

National Union of Rail, Maritime and Transport Workers Pension Scheme - Implementation Statement

Purpose

This statement provides information on how, and the extent to which, the Trustee's policies in relation to the exercising of rights (including voting rights), attached to the Scheme's investments, and engagement activities have been followed during the year ended 31 December 2025 ("the reporting year"). In addition, the statement provides a summary of the voting behaviour and most significant votes cast by investment managers on behalf of the Scheme during the reporting year.

Background

In February 2019, the Trustee received training on Environmental, Social and Governance ("ESG") issues from its Investment Adviser, XPS Investment ("XPS") and discussed its beliefs around those issues. This enabled the Trustee to consider how to formulate a policy in relation to ESG and voting issues. The Trustee's policy was documented in the updated Statement of Investment Principles ("SIP") dated October 2019.

XPS provided the Trustee with further guidance in September 2020 on additional regulatory requirements which came into effect from 1 October 2020. The recommended wording was agreed upon by the Trustee in Q3 2020 and documented in the SIP dated September 2020.

Following discussions at the February 2024 Trustee meeting, recommended wording relating to stewardship activity priority factors was agreed upon by the Trustee. This wording was then incorporated in the updated SIP dated March 2025.

The Trustee's updated policies

During the 2024 reporting year, an additional policy was introduced in order to ensure sufficient oversight of the engagement and voting practices of their managers. This stated that the Trustee may periodically meet with their Investment Managers to discuss engagement which has taken place, and the Trustee will also expect its Investment Adviser to engage with the Managers from time to time as needed and report back to the Trustee on the stewardship credentials of their Managers. The Trustee will then discuss the findings with the Investment Adviser, in the context of their own preferences, where relevant. This will include considering whether the Manager is a signatory to the UK Stewardship Code. The Trustee recognises the Code as an indication of a Manager's compliance with best practice stewardship standards.

The following wording around stewardship priorities was also added to the SIP:

Within the context of ESG the Trustee has agreed a number of factors which it considers to be priorities for stewardship activity undertaken by their Investment Managers:

Environmental:

- *Climate Change - for example climate-related governance and oversight structures, and clearly identifying and managing climate-related risks.*
- *Natural resources - for example clearly identifying and managing risks in relation to biodiversity loss and mitigation of loss.*

Social:

- *Human and Labour rights - for example a Modern Slavery Act statement, consideration of local communities / indigenous peoples, and a consideration of labour standards (e.g. zero hours contracts) and corporate union stance.*

- *Diversity and Inclusion* - for example a firm policy on diversity and inclusion, with targets for representation of Staff and Executive, and published gender / ethnicity pay gaps.
- *Armament industry* - for example understanding links to armament industry, in particular controversial weapons, through revenue stream, distribution channels and supply chains.

Governance:

- *Executive Remuneration* - for example having a clear alignment of interest for stakeholders, maximum pay-outs in line with expectations and a consideration for the disapplication of pre-emption rights.

The Trustee periodically reviews stewardship activity undertaken by their Investment Managers to ensure that the policies and priorities outlined above are being met and may explore these issues with its Investment Managers as part of the ongoing monitoring of the ESG integration and stewardship activities of its Investment Managers.

Lastly, during the 2024 reporting year, the Trustee expressed an opposition to armaments and Barclays exposure and subsequently commissioned a report to evaluate the levels of this exposure within its investment strategy.

Beyond the governance work currently undertaken, the Trustee believes that its approach to, and policy on, ESG matters will evolve over time based on developments within the industry. It will monitor the results of those votes deemed by the managers to be most significant in order to determine whether additional specific priorities should be introduced and communicated to the managers.

During the current reporting period, no changes were made to the Trustee's policies or Statement of Investment Principles.

Manager selection exercises

One of the main ways in which the Trustee's policy in relation to ESG issues is expressed is via manager selection exercises: the Trustee seeks advice from XPS on the extent to which its views on ESG and climate change risks may be taken into account in any future investment manager selection exercises.

During the reporting year, the Trustee received advice on selecting an investment manager for a potential multi-sector credit ("MSC") fund, following its agreement to allocate 13% to MSC based on the Investment Strategy Review conducted in November 2024. The Trustee expressed a desire that the allocation should go to an MSC fund that had been given the XPS sustainable designation, which was one of the main criteria considered in the initial shortlist. The Trustee agreed in February 2025 that the most suitable fund for this allocation is the Insight Responsible Horizons Multi Sector Credit Fund.

