

# Manpower Pension Plan Implementation Statement for the year ending 31 December 2025

Welcome to the Trustees' statement of how they implemented the policies and practices in the Plan's Statement of Investment Principles ('SIP') during the year ending 31 December 2025.

This statement covers the DB section of the Plan.

## Introduction

This is the Trustees' statement prepared in accordance 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 Plan's stewardship policy as set out in the Statement of Investment Principles, during the period from 1 January 2025 to 31 December 2025.

Overall, the Trustees are satisfied that:

- The Plan's investments have been managed in accordance with the Plan's stewardship policy during the period;
- The Plan's investments have been managed in accordance with all other sections of the Plan's Statement of Investment Principles; and
- The provisions of the Statement of Investment Principles, including the kinds of investments held, remain suitable for the Plan's members.

The DB Section of the Plan provides you with benefits on a defined benefit ('DB') basis. This means that the size of the benefits paid to you when you retire will depend on your salary and length of service.

## Statement of Investment Principles ('SIP')

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

This Implementation Statement is in respect of the Plan's SIP that was in place as at 31 December 2025. The Plan's SIP was reviewed and last signed by the Chair of the Trustees on 15 April 2025. This review followed the disinvestment of the Plan's holdings in credit default swaps. No changes were required for the SIP following this review.

The next review of the SIP is scheduled for April 2026. The Trustees follow the Regulatory requirement of reviewing the SIP at least once every three years or sooner if there are changes to the investment strategy or stewardship policy.

The Plan is invested in liability-hedging assets, equities, property, bonds and other debt-based investments. The Trustees recognise the importance of stewardship in relation to voting rights which come with equity investments and also the engagement activity by the Plan's non-equity investment managers.

The Trustees have prepared this Implementation Statement on the basis of the SIP in force during the period, with reporting within this document in line with the SIP applicable at the relevant date.

You can find a copy of the Plan's SIP at <https://www.manpower.co.uk/staticpages/11031/manpower-pension-plan-documents/>

### What is the Implementation Statement for?

Every year starting from 1 October 2020 the Trustees are required to prepare an Implementation Statement, which sets out how they complied with the Plan's SIP relating to DB benefits during the Plan year.

### Investment governance

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

The Trustees have overall responsibility for how the Plan's investments are governed and managed in accordance with the Plan's Trust Deed and Rules as well as Trust Law, Pensions Law and Pension Regulations. In February 2025 the Trustees absorbed the existing Investment and Funding Committee ('IFC') into the main Trustee board. The IFC focused on investment issues and had the delegated authority to make investment decisions on behalf of the Trustees. It was decided that the Trustees would convene an Investment and Funding Group ('IFG') to review investment-specific recommendations and decisions as required, and the IFG will report to the Board for ratification.

There were no changes to the Trustees over the year, and no changes to the governance processes. Subsequent to the reporting year in January 2026, one Trustee resigned from the Board.

The Trustees have delegated day-to-day investment decisions for the DB section, such as which investments to buy and sell, to the investment managers.

### Trustee training

The Trustees undertook the following training sessions during the year to ensure that their knowledge remains up to date:

Date	Topic	Aim	Trainer
8 April 2025	Engagement training	Training on the importance of active stewardship of asset managers and the introduction of the Hymans Engage programme.	Hymans Robertson LLP
7 July 2025	Hymans Engage – update on Schroders and Barings	Updates to the Hymans Engage programme, covering a summary of engagements carried out with Schroders and Barings, which the Plan holds investments with.	Hymans Robertson LLP

### Investment consultant's objectives

The Trustees monitor how well their investment consultant meets an agreed set of objectives designed to align with the Trustees' objectives and investment strategy set out in the SIP. The Trustees have the following DB consulting objectives in place with their investment consultant:

