

Edrington UK Distribution Limited Pension Scheme Implementation Statement – 31 October 2025

Why have we produced this Statement?

The Trustees of the Edrington UK Distribution Limited Pension Scheme have prepared this statement to comply with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

This statement sets out how the Trustees have complied with the voting and engagement policies detailed in the Scheme's Statement of Investment Principles (SIP).

A copy of this implementation statement has been made available on the following website:
<https://uk.edrington.com/en/other-policies>

What is the Statement of Investment Principles (SIP)?

The SIP sets out key investment policies including the Trustees' investment objectives and investment strategy.

It also explains how and why the Trustees delegate certain responsibilities to third parties and the risks the Scheme faces and the mitigated responses.

What is the purpose of this Statement?

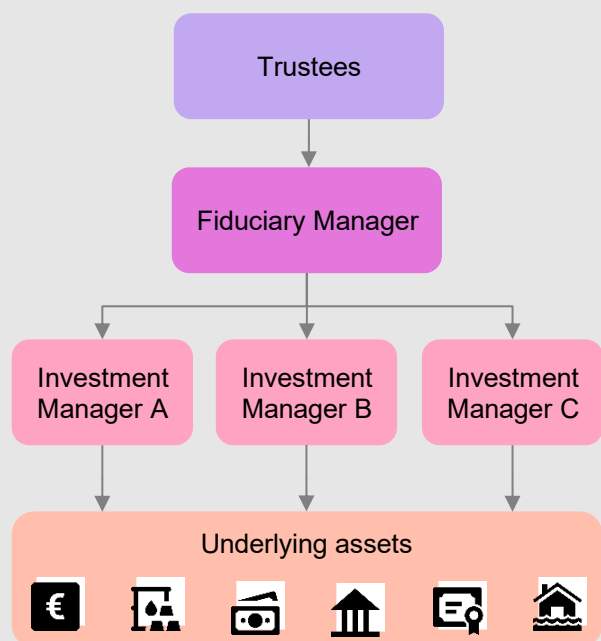
1. To explain how the Trustees' engagement policy has been applied over the year.
2. To describe how the voting rights attached to the Scheme's assets have been exercised over the year.

What changes have we made to the SIP?

The Trustees previously made changes to the SIP in November 2023.

There were no changes made to the SIP over the Scheme year to 31 October 2025, but it was subsequently reviewed in March 2026.

How are the Scheme's investments managed?



Trustees - The Trustees' key objective is to ensure sufficient assets are held to pay members' benefits as they fall due. The Trustees retain overall responsibility for the Scheme's investment strategy but delegate some responsibilities to ensure they are undertaken by somebody with the appropriate skills, knowledge and resources.

Fiduciary Manager (WTW) – The Trustees employ a Fiduciary Manager to implement the Trustees' investment strategy. The Fiduciary Manager allocates the Scheme's assets between asset classes and investment managers.

Investment managers – The Fiduciary Manager appoints underlying investment managers either using a pooled vehicle or a segregated mandate where these assets are held directly in the Scheme's name. The Fiduciary Manager will look for best in class specialist managers for each asset class.

Underlying assets – The investment managers pick the underlying investments for their specialist mandate e.g. shares in a company or government bonds.

Why do the Trustees believe voting and engagement is important?

The Trustees' view is that Environmental, Social and Governance ("ESG") factors can have a potential impact on investment returns, particularly over the long-term, and therefore contribute to the security of members' benefits. The Trustees further believe that voting and engagement are important tools to influence these issues.

The Trustees have appointed a Fiduciary Manager who shares this view and considers and integrates ESG factors, voting and engagement in its processes.

The Trustees incorporate an assessment of the Fiduciary Manager's performance in this area as part of its overall assessment of the Fiduciary Manager's performance.

What is the Trustees' voting and engagement policy?

When considering its policy in relation to stewardship, including engagement and voting, the Trustees expect investment managers to

address broad ESG considerations, but have identified climate change, labour rights and diversity, equality, and inclusion as key areas of focus.

