to consider their approach to the stewardship of the investments, to maximise financial returns for the benefit of members and beneficiaries over the long term. The Trustee can promote an investment's long-term success through monitoring, engagement and/or voting, either directly or through its investment manager.

This statement sets out how, and the extent to which, in the opinion of the Trustee, the policies (set out in the Statement of Investment Principles) on the exercise of rights (including voting rights) attaching to the investments, and engagement activities have been followed during the year ending 31 March 2025. This statement also describes the voting behaviour by, or on behalf of, the Trustee.

The Trustee, in conjunction with its investment consultant, appoints its investment managers to meet specific Scheme policies. It expects that its investment managers make decisions based on assessments about the financial and non-financial performance and that they engage with issuers of debt or equity to improve their performance (and thereby the Scheme's performance) over an appropriate time horizon.

The Trustee also expects its investment managers to take non-financial matters into account as long as the decision does not involve a risk of significant detriment to members' financial interests.

Stewardship - monitoring and engagement

The Trustee recognises that investment managers' ability to influence the companies in which they invest will depend on the nature of the investment.

The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those rights. The investment managers are expected to provide regular reports for the Trustee detailing their voting activity.

The Trustee also delegates responsibility for engaging and monitoring investee companies to the investment managers and expect the investment managers to use their discretion to maximise financial returns for members and others over the long term.

As all of the investments are held in pooled vehicles, the Trustee does not envisage being directly involved with peer-to-peer engagement in investee companies.

Investment manager engagement policies

The Scheme's investment managers are expected to have developed and publicly disclosed an engagement policy. This policy, amongst other things, provides the Trustee with information on how the investment managers engage in dialogue with the companies it invests in and how it exercises voting rights. It also provides details on the investment approach taken by the investment manager when considering relevant factors of the investee companies, such as strategy, financial and non-financial performance and risk, and applicable social, environmental and corporate governance aspects.

Links to each investment manager's engagement policy or suitable alternative is provided in the Appendix.

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

The latest available information provided by the investment managers (for mandates that contain public equities or bonds) is as follows:

	Vontobel Equity Fund	Global	M&G All Corporate Fund	Stocks Bond	Janus Henderson Multi-Asset Credit Fund	LGIM Equity Index Hedged	World Index GBP
Period	01/01/2024 31/12/2024	–	01/04/2024 31/03/2025	–	01/04/2024 31/03/2025	–	01/04/2024 31/03/2025
Engagement definition	Purposeful, targeted communication with an entity (e.g. company, government, industry body, regulator) on particular matters of concern with the goal of encouraging change at an individual issuer and/or the goal of addressing a market-wide or system risk (such as climate). Regular communication to gain information as part of ongoing research should not be counted as engagement.						
Number of companies engaged with over the year	10+		8		37		1100
Number of engagements over the year	15+		16		47		1755

Exercising rights and responsibilities

The Trustee recognises that different investment managers should not be expected to exercise stewardship in an identical way, or to the same intensity.

The investment managers are expected to disclose annually a general description of their voting behaviour, an explanation of the most significant votes cast and report on the use of proxy voting advisers.

Many investment managers use proxy advisers for the purposes of providing research, advice or voting recommendations that relate to the exercise of voting rights.

The Trustee does not carry out a detailed review of the votes cast by or on behalf of their investment managers but rely on the requirement for their investment managers to provide a high-level analysis of their voting behaviour.

The Trustee considers the proportion of votes cast, and the proportion of votes against management to be an important (but not the only) consideration of investor behaviour.

The latest available information provided by the investment managers (where relevant for equity investments) are as follows:

	Vontobel Global Equity Fund	LGIM World Equity Index GBP Hedged
Period	01/04/2024 – 31/03/2025	01/04/2024 – 31/03/2025
Number of meetings eligible to vote at	76	2,928
Number of resolutions eligible to vote on	900	35,761

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<i>Vontobel Global Equity Fund</i>	<i>LGIM World Equity Index GBP Hedged</i>
Proportion of votes cast	96.0%	99.7%
Proportion of votes for management	89.5%	79.1%
Proportion of votes against management	10.2%	20.6%
Proportion of resolutions abstained from voting on	0.4%	0.3%

Trustee's assessment

The Trustee has considered the environmental, social and governance rating for each fund/investment manager provided by the investment consultant, which includes consideration of voting and/or engagement activities. This also includes those funds that do not hold listed equities.