- Advise on a suitable investment strategy, and amendments to the strategy, to deliver the required investment returns from the Plan's investments to support progress towards the long-term funding objective;
- Implement an investment strategy, and amendments to the strategy, that delivers the target returns whilst minimising the associated risk to meet the long-term objective over a reasonable timescale;
- Deliver an investment approach that reflects the Plan's cashflow position, and likely evolution, and minimises the risk of forced disinvestment;
- Provide advice on cost efficient implementation of the Trustee's strategy, including, but not limited to, advice on the use of suitable benchmarks, active or passive management, selection of managers;
- Provide relevant and timely advice to the Trustee Board on investment matters;
- Develop the Trustees' knowledge and understanding of the Plan's investment strategy, its implementation and investment matters, and provide investment training to the Trustee Board as needed;
- Provide suitable reporting for the Trustees to understand the Plan's progress towards its investment objectives;
- Ensure advice complies with relevant pensions regulations, legislation and supporting guidance;
- Ensure the Trustees meet the relevant pensions regulations and legislation relating to investment, including the Plan's SIP and approach to responsible investment; and
- Develop and support the Trustees' understanding and knowledge of Environmental, Social and Governance ('ESG') and climate risk considerations including Net Zero.

The Trustees review the suitability of the consultant's objectives and assess the performance of the consultant with regards to these objectives at least once a year. The Trustees last carried out the performance assessment in January 2026 and last reviewed the consulting objectives in October 2025.

### **How the investment strategy is managed**

The objectives and rationale for the investment strategy are set out in the Plan's current SIP on pages 1 to 2.

### **How investments are chosen**

The Trustees review the performance of the investment managers and mandates on a regular basis against a series of metrics, including, but not limited to, financial performance against the benchmark and objectives of the mandate and the management of risks. Material deviation from performance or risk targets is likely to result in the mandate being formally reviewed.

The Trustees monitor the performance of the funds used by the DB section of the Plan by:

- Reviewing quarterly investment performance reports;
- Meeting with the managers on a periodic basis;
- Engaging with the investment consultant.

Over the year, the Trustees monitored fund performance relative to the manager's respective benchmarks and targets on a quarterly basis.

**The Trustees are satisfied that during the year:**

- **The Plan's overall investment strategy was appropriate; and**
- **The actions taken by the managers to navigate market conditions were appropriate.**

### **Investment risks and returns**

The investment risks relating to the DB Plan are described in the SIP on pages 4 to 5, and the expected return is described in the SIP on page 6. The Trustees' views on the expected levels of investment risks and returns inform decisions on the strategic asset allocation (i.e. what types of assets and areas of the world the Plan invests in over the longer term) and the style of management adopted by the Plan.

The Trustees believe that the main investment risks described in the SIP have not changed materially over the year.

The Trustees' views on the expected return of specific asset classes have not changed during the Plan year.

**The Trustees are satisfied and accept that:**

- **The current expected rates of investment return for the types of funds described in the SIP are still reasonable relative to the risks; and**
- **It is not possible to make specific provision for all possible risk eventualities.**

### **Realisation of investments**

It is important that members receive their benefits promptly, and that the Plan's investments can be realised quickly if required, as set out on page 6 of the SIP. The Trustees also ensure that there is a robust process for the Plan's administrators to process cash payments to and from the Plan, and to and from the investment funds.

**The Trustees are satisfied that money can be invested in and taken out of the majority of DB investments within reasonable time frames as set out in the SIP.**

### **Portfolio turnover within funds**

The Trustees monitor the performance of the assets (net of costs) on a quarterly basis and any material deviation in performance relative to target returns or benchmarks will warrant an investigation into the activity carried out by the fund manager, including the buying and selling of assets. In this way, the Trustees indirectly monitor portfolio turnover on a regular basis and associated transaction costs; however, the Trustees periodically undertake a summary of the turnover costs and manager fees and keep these under review.

Short-term changes in the level of turnover may be expected when a manager alters its investment strategy in response to changing market conditions. However, a change in the level of portfolio turnover might indicate a shift in the amount of risk the manager is taking, which could mean that a fund is less likely to meet the objectives for which it was chosen by the Trustees.

