Canada Life UK Division Staff Pension Fund Implementation Statement for the year ending 31 December 2025

Statement of Compliance with the Trustee of the Canada Life UK Division Staff Pension Fund Stewardship Policy for the year ending 31 December 2025.

Introduction

Canada Life UK Staff Pension Trustee Limited, in its capacity as Trustee of the Canada Life UK Division Staff Pension Fund (the "Fund"), has prepared this Implementation Statement in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and subsequent amending legislation, and with those of the Pensions Regulator's General Code of Practice. It sets out how the Trustee has complied with the Stewardship Policy contained in its Statement of Investment Principles ("SIP") during the period 1 January 2025 to 31 December 2025.

Overall, the Trustee is satisfied that:

- The Fund's investments have been managed in accordance with the Stewardship Policy during the period;
- The Fund's investments have been managed in accordance with the remainder of the SIP; and
- The provisions of the SIP remain suitable for the Fund's members.

Statement of Investment Principles

The SIP sets out the principles and practices the Trustee follows when governing the Fund's investments. It describes the rationale for selecting the investment strategy and explains the risks and expected returns of the funds used, as well as the Trustee's approach to responsible investing (including climate change).

The Trustee reviewed and updated the SIP during the period, making the following changes:

- The strategic asset allocation was updated to reflect a further de-risking of the investment strategy, including a reduction in the allocation to growth assets and a corresponding increase in the allocation to matching assets.
- The target hedge ratio within the Matching Portfolio was increased to 100% of interest rate and inflation risks, strengthening the alignment between assets and liabilities.

The SIP is next scheduled for review no later than May 2027, or following a significant change to the investment strategy.

The Trustee has prepared this Implementation Statement on the basis of the SIP in force throughout the period, with reporting within this document in line with the SIP applicable at the relevant time.

The Fund's SIP can be consulted online at Statement of Investment Principles | Canada Life.

Investment governance

The primary objective of the Fund is to provide pension and lump sum benefits for members on their retirement (and/or benefits on death, or before or after retirement, for their dependants) on a defined benefits basis.

The Trustee has overall responsibility for how the Fund's investments are governed and managed, in accordance with the Fund's Trust Deed and Rules, as well as trust law, pensions law and pension regulations.

The Trustee has set objectives for the Fund's Investment Consultant (Hymans Robertson LLP) designed to align with the Trustee's own objectives and investment strategy as set out in the SIP.

The Trustee has undertaken training during the last year to ensure that its knowledge of investment matters remains up to date.

Date	Topic	Aim	Trainer
8 October 2025 Strategy Day	Long-term strategy, DB endgame planning and surplus management	To support Trustee understanding of the Fund's long-term strategic options, including run-on versus risk transfer.	Hymans Robertson LLP
26 November 2025	High-level overview of the equity portfolio	The Trustee received a high-level overview of the Fund's UK and global equity holdings, covering recent performance versus benchmarks, the fees and value for money of the current mandates, and alternative equity options.	Hymans Robertson LLP

Stewardship Policy

The Stewardship Policy sets out how the Trustee will behave as an active owner of the Fund's assets, which includes the Trustee's approach to:

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustee monitors and engages with its policy provider (being, Canada Life Limited (**"CLL"**))[1], and any other stakeholders.

The Stewardship Policy is reviewed in line with the Fund's SIP.

The Trustee monitors its compliance with the Stewardship Policy on a periodic basis and is satisfied that it has complied with the Fund's Stewardship Policy over the last scheme year.

Footnote:

[1] The Trustee owns a Trustee Investment Plan (the **"TIP"**) which is an insurance product issued by CLL . The Fund's assets are held within the TIP. CLL outsources investment management of the Fund's assets in respect of the Matching Portfolio to Canada Life Fund Managers Limited. CLL also invests in funds managed by Keyridge Asset Management Limited in respect of the Growth Portfolio.

Voting activity

The Fund has investments in listed equities with attaching voting rights through the Global and UK Equity Funds ultimately managed by Keyridge Asset Management Limited (**"Keyridge"**). As such, this section focusses on Keyridge's voting and engagement activity.

Keyridge exercises its voting rights and utilises engagement – where relevant and appropriate - to promote business models necessary to sustaining value over the long term.

During the period, Keyridge has reported on how votes were cast in respect of the relevant investments in which the funds are invested as set out below:

	UK Equity Fund	Global Equity Fund
Proportion of Fund assets	2.5%	6.8%
No. of meetings eligible to vote at during the year	70	81
No. of resolutions eligible to vote on during the year	1,317	1,221
% of resolutions voted	100%	100%
% of resolutions voted with management	98.9%	90.6%
% of resolutions voted against management	1.1%	9.4%
% of resolutions abstained	0.0%	0.7%

Keyridge publicly publishes summaries of the number of meetings at which it voted, resolutions and votes for/against/unvoted and provides the reason for votes against management on a given date.