Where an investment manager has received a relatively low rating from the investment consultant or from other external rating providers, the Trustee will consider whether to engage with the investment manager.

The Trustee has reviewed the investment managers' policies relating to engagement and voting and how they have been implemented and have found them to be acceptable at the current time.

The Trustee recognises that engagement and voting policies, practices and reporting, will continue to evolve over time and are supportive of their investment managers being signatories to the United Nations' Principles for Responsible Investment and the Financial Reporting Council's UK Stewardship Code 2020.

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

Appendix

Links to the Engagement Policies for the investment manager can be found here:

Investment manager	Engagement policy	Annual disclosure statement
Legal & General Investment Management	https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-engagement-policy.pdf	https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-global-corporate-governance-and-responsible-investment-principles.pdf https://am.landg.com/asset/49b8a9/globalassets/lgim/responsible-investing/ret_q1-2025_quarterly-engagement-report.pdf
M&G Investments	https://www.mandg.com/~media/Files/M/MandG-Plc/documents/mandg-investments-policies/2023/mginv-engagement-policy-06-23.pdf	https://global.mandg.com/our-business/mandg-investments/responsible-investing-at-mandg-investments/voting-history
Vontobel Asset Management	https://am.vontobel.com/en/insights/esg-investment-policy-and-integration	https://am.vontobel.com/en/insights/esg-investment-policy-and-integration
Janus Henderson Investors	https://cdn.janushenderson.com/webdocs/JHI_Stewardship_Policy_Statement_April2022.pdf	https://www.janushenderson.com/en-gb/adviser/documents/

CRANE FLOW SAUNDERS PENSION SCHEME

YEAR ENDED 31 MARCH 2025

Appendix 2

Information on the most significant votes the Scheme's investment managers participated in during the year ending 31 March 2025 is shown below. This information and commentary has been provided by the investment managers.

LGIM World Equity Index GBP Hedged	Vote 1	Vote 2	Vote 3
Company name	Microsoft Corporation	Amazon.com, Inc.	Alphabet Inc.
Date of vote	10 December 2024	22 May 2024	7 June 2024
Approximate size of fund's holding (% of portfolio)	4.1%	2.4%	1.5%
Summary of the resolution	Resolution 9: Report on AI Data Sourcing Accountability	Resolution 6: Report on Customer Due Diligence	Resolution 1d: Elect Director John L. Hennessy
How the fund manager voted	For	For	Against
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.		
Rationale for the voting decision	Shareholder Resolution - Governance: A vote FOR this resolution is warranted as the company is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While the company has strong disclosures on its approach to responsible AI and related risks, shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models.	Shareholder Resolution Human Rights: A vote in favour is applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.	Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Independence: A vote against is applied as LGIM expects the Chair of the Committee to have served on the board for no more than

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

			<p>15 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Independence: A vote against is applied as LGIM expects the Chair of the Board to have served on the board for no more than 15 years and the board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Shareholder rights: A vote against is applied because LGIM supports the equitable structure of one-share-one-vote. LGIM expects companies to move to a one-share-one-vote structure or provide shareholders a regular vote on the continuation of an unequal capital structure.</p>
Outcome of the vote	Fail	N/A	Pass
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
Criteria on which the vote is assessed to be "most significant"	<p>High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.</p>	<p>Pre-declaration and High-Profile Meeting: This shareholder resolution is considered significant as one of the largest companies and employers not only within its sector but in the world, LGIM believe that Amazon's approach to human capital management issues has the potential</p>	<p>Thematic - Diversity: LGIM views gender diversity as a financially material issue for their clients, with implications for the assets they manage on their behalf. Thematic - One Share One Vote: LGIM considers this vote to be significant as LGIM supports the</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

to drive improvements across both its industry and supply chain. LGIM voted in favour of this proposal last year and continue to support this request, as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for their products (RING doorbells and Rekognition) and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic. Despite this, Amazon's coverage and reporting of risks falls short of LGIM's baseline expectations surrounding AI. In particular, LGIM would welcome additional information on the internal education of AI and AI-related risks.

principle of one share one vote.

