Engagement Policy Implementation Statement (“EPIS”)

Labour Party Pension Scheme (the “Scheme”)

Scheme Year End – 31 December 2025

The purpose of the EPIS is for us, the Trustee of the Labour Party Pension Scheme, to explain what we have done during the year ending 31 December 2025 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme’s investments have been followed during the year; and

2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme’s material investment managers were able to disclose good evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

We delegate the management of the Scheme’s assets to our fiduciary manager, Aon Investments Limited (“AIL”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

How voting and engagement policies have been followed

The Scheme is entirely invested in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose good evidence of voting and engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis and received updates on important issues from our investment adviser, AIL. In particular, we received quarterly ESG ratings from AIL for the funds the Scheme is invested in where available.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

The Scheme's stewardship policy can be found in the SIP here.

Our Engagement Action Plan

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. Encourage our fiduciary manager to continue engaging with the underlying managers to share best practice and encourage improvements in disclosure and reporting.

2. We will invite AIL to a meeting to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policy. We will undertake more regular meetings with AIL if required, to ensure our it is using its resources to effectively influence positive outcomes in our portfolio.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our fiduciary manager’s engagement activity

We delegate the management of the Scheme's defined benefit assets to our fiduciary manager, AIL. AIL manages the Scheme's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. AIL selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed AIL’s latest annual Stewardship Report and we believe it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code, which is a voluntary code established by the Financial Reporting Council that sets high standards on stewardship for asset owners, investment managers and service providers.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 31 December 2025.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Lyrical Asset Management ("Lyrical") - Global Impact Value Equity (Currency Hedged & Unhedged)	465	100.0%	4.0%	0.0%
Mirova - Global Sustainable Equity Fund (Currency Hedged & Unhedged)	734	100.0%	39.2%	1.6%

Source: Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast and are distinct from a non-vote.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Scheme's managers use proxy voting advisers.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Managers	Description of use of proxy voting advisers *(in the managers' own words)*
Lyrical	Lyrical has adopted a proxy voting policy, as required by the Advisers Act. The policy provides that we will act in the best interests of our Accounts in determining whether and how to vote on any proxy voting matter. The Firm has hired Broadridge Financial Solutions Inc. to help implement these policies and procedures. Broadridge's default is to follow the recommendations of Glass Lewis. The Firm can override any such recommendation and typically supports proposals to improve company ESG and impact policies, practices, and outcomes. We also seek to carefully consider any concerns company management raises with us about upcoming proxy votes. We use Proxyedge for the majority of our clients.

Mirova	Mirova votes pursuant to our own policy and utilizes the Institutional Shareholder Services (“ISS”) proxy voting platform and research recommendations as one of many sources of research when determining how to vote.

Source: Managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Scheme’s investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme’s funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material managers. The managers have provided information for the most recent calendar year available.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level*	
Underlying managers of Aon's Multi-Asset Credit Strategy			
Aberdeen ("Aberdeen") - Climate Transition Fund	117	1,698	Environment – Climate; Other Environment related Social – Labour Management; Human Rights & Stakeholders Governance - Corporate Behaviour; Corporate Governance
L&G Asset Management ("L&G") - Diversified Credit	253	*Not provided*	Environment - Climate Impact Pledge; Deforestation; Climate Change Social Themes - Gender Diversity; Culture Governance - Remuneration; Board Composition Other - Corporate Strategy
Underlying managers of Aon's Active Fixed Income Strategy			
Aegon European ABS ("Aegon") - European Asset Backed Securities ("ABS") Fund	100	383	Environment - Climate Change Social - Conduct, Culture and Ethics Governance - Strategy, Financial and Reporting Other - General Disclosure
M&G - Sustainable Total Return Credit Investment ("TRCI")	56	533	Environment - Climate Change; Natural Resource Use/Impact Social - Public Health; Human and Labour Rights Governance - Board effectiveness – Diversity, Remuneration Other - Succession
Underlying managers of Aon's Low Risk Bonds Strategy			
Ardea - Global Alpha Fund	31	31	Environment - Climate Change Other - Green & Sustainable Bonds
Aegon - European ABS Fund	100	383	Environment - Climate Change Social - Conduct, Culture and Ethics Governance - Strategy, Financial and Reporting Other - General Disclosure
Underlying managers of Aon's Global Impact Strategy			
Mirova - Global Sustainable Equity (Currency Hedged & Unhedged)	42	145	Environment - Natural Resource Use/Impact; Climate Change Social - Human Capital Management; Human and Labour Rights Governance - Leadership - Chair/CEO
Lyrical - Global Impact Value Equity (Currency Hedged & Unhedged)	50	195	Environment - Climate change; Natural resource use/impact; Pollution, Waste Social - Human capital management Governance - Board effectiveness – Diversity; Remuneration; Strategy, Financial and Reporting.

*Source: Managers. *Firm-level data is not specific to the funds invested in by the Scheme but includes all engagements by the manager.*

Data limitations

At the time of writing, L&G has provided a complete list of engagements for the invested fund, however, it did not include as much detail as recommended in the best practice industry standard Investment Consultants Sustainability Working Group (“ICSWG”) reporting guide. We expect L&G to provide further engagement information, in line with the ICSWG reporting guide, after it publishes its annual stewardship report later this year. L&G’s firm-level engagement information is expected to be available when its annual report is published.

This report does not include commentary on certain asset classes such as gilts or cash because of the limited materiality of stewardship to these asset classes. Further, this report does not include the additional voluntary contributions (“AVCs”) due to the relatively small proportion of the Scheme’s assets that are held as AVCs.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's managers. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below, in the managers' own words.

Lyrical - Global Impact Value Equity (Currency Hedged & Unhedged)	**Company name**	HCA Healthcare
	Date of vote	24 April 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	4.9%
	Summary of the resolution	Report on Acquisition Strategy
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	The proposal requests that HCA publish a report describing the healthcare consequences of its acquisition strategy and the impact its hospital acquisitions within the last 10 years have had on impacted communities. It specifically requests that the report include information related to 1) the number of physician departures post-acquisition; 2) a comparison of pre- and post-acquisition patient satisfaction ratings; 3) a comparison of the number of staff per occupied beds pre- and post-acquisition; and 4) an overview of the impacted community's perception of the acquisition. We recognize that HCA has faced a moderate-level controversy stemming from safety issues in its facilities as well as from its acquisition of Mission Health. We understand the company has provided shareholders with information concerning its charitable care activities for the community, but this proposal requests far more decision-useful information. Although such charitable contributions can be an indicator of the company's stakeholder relations, we believe that the information sought by this proposal could better allow shareholders to understand how the HCA is managing the risks associated with its acquisitions. We voted "For" this proposal to better enable shareholders to understand the steps the company is taking to ensure it is appropriately managing issues related to patient safety and human capital when undertaking these transactions.
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	The implication of this outcome is to ensure that our portfolio companies are implementing ESG best practices. Our Director of Sustainability continues to monitor the situation.
	On which criteria have you assessed this vote to be most significant?	Adoption of this proposal could provide decision-useful information for investors.

Mirova - Global Sustainable Equity Fund (Hedged & Unhedged)	**Company name**	NVIDIA Corporation
	Date of vote	25 June 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	7.7%
	Summary of the resolution	Enhance Workforce Data Reporting
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Yes
	Rationale for the voting decision	Mirova will vote for proposals to report on Equal Employment Opportunity.
	Outcome of the vote	Fail
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We could not get an answer from the company, but we have a continuous dialogue on targeted engagements.
	On which criteria have you assessed this vote to be most significant?	This resolution concerns a topic that is core to the fund and its integration of ESG matters.

Source: Managers