

BIG THINKING FOR SMALL SCHEMES

Implementation Statement

Hotelplan Limited Pension and Assurance Scheme

31 October 2025



1. Introduction

Under regulatory requirements, trustees are required to prepare and review an implementation statement outlining their approach and stewardship dealing with certain specific matters with regards to their Environmental, Social and Governance (ESG) principles outlined in their latest Statement of Investment Principles (SIP).

This Statement sets out the principles governing decisions about the ESG aspect of investment of the assets of the Hotelplan Limited Pension and Assurance Scheme (the Scheme). In preparing it, the Trustees obtained written reporting on these matters from Barker Tatham Investment Consultants Limited as its investment consultants.

2. ESG Principles

Environmental, Social and Corporate Governance Policies

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustees have elected to invest through pooled funds. They acknowledge that they cannot directly influence the environmental, social and governance ("ESG") policies and practices of the companies in which the pooled funds invest. The Trustees also acknowledge that where index tracking pooled vehicles are employed, ESG considerations cannot be taken into account due to the nature of the investment.

In principle, the Trustees believe that ESG factors can have an impact on the performance of its investments and that the management of ESG risks and the exploitation of ESG opportunities, especially in relation to climate change, can add value to the portfolio. To that effect, the Trustees expect their fund managers, where appropriate, to have integrated ESG factors as part of their investment analysis and decision-making process.

Appropriate weight will be given to ESG factors in the appointment of fund managers.

The Trustees believe that the stewardship responsibilities attached to the ownership of shares are important but recognise that investment in pooled funds limits their ability to be fully involved. The Trustees expect their investment managers to report in detail on how they have exercised voting rights attached to shares including across passive equity mandates. Managers are expected to be signatories to the FRC UK Stewardship Code.

Further information on the Trustees' policies can be found in the latest SIP dated April 2024.

In the Trustees' opinion, their policies, as recorded in the SIP, have been followed over the 12-month period to 31 October 2025.

The following pages illustrate how the Trustees, through their fund manager, have followed their stewardship and engagement policies.

3. Investments Attitudes to ESG

Fund Manager/Fund	ESG Description
<p>LGIM</p> <p><u>Holdings as at 31 October 2025</u></p> <p>Managed Property Fund</p> <p>Global Equity Fixed Weights (50:50) GBP Hedged Fund</p> <p>World Emerging Market Equity Index Fund</p> <p>Dynamic Diversified Fund</p> <p>LDI Matching Core Fixed (Long) Fund</p> <p>LDI Matching Core Real (Long) Fund</p>	<ul style="list-style-type: none"> Fund Manager Overview <p>LGIM's ultimate goal is to protect and enhance the investment returns generated by their clients' assets whilst aiming to have a long-standing commitment to raising corporate governance and sustainability standards to ultimately enhance the value of companies in which they invest.</p> <p>LGIM has publicly committed to the following three goals as part of their five-year strategic plan:</p> <ul style="list-style-type: none"> • Influencing the transition to a low-carbon economy • Making society more resilient with our financial solutions • Creating new investments for the future economy <p>Further information on how they can achieve these goals is publicly available on the parent company Legal & General Group plc's reporting on corporate responsibility.</p> <p>https://group.legalandgeneral.com/en/sustainability</p> ESG Integration <p>LGIM uses a bottom-up and a top-down approach to monitoring and analysis as well as using ESG information that comes out from engagement meetings with companies. LGIM's ESG scoring tool assesses companies in 17 different sectors on their disclosure, policies and processes for managing ESG risks. LGIM has set up three long-term thematic working groups (demographics, energy and technology) that undertake top-down research and analysis of macroeconomic issues, related to responsible investment and ESG. Direct engagement with companies is a way LGIM seek to identify ESG risks and opportunities. LGIM have an escalation policy to tackle difficult and inter-connected ESG issues that materially impact the value of assets.</p> <p>LGIM have an Active ESG View tool that forms an essential component of the overall active research process. The tool brings together granular quantitative and qualitative inputs in order to reflect a full picture of the ESG risks and opportunities embedded within each company. ESG risks vary across sectors and therefore the proprietary tool LGIM has developed, evaluates sector specific ESG factors, spanning 64 specific sectors and sub-sectors. LGIM incorporate a qualitative</p>

	<p>approach on top of this as data alone may not tell the full story.</p> <ul style="list-style-type: none"> Active Ownership (1 year to 30 September 2025) LGIM report annually on their active ownership to 31 December each year and have provided quarterly reporting on their proxy voting 12 months to 30 September 2025, which has been used as no annual reporting to 31 October is available. LGIM's Corporate Governance team casts proxy votes in a manner consistent with the interests of all clients. They direct the vote of a significant proportion of a company's shares by exercising the shareholder rights of almost all clients. LGIM acknowledges that the Scheme as one of their clients, in giving LGIM their mandate, require LGIM to vote with the shares on behalf of the Scheme. LGIM therefore aims to minimise abstaining from voting, only doing so if it is technically not possible to cast a vote in any other way. <p>LGIM's voting decisions are made internally within the corporate governance team, and independently from the investment teams. LGIM have in place supplementary regional policies setting out their voting approaches publicly on their website however various other factors may also help them form a view on voting matters. These consist of; previous engagements, third-party research (e.g. ESG reports, broker research), company performance and LGIM's in-house views with respect to their investment teams.</p> <p>The following paragraphs relate to the active ownership or approaches to ESG specific to the funds in which the Scheme is currently invested:</p> <p>Managed Property Fund LGIM recognise that the built environment has significant impact on UK society and its ecosystem. The fund managers are ultimately responsible for their respective vehicles and with their property managing agents for the integration and application of ESG principles to their portfolios. All Fund and Asset Managers have objectives linked to sustainability objectives, meaning successful delivery is linked to their remuneration.</p> <p>Global Equity Fixed Weights (50:50) GBP Hedged Fund Over the 12 months to end September 2025, LGIM were eligible to vote at 2,920 meetings and on 36,769 resolutions. LGIM voted on 99.9% of resolutions.</p>
--	---