Vontobel Equity Fund	Global	Vote 1	Vote 2	Vote 3
Company name		Novo Nordisk A/S	Becton, Dickinson and Company	Flutter Entertainment Plc
Date of vote		March 2025	January 2025	May 2024
Approximate size of fund's holding (% of portfolio)		1.4%	1.3%	2.7%

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

Summary of the resolution	Re-elect Henrik Poulsen (Vice Chair) as Director	Elect Christopher Jones	Director	Approve Remuneration Report
How the fund manager voted	Abstain	Against Management		Supported Management
Where the fund manager voted against management, did they communicate their intent to the company ahead of the vote	No	No		N/A
Rationale for the voting decision	Vontobel's policy suggested they abstain from voting in this instance, not only because the Audit Committee is less than 100% independent, but also because there is a capital structure that negatively impacts shareholder rights. The company maintains a share structure with unequal voting rights, and this director candidate represented the primary beneficiary of the superior voting rights.	Vontobel typically votes against management on director elections where the roles of Chair/CEO are combined. They review each instance and policy recommendation. In this case, they voted against management.		Vontobel did not communicate their intended vote to management leading up to the meeting, but they do conduct ongoing discussions with them regarding executive compensation. They had a strong level of comfort with their remuneration plan, and so supported the proposal.
Outcome of the vote	Pass	Pass		Pass
Implications of the outcome	Vontobel supports shareholder rights, and will continue to review each of their votes to ensure that directors up for election or re-election are evaluated fairly.	Vontobel continue to have a general view that CEO and Chairman roles should be split. They acknowledge that at times this may not always be in the best interest of shareholders, and review each instance on a case-by-case basis.		Executive compensation/remuneration is a cornerstone of Vontobel's corporate engagement process. They will continue to engage with all companies on executive remuneration as it pertains to corporate governance and talent acquisition and retention.
Criteria on which the vote is assessed to be "most significant"	Weight in portfolio / Weight of float held (across the Quality Growth boutique) / impact of vote on company sustainability/value.			

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

Information on the most significant engagement case studies as at 31 December 2024 (latest available) and 31 March 2025 respectively for each of the managers investing in public equities or bonds on the Scheme's behalf is shown below.