The day-to-day integration of ESG considerations, voting and engagement are delegated to the investment managers. The Trustees expect investment managers to sign up to local Stewardship Codes and to act as responsible stewards of capital.

Where ESG factors are considered to be particularly influential to outcomes, the Trustees expect the Fiduciary Manager to engage with investment managers to improve their processes.

What training have the Trustees received over the year?

To ensure the Trustees are kept up to date with best practice in ESG considerations, voting and engagement, the Fiduciary Manager provided a sustainable investment update in December 2025. This covered a reminder of WTW's sustainable investment philosophy and an update on regulations around the topic

What are the Fiduciary Manager's policies?

Climate change and net zero goal

The Trustees believe climate change is a current priority when engaging with public policy, investment managers and corporations.

The Fiduciary Manager has a goal to achieve net zero greenhouse gas emissions across 'in-scope solutions' by 2050. They believe the trajectory is important, so are also aiming to approximately halve emissions per amount invested by 2030.

Public policy and corporate engagement

The Fiduciary Manager employs an external stewardship service provider, whose services include public policy engagement, and corporate voting and engagement on behalf of its clients (including the Trustees).

Some highlights from 2024 include:

- 994 companies engaged across regions on 4,267 issues and objectives
- 62 companies in their core programme featured engagements with the CEO or chair
- Making voting recommendations on 143,075 resolutions at 14,701 meetings, including recommended votes against 25,070 resolutions
- Participation in a range of global stewardship initiatives.

Industry initiatives

The Fiduciary Manager participated in a range of industry initiatives over the year to seek to exercise good stewardship practices. Please refer to their latest UK Stewardship Code Report for more information: <https://www.wtwco.com/en-gb/solutions/services/sustainable-investment>.

How does the Fiduciary Manager assess the investment managers?

Investment manager appointment - The Fiduciary Manager considers the investment managers' policies and activities in relation to ESG factors and stewardship (which includes voting and engagement) at the appointment of a new manager. In 2024 the Fiduciary Manager conducted engagements with over 70 managers across asset classes. They also engaged over 100 products on sustainability and stewardship. In addition, over 150 sustainability-theme strategies were researched.

Investment manager monitoring - The Fiduciary Manager produces detailed reports on the investment managers' ESG integration and stewardship capabilities on an annual basis.

Investment manager termination - The Fiduciary Manager engages with investment managers to improve their practices, and increases the bar by which they are assessed as best practice evolves. The Fiduciary Manager may terminate an investment manager's appointment if they fail to demonstrate an acceptable level of practice in these areas. However, no investment managers were terminated on these grounds during the year.

Example of engagements carried out over the year

Multi-asset manager Climate change issue

Issue: In early 2024, the Fiduciary Manager's investment research team became aware of a growing concern from climatology experts and reinsurance managers that the US hurricane season (July-November) was going to be extremely active. Asset managers do not usually act on these forecasts until closer to the hurricane season (usually around end of Q2), as they have less certainty before then. However, on this occasion, the warning signs came early and were very strong.

Outcome: The Fiduciary Manager therefore communicated with the external multi-asset manager early and expressed a desire to protect the portfolio against extreme US hurricane loss scenarios. Engagement took place over 2-3 conversations and included the Chief Investment Officer (CIO) and the investment team. The external asset manager shared stress tests and scenario analysis from their in-house analytics teams, working with the Fiduciary Manager to determine the level of protection to put on. This was done via selling Industry Loss Warranty (ILW) contracts — in practice, these hedges meant that if a large hurricane (or numerous large hurricanes) were to hit peak US regions, causing major insured losses, the portfolio was protected against paying out losses above a fixed threshold, that the Fiduciary Manager otherwise would have been exposed to.

While the year saw several billion-dollar hurricanes make landfall, peak US regions were avoided, and the US hurricane season was not as active/intense as was forecast, resulting in the hedges not being triggered. Despite this, the Fiduciary Manager is happy with the results of the engagement to reduce risk as, probabilistically, the Fiduciary Manager (and the external asset manager) believes this was the correct course of action, and in many scenarios, they would have served their purpose and protected against severe tail events.