	<p>82.0% of votes were with management, 17.8% were votes against and 0.2% of votes were abstained from.</p> <p>World Emerging Market Equity Index Fund Over the 12 months to end of September 2025, LGIM were eligible to vote at 4,450 meetings and on 36,953 resolutions. LGIM voted on 100.0% of resolutions, with 79.9% of votes for management, 17.2% of votes against and 2.9% of votes abstained from.</p> <p>Dynamic Diversified Fund Over the 12 months to end September 2025, LGIM were eligible to vote at 10,052 meetings and on 102,137 resolutions over the 12-month period. LGIM voted on 99.9% of resolutions. 75.9% of votes were votes with management, 23.3% were votes against and 0.8% were votes abstained from.</p> <p>Matching Core LDI Real and Fixed Funds LGIM aims to embed ESG where appropriate. Following a research meeting with LGIM on their LDI ranges, we could expect to a flexible incorporation of green gilt(s) in LDI mandates. These may be tailored to client specific ESG objectives, such as targeting a minimum proportion in green gilts. ESG is embedded within LGIM's counterparty review process via their Active ESG tool, alongside other business and financial risks, so that when they decide upon appropriate derivative counterparties, ESG considerations have already been captured. This integration has led to the exclusion of some counterparties from the list of eligible counterparties where required.</p> <p>In December 2024, LGIM engaged with the Microsoft Corporation which put forward a resolution to report on AI data sourcing accountability. LGIM voted for this resolution as they believe that Microsoft is facing increased legal and reputational risks related to copyright infringement associated with its data sourcing practices. While Microsoft has strong disclosures on its approach to responsible AI and related risks, LGIM believe that shareholders would benefit from greater attention to risks related to how the company uses third-party information to train its large language models.</p> <p>In May 2025, LGIM engaged with the London Stock Exchange Group plc regarding the resolution to re-elect Don Robert as Director. LGIM voted against this resolution due to a lack of progress on gender diversity on the company's board. LGIM expect companies to</p>
--	--

	<p>have at least 40% female representation on their board of directors.</p> <p>A further case study by LGIM focused on Rio Tinto Plc. At their AGM in April 2025, LGIM voted in favour of the resolution to approve the company's climate action plan. LGIM believe that the mining and diversified metals sector produces minerals that are essential to the energy transition. As such, LGIM believe that responsible investors can support these companies as they decarbonise. LGIM noted that Rio Tinto is making significant strides in carrying out its core role in the transition in a sustainable manner and has demonstrated this through constructive engagement, leading to substantial alignment of its Climate Action Plan with LGIM's framework. LGIM especially welcomed Rio Tinto's enhanced disclosures on its plans to decarbonise its value chains, as well as the clear and quantified actions set out to meet its emission reduction targets.</p> <p>Another case study by LGIM looks at the company BP Plc. At the AGM on 17 April 2025, LGIM voted against the resolution to re-elect Helge Lund as director to the company. LGIM voted against this resolution due to governance and board accountability concerns. LGIM noted substantial governance issues arising from the major revisions to the company's strategy, coupled with the decision to not allow a shareholder vote on the amended climate transition strategy. While LGIM acknowledged the recent announcement of Helge Lund's intention to step down as chairman positively, they expect the succession process to adhere to a clear and narrower timeframe to ensure an orderly and meaningful transition.</p> <p>In February 2025, LGIM engaged with easyJet Plc. on an issue related to their remuneration policy. LGIM expect company boards to ensure that directors' pay is fair, balanced and aligned with the strategy and long term growth of the business. LGIM voted against the approval of the proposed remuneration policy due to the new policy allowing bonus deferrals to be reduced. Given that management is new and have yet to build up a substantial holding, LGIM did not consider the company's rationale to be compelling.</p> <p>In May 2025, LGIM engaged with Centrica Plc regarding their Climate Transition Plan. LGIM believe that climate change represents a financially material and systemic long-term risk to their clients' portfolios. LGIM assess companies' climate transition plans against their</p>
--	---

	<p>published expectations, with the aim to encourage companies to develop suitably ambitious and credible plans to mitigate risks and seek opportunities from the energy transition. LGIM approved Centrica's transition plan as they have taken significant steps to align the plan with the CA100+ benchmark including bringing forward their operational net-zero target from 2045 to 2040.</p> <ul style="list-style-type: none"> References LGIM aims to implement best practice reporting to stakeholders including: <ul style="list-style-type: none"> - Quarterly Engagement Report Q4 2024 - Quarterly Engagement Report Q1 2025 - Quarterly Engagement Report Q2 2025 - Quarterly Engagement Report Q3 2025 - Public monthly voting reports - Active Ownership Report 2024
--	---