LGIM Firm-Level	Case Study 1	Case Study 2	Case Study 3
Name of entity engaged with	BHP Group	Yara International	Nippon Steel Corp
Topic	Environment: climate change	Environmental: climate change	Environmental: climate change (Climate Impact Pledge)
Rationale	<p>The mining and diversified metals sector is an essential part of the energy transition. In order to support its transition plans, LGIM wants companies within the sector to meet their minimum expectations. BHP Group is the world's largest mining company.</p> <p>LGIM's expectations are centred around setting robust decarbonisation strategies, with tangible milestones and appropriate allocation of capital, emissions disclosure and targets, meaningful actions across the company's value chain to support decarbonization levers, as well as disclosure of approach to 'just transition' and lobbying activities mining and diversified metals sector produces minerals that are essential to the energy transition they believe that long-term, responsible investors, such as LGIM, can support these</p>	<p>LGIM has been a member of the ShareAction's Chemical Decarbonisation Investor Coalition since 2021, a collaboration aiming to engage with 13 leading European chemical companies, to encourage them to align their decarbonisation strategies with the goal of limiting global warming to 1.5C. The chemicals sector is responsible for over 6% of global GHG emissions and is crucial to a multitude of manufactured goods and industrial processes with 95% of manufactured products relying on this sector.</p> <p>The collaborative engagement has been focused on the following objectives:</p> <ol style="list-style-type: none"> 1. Set out and disclose a plan over the short, medium, and long term, with time-bound targets, to: <ol style="list-style-type: none"> a. phase in electrified chemical production processes b. increase energy consumption from 	<p>Nippon Steel Corporation is the largest steel maker in Japan and one of the largest globally in terms of production. Traditional steelmaking processes are highly carbon intensive, and a shift to green steel will require a policy environment that supports a sufficient supply of low-carbon alternatives. Assessments undertaken by third-party data providers have demonstrated that Nippon Steel lags its peers on climate policy engagement disclosures, and in 2022 InfluenceMap named Nippon Steel as one of the most influential companies blocking climate policy action globally.</p> <p>Under LGIM's Climate Impact Pledge, they publish their minimum expectations for companies in 20 climate-critical sectors. LGIM selects roughly 100 companies for 'in-depth' engagement - these companies are</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<p>companies as they decarbonise.</p> <p>For their engagements with BHP Group, LGIM's specific objectives are as follows:</p> <p>-Engage with BHP on its Climate Action Transition Plan before publication as part of LGIM's 'Say on climate' votes at mining companies and what they expect company transition plans to demonstrate in order for LGIM to support them.</p>	<p>renewable energy sources</p> <p>c. transition to emissions-neutral feedstocks</p> <p>d. phase out woody biomass from energy generation</p> <p>2. Set scope 3 targets that are aligned with 1.5C (covering all relevant upstream and downstream emissions).</p> <p>3. Explicitly commit to align capital expenditure plans with the objective of limiting global warming to 1.5C; and disclose future capital spending on new and existing assets.</p> <p>Engagement has been through a combination of letters outlining key requests from the coalition (which we have co-signed over the years), followed by direct engagements with selected companies. As part of this coalition, LGIM also provided a joint submission to the SBTi on consultation for draft guidance for the chemical industry contributing to the development of the Chemicals Sector Target-Setting Criteria.</p>	<p>influential in their sectors, but in LGIM's view are not yet leaders on sustainability; by virtue of their influence, their improvements would be likely to have a knock-on effect on other companies within the sector, and in supply chains. LGIM's in-depth engagement is focused on helping companies meet these minimum expectations, and understanding the hurdles they must overcome. For in-depth engagement companies, those which continue to lag LGIM's minimum expectations may be subject to voting sanctions and/ or divestment (from LGIM funds which apply the Climate Impact Pledge exclusions).</p> <p>Under LGIM's Climate Impact Pledge, LGIM expects companies to disclose their climate-related lobbying activities, including trade association memberships, and explain the action they will take if the lobbying activities of these associations are not in line with the Paris Agreement. This has been LGIM's primary objective with Nippon Steel.</p>
<p>What the investment manager has done</p>	<p>BHP Group is one of the biggest mining companies in the world. In 2021, the company</p>	<p>Following a three-year engagement, in December 2024, LGIM met (as part of the</p>	<p>LGIM had been engaging with Nippon Steel for many years and specifically through</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

put its first Climate Transition Action Plan (CTAP) to the vote. LGIM voted against the approval of this plan, as it did not meet their expectations. However, since then, LGIM have met with BHP several times (six times in 2024 alone), including with the company CEO, CFO and Chair. The aim of LGIM's engagements was to provide feedback on BHP's 2024 CTAP and ensure that it met the requirements of their updated assessment framework. Having published their updated expectations of mining company transition plans in Q3 2024, LGIM made their expectations clear. In line with LGIM's methane strategy objective, a letter has been sent to the chairman of BHP group addressing BHP's coal methane emissions. Levels of individual typically engaged with include the Chair and CEO.

LGIM welcomed the robust and constructive engagement they enjoyed with BHP this year. It was clear that BHP had made significant strides in improving its CTAP since it put the inaugural one to the vote in 2021. Its plan demonstrates substantial alignment with LGIM's

coalition) with Yara International's CEO for the first time to discuss their upcoming transition plan and capex strategy. This engagement was in response to a shareholder resolution filed by ShareAction and four coalition investors, which LGIM voted in favour of at Yara's 2024 AGM. The objective of the engagement was to continue dialogue with the company to include ambitious scope 3 targets and implementation plans in its upcoming Transition Plan, which is due to be published in 2025. The aim was to clearly convey the coalition's expectations to Yara's leading executive during a pivotal period of planning.

In terms of escalation, in the company's 2024 AGM, LGIM voted in favour of a shareholder resolution requesting that the company set science-based goals to cut scope 3 emissions in line with limiting global warming to 1.5 degrees.

