

The Bradshaws Pension and Life Assurance Scheme (“the Scheme”)

Annual Engagement Policy Implementation Statement for the Year Ended 11 August 2025

1. Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles ('SIP') produced by the Trustee have been followed during the 12-month period to 11 August 2025 ("the Scheme Year"). This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2019 (as amended) and the guidance published by the Pensions Regulator.

The statement is based on, and should be read in conjunction with, the relevant versions of the Statement of Investment Principles ("SIP") that were in place for the Scheme Year, which were the SIPs dated February 2025. The SIP is also in the process of being updated to reflect the buy-in policy implemented shortly before the Scheme year-end.

2. Statement of Investment Principles

2.1. Investment Objectives of the Scheme

The Trustees' primary investment objective for the Scheme is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due. The Trustees have therefore purchased an insurance contract. This is intended to cover all the Scheme's members, i.e. leaving the Scheme with no non-insured liabilities.

The Trustees have agreed that an appropriate objective for the residual assets in excess of the cost of the insurance contract should be to invest them to minimise the chances of a reduction in capital value.

2.2. Review of the SIP

Over the year, the SIP was updated in February 2025 to reflect the changes to the strategy at the time and is also in the middle of being updated to reflect the buy-in policy.

A copy of the latest SIP is available at:

<https://www.bradshaws-mill.co.uk/company-information>

2.3. Investment Structure

The Scheme's investments are held in a Trustee Investment Policy with Mobius Life Limited ("Mobius"). Mobius provides an investment platform and enables the Scheme to invest in pooled funds managed by a third party investment managers, Legal and General Investment Management ("LGIM"). As such, the Trustee has no direct relationship with the Scheme's underlying managers.

The Trustee also has an insurance policy with Canada Life.

2.4. Policy on ESG, Stewardship and Climate Change

The Scheme is invested solely in pooled investment funds through the Mobius TIP and the Trustees therefore have no direct voting rights.

The Trustees' policy is therefore to invest with investment managers where responsible investment is embedded appropriately in their approach to investment, including monitoring and engaging with investee companies, and exercising voting rights appropriately.

Information on the investment managers' approach to responsible investment, voting and engagement with the investee companies is available at the following websites:

LGIM

<https://www.lgim.com/uk/en/responsible-investing/>

M&G

<https://www.mandg.com/who-we-are/mandg-investments/responsible-investing-at-mandg-investments%20>

Taking all the above into consideration, the Trustees are satisfied that stewardship, and responsible investment is embedded appropriately in the investment managers' approaches to investing.

If the Trustees are specifically invited to vote on a matter relating to corporate policy, they would exercise their right in accordance with what they believe to be the best interests of the majority of the Scheme's membership.

If a new investment manager is selected, the Trustees will consider Mercer's ESG score for the fund, which incorporates an assessment of engagement and voting as part of the process.

As noted above, the Scheme's SIP including the ESG policies is due to be updated following the buy-in transaction with Canada Life.

3. Engagement Activity

During the Scheme Year, the Trustee has not engaged with either the underlying investment managers on matters pertaining to ESG, stewardship or climate change.

The Trustee also notes that LGIM has been a signatory of the UK Stewardship Code since 2020. A copy of their latest report can be found on the Financial Reporting Council's website: [UK Stewardship Code Signatories | Financial Reporting Council \(frc.org.uk\)](https://www.frc.org.uk/uk-stewardship-code-signatories)

Taking all the above into consideration, the Trustees are satisfied that responsible investment is embedded appropriately in the investment managers' approaches to investing. A further update will be provided in next year's Statement.

4. Voting Activity

As noted above, the Scheme purchased a buy-in policy with Canada Life within the Scheme Year and is also invested in passive pooled funds, all of which have no voting rights. As such, the Trustee does not assess any form of voting information, as it is not applicable to the Scheme's investments.

5. Assessment of how the Engagement and Voting policies in the SIP have been followed for the year to 11 August 2025

The Trustee is satisfied that the engagement and voting policies, set out in the latest SIP, have been followed.