- **During the year, the Trustees monitored performance for all the funds on a quarterly basis and discussed performance with the Plan's investment consultant.**
- **The Trustees reviewed a summary of the turnover/transaction costs incurred by the Plan during the previous financial year along with the fees paid to the investment managers.**
- **The Trustees have not identified any material deviation in performance to warrant further investigation into portfolio turnover.**

### **Conflicts of interest**

As described on page 7 of the SIP, the Trustees consider any conflicts of interest in the management of the Plan's assets. Over the year, the managers have not disclosed any potential or actual conflicts of interest but have ensured that the Plan has appropriate policies in place. These policies apply to the Plan's service providers, including the fund managers and investment adviser.

The Trustees formally ask the managers to declare any conflicts when the Trustees meet with them and to disclose in writing any potential or actual conflict of interest.

**The Trustees are satisfied that there have been no material conflicts of interest during the year which might affect members' benefit expectations or the running of the Plan.**

### **Manager incentives**

As described on page 2 of the SIP, the Trustees periodically review the investment manager fees for suitability.

**During the reporting year, the Trustees reviewed a summary of the fees paid to the investment managers and found the fees to be broadly as expected for the respective asset classes. The Trustees' approach to manager incentives has not changed.**

### **Responsible Investment**

The Trustees believe that responsible investing covers both sustainable investment and effective stewardship of the assets the Plan invests in.

#### **Sustainable Investment**

The Trustees believe that investing sustainably is important to control the risks that environmental factors (including climate change), social factors (such as the use of child labour) and corporate governance behaviours can have on the value of the Plan's investments.

The Trustees have considered the duration of the Plan's liabilities when choosing and reviewing the funds. The Trustees periodically review the fund managers' approaches to sustainable investing and receive periodic reports from the fund managers on how these risks have been handled.

#### **ESG exclusions**

The Trustees have requested and documented any relevant ESG exclusions in the various mandates of the Plan, as detailed in 'Manager engagement activity' later in this Implementation Statement.

## Policy implementation

In line with the SIP, no specific actions over the past year have been considered with respect to non-financially material factors in the development and implementation of the Plan's investment strategy.

With regards to financially material factors, as outlined on page 7 of the SIP, the Trustees have delegated voting and engagement activity in respect of the underlying assets to the Plan's investment managers. The Trustees believe it is important that the investment managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with management teams on issues which affect a company's financial performance.

The Trustees' own engagement activity is focused on dialogue with the investment managers which is undertaken in conjunction with the investment consultant. The Trustees meet regularly with the Plan's investment managers and consider managers' exercise of their stewardship during these meetings.

**The Trustees are satisfied that during the year the Plan's assets were invested in accordance with the policies on sustainable investing and consideration of financially material factors as set out in the SIP.**

## Investments not made in accordance with the SIP

During the reporting year there were no investments made that were not in accordance with the SIP.

## Stewardship policy

The Trustees' stewardship (voting and engagement) policy sets out how the Trustees will behave as an active owner of the Plan's assets which includes the Trustees' approach to:

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustees monitor and engage with the Plan's investment managers and any other stakeholders.

The Plan's stewardship policy is reviewed on a periodic basis, in line with the Plan's SIP review.

The Trustees believe it is important that investment managers take an active role in the supervision of the companies in which they invest, both by voting at shareholder meetings and engaging with management on issues which affect a company's financial performance, and by extension the value of the Plan's investments.

The Trustees receive reports on investment managers' voting and engagement activity, where applicable, from the investment adviser on a periodic basis.

The Trustees' own engagement activity is focused on meeting with investment managers on a regular basis to discuss stewardship issues in further detail, as well as periodically reviewing the investment managers' approach to stewardship, including their engagement and voting policies where applicable.

The Trustees also monitor their own compliance with the Plan's stewardship policy on a regular basis and are satisfied that they have complied with that policy over the Plan year.

**The Trustees are satisfied that the managers' stewardship approaches remain suitable for the Plan.**

## Voting activity

The Trustees seek to ensure that, where voting rights exist, their managers exercise them; and where appropriate the Trustees may monitor manager voting patterns. The Trustees may periodically

monitor votes cast by managers on particular companies or issues that affect more than one company.