From the reports published by Keyridge (see https://www.keyridge.com/media/a2xou4bq/keyridge-stewardship-report-2025.pdf) , the following stewardship activities have been identified as being relevant to the Fund:

Direct engagement case study – corporate governance

The issue: This case study relates to Medtronic, a global medical device manufacturer held within the Global Equity Fund. ESG research providers highlighted a number of product quality and safety concerns across several product lines, including pacemakers and insulin pumps, which have resulted in recalls, regulatory scrutiny and litigation. These issues present both patient safety and reputational risks that could impact the company's long-term performance.

Activity: Keyridge engaged directly with Medtronic to better understand the quality and safety incidents and the actions being taken to address them. Discussions focused on:

- Product quality and recall trends: the scale and causes of recalls, how Medtronic compares with peers, and trends in recall rates over time.
- Quality and safety management: improvements to complaint tracking, recall processes and the sharing of best practice across the business.
- Risk mitigation and governance: greater emphasis on quality and safety within staff incentives, enhanced identification of quality issues, stronger due diligence for acquisitions and tighter supplier oversight to improve product reliability.

Outcome: The engagement improved Keyridge's understanding of the measures being taken to reduce product recalls, patient harm and associated litigation risks. Medtronic reported that recall rates have been declining in recent years and outlined a range of initiatives to strengthen quality controls and product reliability. The company remains open to further engagement, and Keyridge will continue to monitor progress in this area.

The engagement formed part of Keyridge's ongoing research and monitoring of the holding.

Direct engagement case study – natural capital (water)

The issue: This case study relates to water risk management across a range of companies including Reckitt Benckiser Group Plc held within the UK Equity Fund. Increasing water stress, combined with enhanced sustainability reporting requirements under the EU's Corporate Sustainability Reporting Directive (**"CSRD"**), has heightened the need for companies to assess, monitor and manage water-related risks. Keyridge launched a thematic engagement programme to better understand how investee companies were responding to these challenges.

Activity: Keyridge engaged with the companies through a questionnaire and follow-up discussions to assess their approach to water risk management. The engagement focused on:

- Water risk governance and management: the extent to which companies monitor water use, set targets and integrate water-related issues into risk management and governance frameworks.
- Regulatory preparedness: how companies are responding to CSRD reporting requirements and the role of regulation in driving improvements in water risk management.
- Operational and supply chain resilience: approaches to managing water risk across operations and supply chains, including the use of external expertise and partnerships to improve water stewardship.

Outcome: The engagement improved Keyridge's understanding of how companies are managing water-related risks and adapting to increasing regulatory expectations. Discussions highlighted that enhanced reporting requirements have led to more detailed water data collection, improved risk assessments and the adoption of water reduction targets. Several companies have expanded their analysis to include supply chain impacts, with Adidas reporting a 34% reduction in water use and remaining on track to achieve a 40% reduction over five years. Companies also highlighted the value of partnerships with organisations such as the WWF and World Resources Institute in strengthening water management practices.

The engagement reinforced Keyridge's view that regulation can play an important role in improving the management of long-term nature-related risks. It also provided insight into how companies are enhancing resilience to water risk.

Engagement activity

The Trustee meets with relevant investment representatives on a bi-annual basis where stewardship issues are discussed in further detail. Over the last 12 months, the Trustee has met the relevant representatives of the assets being managed twice. The Trustee has discussed the following issues over the course of the year.

Date	Subject discussed	Outcome
21 May 2025	Performance overview of the investment portfolio and update on the property fund distribution.	The Trustee was satisfied that the Fund complied with the Trustee's investment strategy.
26 November 2025	Performance overview of the investment portfolio, update on the property fund distribution and the approach to sustainability risk in the portfolio.	The Trustee was satisfied that the Fund complied with the Trustee's investment strategy.

The Trustee received reporting on engagement activity.

Summary

Based on the activity over the year by the Trustee and its service providers, the Trustee is of the opinion that the Stewardship Policy was implemented effectively in practice as set out above.

The Trustee, along with its Investment Consultant, has developed a Responsible Investment Policy which covers all aspects of Responsible Investment including stewardship. This policy goes into greater detail than the Stewardship Policy in the SIP.

The Trustee acknowledges that the approach to stewardship may vary across asset classes and were encouraged that, across asset classes, portfolio managers were incorporating responsible investment considerations in their investment processes.

The Trustee and its Investment Consultant remain satisfied that: (i) the responsible investment policies; and (ii) voting policies (as relevant and applicable), remain suitable for the Fund.

Prepared by:

Trustee of the Canada Life UK Division Staff Pension Fund

July 2026