Infrastructure manager Climate change – climate reporting issue

Issue: This investment manager is a leading investor, developer, and long-term manager of core infrastructure assets. This engagement formed part of the Fiduciary Manager's annual Sustainable Investment (SI) review of the manager, in alignment with its broader investment approach. SI engagement emphasises transparency, climate risk management and alignment, for example with the UN's Sustainable Development Goals (SDGs) like SDG 13: Climate Action. The engagement was prompted by gaps identified in ESG reporting, including the absence of data on climate solutions and limited carbon emission or footprint data, limited disclosure of carbon reduction targets, and further detail sought for the work the firm was undertaking in the area of climate-related risks.

Outcome: The manager acknowledged that, while not all their funds had completed the EU Taxonomy alignment process, eligible climate solutions were present in portfolios and would be better reflected in future disclosures. The firm published Task Force on Climate-related Financial Disclosures (TCFD)-aligned reports in 2024 using Partnership for Carbon Accounting Financials data and is working to improve asset-level data collection for future reporting. It also committed to setting portfolio-level carbon reduction targets, following the firm-wide ambition set in 2024. On climate risk, the manager has partnered with industry specialists to be at the vanguard of understanding this area. It is developing a more advanced approach to assess materiality and financial impact on the assets in which the firm has invested.

Looking ahead, the manager agreed that the EU's Corporate Sustainability Reporting Directive is going to be a component of reporting in 2025 as a number of assets fall into scope. It has also commissioned a portfolio

decarbonisation study focused on social infrastructure concessions, a more challenging area of the infrastructure opportunity set. A key priority going forward is improving the quality and consistency of carbon emission and footprint data across its portfolios, an effort which remains ongoing.

Money market fund manager

General ESG issue

Issue: The Fiduciary Manager engaged with the manager on their ESG and engagement approach in their money market funds during an annual update call.

Outcome: The manager continues to demonstrate performance above peers in the money market fund space with respect to ESG practices. Throughout the year, they reported several engagement activities to the Fiduciary Manager, including efforts focused on facilitated emissions and improving disclosure practices. The manager also outlined their process for issuing ESG questionnaires to counterparties and providing subsequent feedback. In addition, they highlighted a governance-related action taken during the period, where they reduced the maximum tenure permitted for a particular counterparty due to identified governance concerns.

It is encouraging to see the manager taking a proactive approach to ESG. The Fiduciary Manager has encouraged them to maintain this level of engagement and will continue to monitor their progress as part of next year's annual update call.

What are the voting statistics we provide?

The Scheme is invested across a diverse range of asset classes which carry different ownership rights, for example bonds do not have voting rights attached. Therefore, voting information was only requested from the Scheme's equity investment managers.

Responses received are provided in the following pages. The Trustees used the following criteria to determine the most significant votes:

- The manager deems the vote to be notable for the scheme
- The vote is in one of the stewardship priority areas identified by the Trustees (climate change, labour rights and diversity, equality and inclusion).
- The size of the company holding related to the vote
- A vote against company management
- The vote provides representation of the stewardship activity across different types of investment manager and mandates
- The total number of votes identified and reported by the Trustees is at a proportionate level

The Scheme was invested in both active (trying to outperform the market) and passive (aiming to perform in line with the market) equity funds. The Trustees have decided not to publicly disclose active investment manager names as the Trustees believes this could impact the investment manager's ability to generate the best investment outcome.

How have our investment managers voted over the last 12 months?

Towers Watson Core Diversified Fund

Pooled multi-asset growth fund

How many votes has this manager cast?

Number of meetings at which the manager was eligible to vote:	3,908
Number of resolutions on which manager was eligible to vote:	51,492
Percentage of eligible votes cast:	98.1%
Of the votes cast, percentage of votes	
with management:	89.0%
against management:	10.0%
abstained from:	1.0%
% of meetings, where the investment manager voted at least once against management:	57.0%
% of resolutions, where the investment manager vote was contrary to the recommendation of the proxy adviser?	1.8%

What is this manager's voting policy?