The Trustees invest in equity assets through a global equities mandate with Legal and General Investment Management ('L&G'). L&G have reported on how votes were cast in the relevant equity mandates as set out in the tables below:

Legal and General	Future World Global Equity Index (GPGE) and (GPEN – GBP hedged)
Proportion of Plan assets*	14.5% (£8.8m)
No. of meetings eligible to vote at during the year	5,881
No. of resolutions eligible to vote on during the year	59,848
% of eligible resolutions voted	100.0%
% of resolutions voted with management	78.6%
% of resolutions voted against management	20.3%
% of resolutions abstained	1.1%
% of meetings with at least one vote against management	60.8%

\*Combined allocation to Plan assets (excluding buy-in policies) as at 31 December 2025.

### Significant votes – L&G Future World Global Equity Index

The Trustees asked L&G to report on the most significant votes cast within the portfolios they manage on behalf of the Trustees. The following votes are from a sample which L&G have been identified as being of greater relevance to the Plan.

Date	Company	Subject and manager vote*	Summary and rationale
21 April 2025	Broadcom Inc.	Vote against: Elect Director Henry Samueli	Concerns on failure to meet minimum standards with regard to climate risk management.
5 May 2025	Eli Lilly and Company	Vote against: Elect Director Juan R. Luciano	Concerns around risk of joint Chair/CEO role and lack of independence.
5 May 2025	Uber Technologies, Inc.	Vote against: Elect Director Ronald Sugar	Concerns on lack of gender diversity on the board as L&G expect one-third to be women.
20 May 2025	JPMorgan Chase & Co.	Vote against: Elect Director James Dimon	Concerns around risk of joint Chair/CEO role and lack of independence.
2 June 2025	UnitedHealth Group Incorporated	Vote against: Elect Director Stephen Hemsley	Concerns around risk of joint Chair/CEO role and lack of independence and excessive tenure.

<b>24 June 2025</b>	Mastercard Incorporated	Vote for: Oversee and Report on a Racial Equity Audit	L&G supports such information and risk management approach to Diversity.
<b>4 November 2025</b>	Lam Research Corporation	Vote for: Reduce Ownership Threshold for Shareholders to Call Special Meeting	The current threshold necessary to call a special meeting is high and this resolution is seeking to reduce the threshold.
<b>5 December 2025</b>	Microsoft Corporation	Vote against: Elect Director Satya Nadella	Concerns around risk of joint Chair/CEO role and lack of independence.

Source: L&G, 31 December 2025.

L&G consider a vote against management as a significant vote.

The resolutions which L&G voted against management the most during the relevant period were mainly in relation to board of directors.

The Trustees are satisfied that the manager's voting behaviour aligns with the Plan's stewardship priorities.

#### **Use of a proxy adviser**

The Trustees' equities investment manager made use of the services of the following proxy voting advisors over the Plan year:

<b>Manager</b>	<b>Proxy advisor used</b>
<b>L&amp;G</b>	L&G uses the ISS 'Proxy Exchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G, and they do not outsource any part of the strategic decisions. To ensure the proxy provider votes in accordance with their position on ESG, L&G have put in place a custom voting policy with specific voting instructions.

#### **AVCs**

Some Plan members also have access to funds with voting rights attached through legacy AVC policies held with Prudential. This is detailed in the Implementation Statement for the DC section of the Plan, also available at <https://www.manpower.co.uk/staticpages/11031/manpower-pension-plan-documents/>

#### **Trustees' engagement activity**

The Trustees hold meetings with their investment managers on a regular basis where stewardship issues are discussed in further detail. Over the year, the Trustees met with the following managers and discussed the following topics, as detailed in the below:

<b>Engagement</b>	<b>Subjects discussed</b>	<b>Outcome</b>
<b>Schroders 22 October 2025</b>	Portfolio update including recent performance and details of the redemption progress following the submission of the Plan's redemption request.	The Trustees were satisfied with the discussion with Schroders.

### Buy-in policy

Just Group Plc ('Just') is the buy-in policy provider for the Plan. The Trustees meet with Just periodically to discuss the bulk annuity market and their recent transactions.