Ongoing Governance

The Trustee, with the assistance of XPS, monitors the processes and operational behaviour of the investment managers from time to time, to ensure they remain appropriate and in line with the Trustee's requirements. Further, the Trustee has set XPS the objective of ensuring that any selected managers reflect the Trustee's views on ESG (including climate change) and stewardship.

The Trustee's investment adviser XPS, has had confirmation from the investment managers that various engagement activities had taken place during the reporting year. For example, Rathbones demonstrated its engagement on social and environmental issues through its support of shareholder resolutions and collaborative investor initiatives. This included backing proposals at Microsoft's 2025 and 2024 Annual General Meetings calling for enhanced disclosure on human rights linked to data centre expansion and the misuse of AI and cloud technologies, despite management opposition, as well as co-signing investor letters to major US technology companies urging stronger management of water use. In addition, Rathbones voted alongside the vast majority of shareholders at Merck's AGM against a proposal to dismantle the company's diversity, equity and inclusion programmes, reflecting its view that robust DEI practices are integral to long-term business performance and risk management.

Adherence to the Statement of Investment Principles

During the reporting year the Trustee is satisfied that it followed its policy on the exercise of rights (including voting rights) and engagement activities to an acceptable degree.

Voting activity

The main asset class where the investment managers will have voting rights is equities. The Scheme has specific allocations to UK and global equities through the Rathbones portfolio, and investments in equities will also form part of the strategy for the diversified growth fund (managed by L&G) in which the Scheme invested during the reporting year. In addition, the Scheme invests in an equity overlay strategy with Schroders. This fund provides exposure to equities via derivatives rather than via physical equities. As a result, there are no voting rights involved. A summary of the voting behaviour and most significant votes cast by L&G and Rathbones is as follows.

Note that in this section the responses have been provided by the investment managers and therefore “we” or “us” or “our” will often be written from the perspective of the investment manager, not XPS or the Trustee.

Rathbones segregated portfolio

Investment Manager Client Consultation Policy on Voting					
We are a discretionary fund manager; clients give delegated authority for all aspects of their portfolio management to Rathbones. We set voting policy centrally based on recognised best practice. As such we do not actively seek out the views of clients before voting. However, we are open to hearing from clients where they have views on specific voting items and are prepared to issues split votes to reflect those instructions.					
Investment Manager Process to determine how to Vote					
Our Responsible Investment Policy commits us to voting on 90% of our assets by value. Our active voting lists comprises our top holdings in UK and international equity, collectives and a sub set of smaller companies where we account for greater than 2.5% of shares in issue.					
How does this manager determine what constitutes a 'Significant' Vote?					
Significance was decided upon based on a combination of the size of the holding within the portfolio and the importance of the vote itself.					
Does the manager utilise a Proxy Voting System? If so, please detail					
We use a proxy voting provider to implement our bespoke voting policy. We also use their proxy voting platform.					
Voting Information					
Rathbones segregated portfolio					
The manager voted on 31.5% of resolutions out of 33,664 eligible votes.					
The manager voted against management on 5.4% of the resolutions which they voted.					
Top 5 Significant Votes during the Period					
Company	Date of Vote	Size of fund holdings	Voting Subject	How did the Investment Manager Vote?	Result