LGIM's Climate Impact Pledge since early 2022, the same year in which they added the 'red line' related to climate-related lobbying. The company failed to meet this criterion, so LGIM made it the focus of their engagement with them for 2023, and expanded their engagement to work collaboratively with other investors to increase their influence. Despite several meetings with the company, the disclosures provided so far have not met LGIM's expectations.

Given the significant role that Nippon Steel has in influencing Japanese policy, as well as LGIM's intention to increase focus on demand-side engagement, LGIM co-filed, together with the Australasian Centre for Corporate Responsibility ('ACCR'), a shareholder proposal asking the company to:

Disclose annually, climate-related and decarbonisation-related policy positions and lobbying activities globally, including its own direct lobbying and industry association memberships, and review these for alignment with the Company's goal of carbon neutrality by

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<p>assessment framework, and they believe that it's important that investors recognise progress when it occurs.</p> <p>LGIM was able to vote in favour of the CTAP at the company's 2024 AGM, and they pre-declared their support.</p>		<p>2050 and explain the actions it will take if these activities are determined to be misaligned.</p> <p>Levels of individual typically engaged with at the company include head of investor relations and the head of sustainability.</p>
<p>Outcomes and next steps</p>	<p>The fact LGIM were able to support BHP Group's Climate Transition Action Plan demonstrates the progress the company has made, and how far it aligns with LGIM's expectations.</p> <p>Going forwards, LGIM will assess the disclosure of progress on BHP's plans for development of a more targeted methane measurement, management and mitigation strategy, as well as plans to support the decarbonisation of steelmaking. They will also continue to engage with BHP to ensure resilience whilst navigating the dynamic market for metallurgical coal.</p>	<p>In terms of next steps, LGIM will monitor Yara's progress in this regard and analyse their forthcoming Transition Plan. This will determine the future direction and objectives of their engagement.</p> <p>LGIM considers the objectives set out above to be in progress.</p>	<p>LGIM were pleased to see that their shareholder resolution (Resolution 8) achieved 27.98% support, sending a strong message to the company's board that investors expect greater transparency on climate-related policy engagement activity. This was also one of the highest levels of support recorded for a climate-related shareholder resolution in Japan.</p> <p>2024 (and Q1 2025) was pivotal for Japan as the country is scheduled to update its key climate and energy policies. The choices made will determine the direction of its mid-term decarbonisation strategy and the results underscore the scale of investor attention on politically influential companies like Nippon Steel. LGIM will continue engaging with the company and expect to see their board address investor expectations and enhance accountability</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

and transparency in its efforts to influence these policies as they take shape.

In terms of LGIM's objective for this engagement, having undertaken the engagements and escalations set out above, LGIM would describe the status as "in progress".

Vontobel – firm level	Case Study 1	Case Study 2	Case Study 3
Name of entity engaged with	SAP SE	Flutter Entertainment Plc	Coca-Cola Company
Topic	Social - Conduct, culture and ethics (e.g. tax, anti-bribery, lobbying)	Social - Public health	Social - Human and labour rights (e.g. supply chain rights, community relations)
Rationale	In this area of risk management, Vontobel found that there are many instances and examples of environmental and governance issues, but not necessarily as many social examples that they come across, at least not ones that they feel are measurable. The datasets for social issues are not as robust as the information around climate change, remuneration, or even diversity statistics. This is an instance where a social issue (conduct, culture, and ethics) was the primary focus.	Vontobel has a long-term relationship with this company and their dialogue on ESG issues has been varied and productive. From remuneration and other governance issues, to public health and other related concerns, they continue to work together to tackle tough issues.	The New York Times produced a series of investigative articles on the exploitative working conditions for migrant sugar and cocoa plantation workers particularly in Maharashtra, India. The articles question labour standards and oversight of supply chains for multinationals doing business in the region including a small number of Vontobel's holdings across strategies.
What the investment manager has done	Vontobel's research analyst who covers SAP spoke with a member of their ESG team to go over the remediation steps the	Vontobel met with Head of Sustainability for more insights on public health issues such as player safety	Over the past year, Vontobel 1) engaged with human rights groups and other like-minded asset managers concerned