As the manager manages fund of funds, the voting rights for the holdings are the responsibility of the underlying managers. The manager expects all their underlying managers who hold equities over a reasonable timeframe to vote for all shares they hold. The manager has appointed EOS at Federated Hermes (EOS) to provide voting recommendations to enhance engagement and achieve responsible ownership. EOS also carries out public policy engagement and advocacy on behalf of all their clients. In addition, EOS is expanding the remit of engagement activity they perform on the manager's behalf beyond public equity markets, which will enhance stewardship practices over time.

The underlying managers are required to provide a detailed explanation and rationale whenever their voting decisions diverge from the EOS recommendations. They also utilise ISS for voting facilitation and research purposes. Additionally, their China equity manager employs the Glass Lewis service, utilising a bespoke policy.

Which votes do we think were significant?

Company:	Microsoft Corporation
Resolution:	Report on risks of operating in countries with significant human rights concerns
Allocation in manager portfolio:	1.1%
Date of vote:	10 December 2024
How the manager voted:	"For" the shareholder proposal, against management recommendation

Prior notice to management (if voting against management):	No
Manager rationale for vote:	Additional transparency through an independent assessment would benefit shareholders and stakeholders.
Trustee rationale for significance:	Vote topic is one of the Trustees' stated stewardship priorities (diversity, equity and inclusion), size of the position, vote against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager's policy is to vote proxies in the interest of maximizing investment value for their clients. The manager generally does not follow up on voting outcomes.

Company:	Amazon
Resolution:	Shareholder proposal regarding disclosure of material Scope 3 emissions
Allocation in manager portfolio:	0.9%
Date of vote:	21 May 2025
How the manager voted:	"Against" the shareholder proposal, with management recommendation
Prior notice to management (if voting against management):	Not applicable
Manager rationale for vote:	The company has various initiatives in place and does not appear to have neglected issues related to its value chain emissions. The company notes that its supply chain standards set forth its expectation that suppliers track, document, and, upon request, report greenhouse gas emissions to the company. Additionally, the highest-emitting suppliers that contribute over 50% of Scope 3 emissions are expected to provide a plan for decarbonizing operations. It has also introduced a sustainability solutions hub to help sellers reduce emissions.
Trustee rationale for significance:	Vote topic is one of the Trustees' stated stewardship priorities (climate change).
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to monitor the company's approach to its climate disclosures and may change their recommendation on future proposals should it become clear that it is not making sufficient progress toward its commitments. The proposal did not pass, which is in line with the manager's decision to vote against.

Company:	Meta Platforms
Resolution:	Disclose a climate transition plan resulting in new renewable energy capacity
Allocation in manager portfolio:	0.7%
Date of vote:	14 May 2025
How the manager voted:	"For" the shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No

Manager rationale for vote:	Promote transparency around environmental issues. The manager considers environmental factors to be an important consideration in assessing the long-term predictability and sustainability of a company's revenue and earnings growth.
Trustee rationale for significance:	Vote topic is one of the Trustees stated stewardship priorities (climate change), vote against management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to consider proposals whether from management or shareholders which enhance transparency around environmental issues.

Company:	NVIDIA Corp
Resolution:	Shareholder proposal regarding workforce data
Allocation in manager portfolio:	0.5%
Date of vote:	25 June 2025
How the manager voted:	"For" the shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	This proposal asks the company to enhance its existing public reporting to include a chart identifying employees according to gender and race in each of the nine US Equal Employment Opportunity Commission job categories. The company previously provided this information from 2018 to 2022 but no longer does. As of April 2024, over 80% of the S&P 500 and nearly 50% of the Russell 1000 Index companies disclose EEO-1 data. While the company's disclosures around workforce demographics are fairly comprehensive, EEO-1 reporting provides shareholders with data that is comparable across industry peers. Moreover, this reporting was previously produced and therefore should not be a significant burden to make available to shareholders. While the company's stance is that the data does not accurately depict its practices given its organizational structure, it would be a helpful supplement to existing reporting and increase shareholders' understanding of how the company is addressing human capital-related risk exposures.
Trustee rationale for significance:	Vote against management recommendation, manager considered the vote as a notable resolution.
Outcome of the vote:	Resolution failed
Implications of the outcome:	Although the proposal did not pass, given the relatively high level of shareholder support, the manager may follow up with the company in the short or long term for an additional engagement.