Shell	20/05/2025	1.83%	Request Enhanced LNG Strategy Disclosure	For	Fail
<p style="text-align: center;">Why the vote was deemed significant: Climate Change</p> <p style="text-align: center;">Where voted against the company, was this communicated: Yes</p> <p style="text-align: center;">Rationale:</p> <p>We shared the concerns raised by the proponents of item 22 that Shell’s exposure to uncontracted LNG, which is greater than any other independent oil and gas player, exposes the company to significant risks in a lower price environment. We are also concerned that the LNG strategy being pursued by the company is inconsistent with its long-term net zero ambitions, as has been demonstrated in ACCR’s analysis of the degree of alignment of Shell’s LNG demand forecast with various IEA scenarios. We agreed with statements made by the proponents that, at present, the company’s LNG Outlook lacks the level of granularity that investors need to effectively evaluate the risks associated with the company’s bullish position on LNG.</p> <p style="text-align: center;">Implication:</p> <p>We met with the company in October 2025 to discuss the fall-out from the AGM. Shell has now committed to enhanced disclosure on its LNG strategy before the next AGM.</p>					
Unilever	30/04/2025	1.11%	Approve Remuneration Report	Against	Pass
<p style="text-align: center;">Why the vote was deemed significant: Executive Pay</p> <p style="text-align: center;">Where voted against the company, was this communicated: Yes</p> <p style="text-align: center;">Rationale:</p> <p>We raised concerns with the size of the base salary granted to the CEO which followed a very large increase in 2023. We asked why the Board hadn’t phased the salary increase for the CEO given their short time in the role. We asked for improved disclosure from the Board on any planned salary increases for senior management, and that they are linked to either specific increased responsibilities or planned delivery of additional shareholder value beyond that already priced in. We also encouraged the Board to pause any plans for a fixed pay review in 2026 for the CEO given any further increases could likely bring enhanced reputational and operational risks.</p> <p style="text-align: center;">Implication:</p> <p>We had a meeting with the Remuneration Committee Chair in October who has committed to make several changes to the pay arrangements at the company, including increases the shareholding requirement for senior management to better align with the interests of shareholders.</p>					
Merck & Co	27/05/2025	1.04%	Consider Eliminating DEI Goals from Compensation Plan Incentives	Against	Fail
<p style="text-align: center;">Why the vote was deemed significant: DEI</p> <p style="text-align: center;">Where voted against the company, was this communicated: Yes</p> <p style="text-align: center;">Rationale:</p>					

We voted against the shareholder proposal calling on the company to end its diversity, equity and inclusion (DEI) programmes. There is a compelling and growing business case for DEI. Studies show strong correlations between diverse and inclusive workplaces and improved business outcomes, including increased innovation and revenue growth. Today’s workforce—particularly younger generations—expect employers to reflect these values. Companies demonstrating strong DEI practices are better positioned to attract the best talent and remain connected to their customers and communities. Conversely, failure to prioritise DEI can lead to reputational damage, operational inefficiencies and long-term risks to shareholder value.

Implication:

The resolution only gained 1% support which is around the level seen at other US companies. We review each shareholder proposal on its merits, regardless if it has been filed by right-wing/anti-ESG proponents.

JP Morgan Chase & Co	20/05/2025	2.34%	Require Independent Chair	For	Fail
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Why the vote was deemed significant:

Combined CEO & Chair roles

Where voted against the company, was this communicated:

Yes

Rationale:

As mentioned at previous AGMs, as UK based investors and in line with our bespoke in-house voting policy, we will usually vote against the re-election of the Chair if they hold the combined role of CEO. While we appreciate that expectations in this area vary by region, it is our belief that the company and shareholders could benefit in the long-term from the separation of these crucial roles. We felt that combining the roles of CEO and Chair creates a conflict of interest and brings considerable difficulties in successfully carrying out these key responsibilities. We struggled to see how the Chair of the Board can provide this independent scrutiny of the performance of the CEO and be truly accountable to shareholders. We also remained concerned with the long tenure of the Lead Independent Director, Steven Burke, who, having served a 21-year tenure on the Board, may be compromised in his ability to provide adequate independent supervision of management and who would be deemed non-independent under EU guidelines.

Implication:

We had a thorough meeting with the IR team to discuss our letter and explain why we believe the separation of the roles is in the best interests of shareholders. The company have taken on board our views and confirmed that the CEO could step down to the role of Executive Chair which would allow for an independent Chair to be appointed.

Intuit	22/01/2025	1.13%	Ratify Ernst & Young LLP as auditors	Abstain	Pass
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Why the vote was deemed significant:

Auditor tenure

Where voted against the company, was this communicated:

Yes

Rationale:

We noted that Ernst & Young LLP had served as the company’s external auditor since 1990. Under RIM’s bespoke voting policy, we usually vote against the re-election of the Chair of the Audit Committee and the reappointment of the external auditor when an audit firm has exceeded twenty years tenure and no explanation has been provided on when the audit will next be put out to tender. However, we are aware that the company is not required to follow UK rules on rotating auditors and we appreciated the explanation provided by the company when we raised the issue of Ernst & Young’s continued appointment previously, as well as the information on the matter in this year’s Proxy Statement. However, Ernst & Young’s tenure is now approaching 40 years, and we believe that all companies can benefit from refreshing audit tenure more regularly, as newer auditors are more likely to be free from potential conflicts of interest and may have fewer impediments to producing accurate, fair and transparent information for shareholders.