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<p>company undertook to resolve a US Department of Justice foreign bribery investigation (final settlement announced January 2024). The investigation cited bribes paid via third party intermediaries to officials at SOEs in South Africa, Indonesia, plus some African countries. Vontobel feels the matter has been successfully resolved.</p>	<p>strategy and measures, especially in the US. There are many lessons learned from other markets and Flutter's years of experience, it is clear the company needs to maintain a fine balance between maximizing growth and limiting irresponsible player behaviour.</p>	<p>about these findings. They also 2) engaged with their portfolio companies to ensure that they are investing in best practices with farmers and suppliers.</p>
Outcomes and next steps	<p>Vontobel's questions were answered to their satisfaction. They do not see the need for further follow-up/escalation at this time.</p>	<p>Vontobel has a long-term investment horizon, which enables them to build partnerships with management at their portfolio companies.</p>	<p>Vontobel continues to monitor the news flow around this issue and will engage if any further escalation is required.</p>

Janus Henderson	Case Study 1	Case Study 2	Case Study 3
Name of entity engaged with	Ashmore	Home Depot	Glencore
Topic	Climate Change	Deforestation	Sustainability goals
Rationale	<p>JH have engaged with a range of holdings to gain a better understanding of progress on setting carbon emission targets and improving carbon reporting transparency. JH believe that companies should set science-based targets where appropriate to show that they are managing climate risks in alignment with the Paris Agreement. Furthermore, alignment with CDP can help companies identify climate risks and opportunities, track</p>	<p>Last year JH engaged with Home Depot regarding a shareholder proposal on deforestation. JH encouraged Home Depot to disclose to CDP Forests, however this is seen as a good 'first step' and we encouraged further disclosure and transparency to shareholders specifically on the 'how' and operationalization of their no-deforestation and wood sourcing policy. Home Depot say they favour Forest Stewardship Council</p>	<p>JH engaged with Glencore on a range of sustainability concerns particularly, 1) corporate culture and legacy bribery/corruption allegations, 2) environmental litigation risk particularly pertaining to methane pollution, 3) Energy transition commitments and timeframes.</p> <p>JH chose Glencore as a specific engagement target as the company has been flagged as a laggard regarding</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<p>progress and improve transparency.</p>	<p>(FSC) certified wood products but do not require FSC certification. The company committed that regardless of whether the proposal passed they would subscribe to CDP forests and disclose the relevant data. JH encouraged the company to use this opportunity to be a leader, and work with shareholders to make progress in this space.</p> <p>This proposal subsequently passed, with 65% of shareholders voting for Home Depot to produce a report disclosing the company's impact on primary forests. JH will have a follow up conversation with the company to understand what progress has been made.</p>	<p>energy transition commitments.</p>
<p>What the investment manager has done</p>	<p>JH had a call with Ashmore, a specialist emerging market asset manager in order to better understand how they are thinking about decarbonisation and associated risks in their portfolio.</p> <p>Ashmore reviews all reporting initiatives annually and currently uses the Net Zero Asset Owner Alliance (NZAOA) Target Setting Protocol to inform its target setting rather than the SBTi Finance Framework. Although it was encouraging to</p>	<p>The objectives of the call were as follows:</p> <ul style="list-style-type: none"> •Understand progress made since shareholder proposal passed last year. •Review progress on adopting no-deforestation policy, disclosure, and targets/action plans for improving sustainable sourcing •Ultimate objective is to mitigate associated ESG risk (reputational as well as potential regulatory risk). The 	<p>Engagement call with Glencore's head of Sustainability. Regarding Glencore's climate transition strategy (allocating capex to transition metals and supporting depletion of upstream energy; reduce emissions from coal; not progressing in greenfield thermal coal projects and closing of 12 mines; invest in CCUS), JH wanted to understand if there were any targets or timeframes to help investors understand</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

hear this, only 6% of Ashmore's AUM is currently aligned to net zero goals and demand for net zero funds from its client base remains muted. This led to a broader discussion about how ESG is integrated across Ashmore's portfolios and how portfolio managers carry out impactful engagements as part of their investment process. JH also covered the company's approach to corporate decarbonisation and how it seeks to offset its operational carbon footprint.