The Trustees receive regular investment reports from their investment consultant with updates on Just, covering market performance, strength of capital position, recent bulk annuity transactions, and ESG activity.

### Manager engagement activity

Where the Plan is invested in funds which do not have voting rights, the Trustees review the engagement activity of the managers in relation to their investee companies and issuers. The Trustees also review any applicable ESG exclusions across the Plan's portfolio and are interested to understand how these evolve over time. The table summarises the key manager engagement activity and ESG exclusions for the 12-month period ending 31 December 2025.

Over the course of the past year, the Trustees have met with 1 out of 3 investment managers and at these meetings the Trustees discussed broad ESG issues with the managers as part of the engagement. The managers have provided the Trustees with case studies on their engagement activities as set out in the table below. Where possible, the Trustees are keen to learn from the managers about their engagement outcomes over time.

Manager	Voting rights / engagements	Topic engaged on
<b>Schroders</b>  <b>UK Real Estate Fund ('UKREF')</b>	<ul style="list-style-type: none"> <li>Direct real estate portfolio with no voting rights;</li> <li>The manager engaged with a number of stakeholders during the year including occupiers (tenants), property managers, developers and government and industry bodies;</li> <li>There were no changes to the existing UKREF's ESG exclusions during the year. ESG exclusions continue to be applied via due diligence during tenant selection and throughout the lease, and Schroders has developed Exclusion Procedures to support the monitoring and managing of tenants and suppliers who occupy and service the buildings under investment.</li> <li>Exclusions cover cluster munitions/ controversial weapons; child labour; defence firms; tobacco; fossil fuels;</li> <li>UKREF tenants are regularly screened for financial crime,</li> </ul>	<p>Active ownership case studies covered the following engagement priorities:</p> <ul style="list-style-type: none"> <li>Social – communications: Schroders developed S:Connect jointly with CBRE to adopt a people-led, place-based approach to tenant experience, enabling more consistent engagement while supporting community integration and wellbeing initiatives. The platform enables occupiers to access building updates, event information, sustainability communications and wellbeing activities, while also providing a direct route to contact site management teams.</li> <li>Social – collaboration and community: Collaboration is embedded within Schroders' asset management approach and demonstrated through ongoing partnership with occupiers, contractors and local community organisations. For example, Schroders have supported tenant-led initiatives identified through regular</li> </ul>

	<p>hazardous chemicals at site, or immoral use;</p> <ul style="list-style-type: none"> <li>• In addition, if there are possible insurance implications from the tenant’s business operation (e.g. hazardous chemicals stored at an industrial site) this would be raised with the insurers prior to confirming the lease with prospective tenants.</li> <li>• However, the manager notes that retail tenants may represent exposure to child labour or tobacco.</li> </ul>	<p>occupier engagement meetings, such as enabling Costa Coffee to implement a “Community Bookshelf” by funding a bookshelf, providing branded signage and coordinating book donations, which generated positive visitor feedback and continues to support family engagement and community participation. Collectively, these initiatives have enhanced occupier goodwill, reinforced stakeholder trust and contributed to the social value of the asset.</p>
<p><b>Barings</b></p> <p><b>Global High Yield Credit Strategies</b></p> <p><b>(‘HYCS’)</b></p>	<ul style="list-style-type: none"> <li>• Fixed income portfolio with no voting rights;</li> <li>• Initiated 152 engagements in fixed income over the year to 31 December 2025, covering 8 topics over the year.</li> <li>• The main topics engaged on were as follows: <ul style="list-style-type: none"> <li>○ Governance - Strategy, Financial and Reporting</li> <li>○ Environment - Climate change</li> <li>○ Social - Human and labour rights (e.g. supply chain rights, community relations)</li> </ul> </li> <li>• There were no changes to the ESG exclusions during the year. The HYCS fund continues to be subject to the Barings firm-wide ESG exclusion list – no direct investment in companies that violate International Conventions on cluster munitions, antipersonnel mines, chemical and biological weapons; and do not knowingly hold securities that are materially involved in the production, stockpiling and use of these.</li> </ul>	<p>Sample of engagements with the following issuers during the year:</p> <ul style="list-style-type: none"> <li>• Environment: Barings engaged with an American airline company to assess progress against its stated climate commitments and to better understand the credibility of its emissions reduction pathway. The discussion focused on the company’s interim and long-term targets, the drivers of recent emissions trends, and the role of fleet modernisation, sustainable aviation fuel (‘SAF’), and emerging technologies in achieving its decarbonisation objectives. Following engagement, Barings gained comfort that the company remains aligned with its interim targets, with recent emissions growth viewed as consistent with expansion rather than a weakening of climate ambition.</li> <li>• Governance: Issuer is a global technology business. Barings engaged with the company to assess two key sector-wide issues: rising memory prices and their potential impact on margins, and the evolving tariff environment and associated supply-chain adjustments.</li> </ul>