Implication:

We will consider escalating our position to vote against the re-election of the auditor at the next AGM should the Board fail to provide a sufficient explanation as to how this arrangement is in the best interests of shareholders.

1. Rathbones' Responsible Investment Policy commits them to voting on 90% of their assets by value. This compares with 31.5% of resolutions of which Rathbones were eligible to vote out of 33,664 eligible votes. The reason for the difference is that the 90% relates to the value of assets, whereas the 31.5% relates to the total number of available resolutions. There is a large tail of smaller investments held by managers across the firm which would be included in the 90%, so Rathbones do not vote on them, but may still have a large number of available resolutions.

Legal and General Investment Management ("L&G") – Dynamic Diversified Fund

Investment Manager Client Consultation Policy on Voting

L&G's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for all our clients. Our voting policies are reviewed annually and take into account feedback from our clients. Every year, L&G holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as we continue to develop our voting and engagement policies and define strategic priorities in the years ahead. We also take into account client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

Investment Manager Process to determine how to Vote

All decisions are made by L&G's Investment Stewardship team and in accordance with our relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures our stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

How does this manager determine what constitutes a 'Significant' Vote?

As regulation on vote reporting has recently evolved with the introduction of the concept of 'significant vote' by the EU Shareholder Rights Directive II, L&G wants to ensure we continue to help our clients in fulfilling their reporting obligations. We also believe public transparency of our vote activity is critical for our clients and interested parties to hold us to account. For many years, L&G has regularly produced case studies and/ or summaries of L&G's vote positions to clients for what we deemed were 'material votes'. We are evolving our approach in line with the new regulation and are committed to provide our clients access to 'significant vote' information. In determining significant votes, L&G's Investment Stewardship team takes 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 L&G's 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 L&G engagement campaign, in line with L&G Investment Stewardship's 5-year ESG priority engagement themes. We provide information on significant votes in the format of detailed case studies in our quarterly ESG impact report and annual active ownership publications. The vote information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. We also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions. If you have any additional questions on specific votes, please note that L&G publicly discloses its vote instructions on our website at: <https://vds.issgovernance.com/vds/#/MjU2NQ==/>

Does the manager utilise a Proxy Voting System? If so, please detail

L&G’s Investment Stewardship team uses ISS’s ‘Proxy Exchange’ electronic voting platform to electronically vote clients’ shares. All voting decisions are made by L&G and we do not outsource any part of the strategic decisions. Our use of ISS recommendations is purely to augment our own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that we receive from ISS for UK companies when making specific voting decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what we consider are minimum best practice standards which we believe all companies globally should observe, irrespective of local regulation or practice. We retain the ability in all markets to override any vote decisions, which are based on our custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows us to apply a qualitative overlay to our voting judgement. We have strict monitoring controls to ensure our votes are fully and effectively executed in accordance with our voting policies by our service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform us of rejected votes which require further action.

Voting Information					
Legal and General Investment Management - Dynamic Diversified Fund					
The manager voted on 99.9% of resolutions out of 105,680 eligible votes.					
The manager voted against management on 24.2% of the resolutions which they voted.					
Top 5 Significant Votes during the Period					
Company	Date of Vote	Size of fund holdings	Voting Subject	How did the Investment Manager vote	Result
Microsoft Corporation	05/12/2025	0.56%	Elect Director Satya Nadella	Against	Pass
<p>Why the vote was deemed significant: Thematic - Board Leadership: L&G considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> <p>Where voted against the company, was this communicated: L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p> <p>Rationale: Joint Chair/CEO: A vote against is applied as L&G expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.</p> <p>Implication: L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>					
Shell Plc	20/05/2025	0.16%	Request Company Disclose Whether and How Its Demand Forecast For LNG Production And Sales Targets And New Capital Expenditure In Natural Gas Assets	Against	Fail