Company:	Oracle Corporation
Resolution:	Report on climate risk in retirement plan options
Allocation in manager portfolio:	0.2%
Date of vote:	14 November 2024

How the manager voted:	Against shareholder proposal, with management recommendation
Prior notice to management (if voting against management):	The manager does not publicly communicate their vote in advance.
Manager rationale for vote:	The proposal does not merit support as the company's climate-related disclosures are reasonable.
Trustee rationale for significance:	Vote topic is one of the Trustees' stated stewardship priorities (climate change)
Outcome of the vote:	Resolution failed
Implications of the outcome:	Where appropriate the manager will contact the company to explain their voting rationale and conduct further engagement.

Company:	Ping An Insurance (Group) Co. of China, Ltd.
Resolution:	Elect Chan Hiu Fung Nicholas as director
Allocation in manager portfolio:	0.1%
Date of vote:	13 May 2025
How the manager voted:	Against management proposal
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The nominee is a chief executive officer and sits on more than two public company boards.
Trustee rationale for significance:	Vote against management, the manager considered this to be a notable resolution.
Outcome of the vote:	Resolution passed
Implications of the outcome:	The manager will persist in voting against relevant directors if they sit on an excessive number of public boards.

Company:	Hudson Pacific Properties, Inc.
Resolution:	Advisory vote to ratify named executive officers' compensation
Allocation in manager portfolio:	0.03%
Date of vote:	14 May 2025
How the manager voted:	"Against" the management proposal and management recommendation
Prior notice to management (if voting against management):	The manager does not publicly communicate their vote in advance.
Manager rationale for vote:	This item does not merit support as the manager has concerns with the proposed remuneration structure for senior executives at the company.
Trustee rationale for significance:	The manager considered this to be a notable resolution, vote against management recommendation
Outcome of the vote:	Resolution failed
Implications of the outcome:	Where appropriate the manager will contact the company to explain their voting rationale and conduct further engagement.

Towers Watson Global Equity Focus Fund

Pooled multi-manager equity fund

How many votes has this manager cast?

Number of meetings at which the manager was eligible to vote:	178
Number of resolutions on which manager was eligible to vote:	3,452
Percentage of eligible votes cast:	99.4%
Of the votes cast, percentage of votes	
with management:	89.1%
against management:	10.6%
abstained from:	0.3%
% of meetings, where the manager voted and there was at least once against management:	46.6%
% of resolutions, where the manager voted and the vote was contrary to the recommendation of the proxy adviser? (if applicable)	10.0%

What is this manager's voting policy?

Responsibility for voting is ultimately delegated to the underlying stock pickers given their detailed knowledge of companies they invest in.

To strengthen the stewardship process, the manager has appointed EOS at Federated Hermes (EOS) to provide voting recommendations and additional company engagement. EOS's voting recommendations are informed by its extensive research and experience in the area of stewardship as well as its long-term engagement activities with companies.

The underlying managers use ISS's 'ProxyExchange' electronic voting platform to electronically vote investors' shares. The underlying manager is required to provide an explanation and note their rationale when they choose to vote differently to the recommendation.

Which votes do we think were significant as at August 2025?