Both IR and the Head of Responsible Investment were on the call and came across very well. Their answers were well articulated and provided insights beyond those given by the sustainability report. They were transparent about difficulties that they face, including being realistic about client demand for net zero funds and the leverage they can have with sovereigns in their engagements. Whilst being an emerging market manager invested predominately in debt has its own nuances, it was very interesting to have this discussion with another asset manager who share similar

team spent considerable time discussing this proposal, not only because it's complicated but also because JH feel deforestation could present asymmetric risk to the company. As a highly visible purchaser of lumber, HD is susceptible to substantial PR risk if it comes to be viewed as negligent in its disclosure practices on this important global topic.

This was a follow up engagement to understand what progress had been made since the shareholder vote. The company confirmed they had just completed a deep dive supplier survey and are in the process of finalising a full report which will be published later this year.

HD have also disclosed to CDP Forests, however only reported on private label wood products, which are very small as a % of what HD sells. JH ended the call with a commitment to speak again when the full reporting is out later this year.

where the short-term focus is to decarbonise vs longer term goals. Also, in light of Glencore's potential acquisition strategy whether this aligned with the company climate strategy to reduce coal output. Also wanted to understand from a governance perspective, who on the board is providing the oversight/expertise regarding Glencore's transition. On the topic of methane, Glencore operate 13 open-cut coal mines and 4 underground mines across Australia. Glencore previously highlighted how unlike underground mines, "methane from 'gassy' open-cut coal mines cannot be captured" as no technologies are available. JH encouraged further management of methane emissions from coal mines especially in light of increased regulations in this space.

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

	<p>challenges surrounding issues such as data.</p>	
<p>Outcomes and next steps</p>	<p>JH were pleased with the discussion and Ashmore's approach to integration. JH plan to continue to engage with Ashmore on disclosing to CDP and increasing the use of the NZAOA protocol.</p>	<p>JH encouraged HD to be on the front foot on improving traceability – potential to be part of collaborative coalition to work with suppliers to address these issues. As shareholders, JH appreciate the importance of the issue and a bit more of a risk factor if caught out on deforestation.</p> <p>Appreciate long-term balanced decisions on how to responsibly allocate capex to this issue.</p> <p>It is great to see improvement in disclosure, however believe there is more HD can do.</p> <p>JH also flagged the emerging EU deforestation law and increased societal/regulatory focus on this topic alongside biodiversity. JH encouraged expanding beyond FSC certifications, potentially leveraging geo-spatial/satellite data which is improving and seen as a more forward-thinking approach to manage the risk around traceability.</p> <p>JH will continue to engage once more information has been published later this year.</p>

CRANE FLOW SAUNDERS PENSION SCHEME YEAR ENDED 31 MARCH 2025

Partners Group	Case Study 1	Case Study 2	Case Study 3
Name of entity engaged with	Andra Tech Group	Kaufman Hall and Associates Inc	Partner in Pet Food
Topic	Strategy, Financial and Reporting - Financial performance	Strategy, Financial and Reporting - Financial performance	Strategy, Financial and Reporting - Financial performance
Rationale	Size of holding in fund	Size of holding in fund	Size of holding in fund
What the investment manager has done	In September 2024, the Program's senior secured debt financing to Andra Tech Group was fully repaid in relation to its acquisition by investment company Castik Capital. Previously known as Kusters Beheer, Andra Tech Group was established in 1973 and is a leading group of manufacturers of high-tech precision components and sub-modules.	In August 2024, Partners Group's senior secured debt financing to healthcare financial advisory firm Kaufman Hall and Associates was fully repaid following its acquisition by Vizient, a healthcare performance improvement company. With a team of over 530 consulting professionals, Kaufman Hall provides management consulting services to healthcare clients across the US.	In July 2024, the Program's first lien debt financing to Partner in Pet Food (PPF) was fully realized following CVC Capital Partners' equity investment in the company. PPF, a leading European pet food producer headquartered in Hungary, operates 12 facilities across Europe and supplies a full range of pet food products to over 400 customers in more than 35 countries, including specialist pet shops, veterinarians, and supermarkets.
Outcomes and next steps	The full realization generated a gIRR of 10.4% and a gTVPI of 1.28x	The full realization generated a blended gIRR of 10.8% and a gTVPI of 1.26x	The full realization generated a gIRR of 8.2% and a gTVPI of 1.33x