			Are Consistent With Climate Commitments, Including Target To Reach Net Zero Emissions By 2025		
<p align="center">Why the vote was deemed significant:</p> <p>Pre-declaration: This shareholder resolution is considered significant. We recognise the underlying merit of this resolution, after careful consideration, we have made the decision to vote against. This decision is underpinned by a series of direct and constructive engagements with Shell's leadership. Through these discussions, we received clear commitments that the company will enhance its reporting in line with L&G's expectations specifically, providing detailed disclosures on stranded asset risks and financial resilience related to Shell's growing exposure to liquefied natural gas ("LNG"). These gaps were key reasons we were unable to support the company's climate transition strategy at its 2024 AGM. Following a detailed analysis of the company's disclosures, we believe Shell's current reporting provides a basis for investors to consider alignment with various climate outcomes, contributing to the broader objectives of the resolution. More information on L&G's Asset Management business' pre-declaration can be found here: https://blog.landg.com/categories/esg-and-long-term-themes/our-voting-intentions-for-2025/</p> <p align="center">Where voted against the company, was this communicated:</p> <p>L&G's Asset Management business publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p> <p align="center">Rationale:</p> <p>Shareholder resolution - Climate change: While we recognise the intent behind Resolution 22, we have decided to vote against it following careful consideration. This decision follows a series of constructive engagements with Shell's leadership, during which the company committed to improving disclosures on stranded asset risks and financial resilience related to its LNG operations. We acknowledge meaningful progress in Shell's reporting, which now provides a clearer basis for assessing climate-related risks. In light of these developments, we believe the resolution's key objectives are being addressed through ongoing company actions.</p> <p align="center">Implication:</p> <p>L&G's Asset Management business will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>					
Consolidated Edison, Inc.	19/05/2025	0.15%	Resolution 1a: Elect Director Timothy P. Cawley	Against	Pass
<p align="center">Why the vote was deemed significant:</p> <p>Thematic - Board Leadership: L&G's Asset Management business considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.</p> <p align="center">Where voted against the company, was this communicated:</p> <p>L&G's Asset Management business publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p> <p align="center">Rationale:</p> <p>Joint Chair/CEO: A vote against is applied as L&G expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.</p> <p align="center">Implication:</p> <p>L&G's Asset Management business will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>					
Realty Income Corporation	13/05/2025	0.15%	Resolution 1c: Elect Director Reginald H. Gilyard	Against	Pass

<p>Why the vote was deemed significant:</p> <p>Thematic - Diversity: L&G's Asset Management business views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.</p> <p>Where voted against the company, was this communicated:</p> <p>L&G's Asset Management business publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p> <p>Rationale:</p> <p>Average board tenure: A vote against is applied as L&G 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 L&G expects a company to have at least one-third of women on the board. Board mandates: A vote against is applied because we have concerns regarding the time commitment required to manage all board positions and how this may impact their ability to remain informed and effectively contribute to board discussions.</p> <p>Implication:</p> <p>L&G's Asset Management business will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>					
Alphabet Inc.	06/06/2025	0.15%	Resolution 1d: Elect Director John L. Hennessy	Against	Pass
<p>Why the vote was deemed significant:</p> <p>Thematic - Diversity: L&G's Asset Management business views gender diversity as a financially material issue for our clients, with implications for the assets we manage on their behalf.</p> <p>Where voted against the company, was this communicated:</p> <p>L&G's Asset Management business publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.</p> <p>Rationale:</p> <p>Board balance - Independence: A vote against is applied to the (re-)election of a non-independent director due to lack of independence on the board. Independence: A vote against is applied as L&G expects the Chair of the Nominations/Governance Committee to have served on the board for no more than 12 years in order to maintain independence and a balance of relevant skills, experience, tenure, and background. Average board tenure: A vote against is applied as L&G 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 L&G expects a company to have at least one-third of women on the board. Independence: A vote against is applied as L&G expects the Chair of the Board to have served on the board for no more than 12 years and the board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. Independence - Board balance: A vote against is applied because the board does not comprise of a majority of independent directors. Shareholder rights: A vote against is applied because L&G supports the equitable structure of one-share-one-vote. We expect 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> <p>Implication:</p> <p>L&G's Asset Management business will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.</p>					

Sources: Rathbones & Legal and General Investment Management