Company:	Meta Platforms
Resolution:	Report on child safety and harm reduction
Allocation in manager portfolio:	3.1%
Date of vote:	14 May 2025
How voted:	"For" the shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No

Manager rationale for vote:	The manager voted "FOR" in support of the Shareholder Proposal for additional disclosure related to how the company measures & tracks metrics impacting child safety and harm reduction on its platforms (similar to last year). In the manager's view, greater transparency would serve to help shareholders' understanding of these risks and enhance the brand perception of the platform. While the company has disclosures addressing these areas of concern, the manager again determined that greater disclosures would on the whole reduce related risks and should be supported.
Trustee rationale for significance:	Vote topic is one of the Trustees stated stewardship priorities (human rights), size of the position, vote against the management's recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager expressed disappointment with the outcome of the vote. In their view, child safety and self-harm are areas of particularly acute controversy where greater transparency would serve to build confidence in the company's efforts to better manage these areas of concern. As proposed, an annual report would provide quantitative metrics whereby the company's performance could be measured. The manager will support similar proposals in the future.

Company:	HCA Healthcare Inc.
Resolution:	Amend patient safety and quality of care committee charter
Allocation in manager portfolio:	0.3%
Date of vote:	24 April 2025
How the manager voted:	"For" the shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The core of the proposal is to mandate that the committee review staffing levels and their direct influence on patient safety, the quality of care provided, and overall patient satisfaction. The manager felt that the shareholder proposal promotes appropriate accountability or incentivization.
Trustee rationale for significance:	Vote topic is one of the Trustees stated stewardship priorities (diversity, equity and inclusion), vote against management recommendation
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will share these best practices with other portfolio companies.

Company:	Netflix Inc.
Resolution:	Shareholder proposal regarding climate transition plan
Allocation in manager portfolio:	1.4%
Date of vote:	5 June 2025
How voted:	"Against" the shareholder proposal, with management recommendation

Prior notice to management (if voting against management):	Not applicable
Manager rationale for vote:	This proposal requests the company issue a climate transition plan “above and beyond existing disclosure,” describing how it intends to align its operations and full value chain emissions with existing science-based targets. However, the company has already adopted emissions targets that are aligned with the Paris Agreement and reports on progress toward these goals annually, in line with TCFD standards. The company has also published a long-term plan to achieve these targets, on par with industry peers. Given the current level of climate reporting by the company, the manager finds this proposal to be unnecessary and overly prescriptive and recommended voting against.
Trustee rationale for significance:	Vote topic is one of the Trustees’ stated stewardship priorities (climate change), size of the position.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The proposal did not pass, which is in line with the manager's decision to vote against.

Company:	State Street Corporation
Resolution:	Require independent board chair
Allocation in manager portfolio:	0.7%
Date of vote:	14 May 2025
How voted:	“For” the shareholder proposal, against management recommendation
Prior notice to management (if voting against management):	The manager has confirmed the voting decision was communicated but was not able to confirm whether this was before or after the meeting
Manager rationale for vote:	As a rule, the manager believes that boards should be led by an independent chair, who can provide better oversight of management and represent the long-term interests of the owners. (The manager allows exceptions when the CEO/Chairperson has a large stake in the business which makes them more closely aligned with shareholders.)
Trustee rationale for significance:	The manager voted against the management recommendation.
Outcome of the vote:	Resolution failed
Implications of the outcome:	The manager will continue to monitor this engagement.

Company:	Daimler Truck Holding AG
Resolution:	Approve virtual-only shareholder meetings until 2030
Allocation in manager portfolio:	0.5%
Date of vote:	27 May 2025
How voted:	“Against” the management proposal
Prior notice to management (if voting against management):	No
Manager rationale for vote:	The manager voted against this proposal as this may limit shareholders' voices. They believe that shareholders' ability to raise key issues to the

	board is important to their long-term interests if it is not onerous for the company board/management.
Trustee rationale for significance:	The manager voted against the management proposal.
Outcome of the vote:	Resolution passed
Implications of the outcome:	The manager will continue to consider proposals whether from management or shareholders which enhance transparency.

In conclusion...

The Trustees are satisfied that over the year, all SIP policies and principles were adhered to, in particular those relating to voting and engagement.