		<p>The engagement provided increased comfort around the company’s ability to manage near-term cost pressures arising from higher memory prices, supported by early inventory actions, forward supply agreements, and product mix optimisation. Barings also gained clarity on the company’s supply-chain flexibility and tariff mitigation strategies. Barings will continue to monitor developments.</p>
<p><b>L&amp;G</b></p> <p><b>LDI and cash (Sterling Liquidity Fund)</b></p>	<ul style="list-style-type: none"> <li>• Fixed income portfolio with no voting rights.</li> <li>• The gilt and leveraged gilt funds do not have any specific ESG exclusions applied directly at an overall fund level (given the requirement to closely track an LDI defined benchmark). However, the funds invest a portion of their assets in the Sterling Liquidity Fund (‘SLF’) which does have ESG exclusions.</li> <li>• The Sterling Liquidity Fund applies exclusions aligned with the Future World Protection List (‘FWPL’). There were no changes to the FWPL over 2025.</li> </ul>	<ul style="list-style-type: none"> <li>• LDI: majority of physical holdings are in gilts and index-linked gilts, allowing L&amp;G to engage with UK government and policymakers. L&amp;G have been engaging on green gilts since 2020, having initially collaboratively engaged to encourage the integration of social impact programmes into the UK government’s green gilt mandate.</li> <li>• SLF: L&amp;G undertook 28 engagements across 21 companies. The main topic engaged on was climate change (environmental). L&amp;G engaged with counterparties to transactions and the issuers of money-market instruments. <ul style="list-style-type: none"> <li>○ Mizuho Financial Group: L&amp;G expects companies to introduce credible transition plans for stated emission-reduction commitments, and note shareholders benefit from actions that help to correctly price climate risk. L&amp;G continue to engage with Mizuho and consider improvements “in progress”.</li> </ul> </li> </ul>
<p><b>L&amp;G</b></p> <p><b>Equities (Future World Global)</b></p>	<ul style="list-style-type: none"> <li>• Equities portfolios which confer voting rights.</li> <li>• In terms of ESG exclusions, the funds are subject to the L&amp;G FWPL and Climate Impact Pledge sanction</li> </ul>	<ul style="list-style-type: none"> <li>• Key engagements in relation to the Future World funds are covered in ‘voting activity’ above. In all cases L&amp;G continue to engage with the company in question.</li> </ul>

<p><b>Equity Index)</b></p>	<p>list which are publicly available to view online.</p> <ul style="list-style-type: none"> <li>• The FWPL in summary excludes controversial weapons, companies whose activities in thermal coal and oil sands generate at least 20% of their revenue, and companies in violation of the UN Global Compact initiative for responsible policies.</li> <li>• The FWPL is reviewed by L&amp;G twice a year, in May and November annually. There were no changes over 2025.</li> <li>• The Climate Impact Pledge List operates separate to the FWPL in that companies are divested up to a pre-specified tracking-error limit; if the tracking error limit is reached, holdings are reduced rather than fully divested.</li> </ul>	
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We hope that this Statement helps you understand how the Plan's DB investments have been managed over the year.

Prepared by the Trustees of Manpower Pension Plan

April 2026