Crest Nicholson Group Pension and Life Assurance Scheme Implementation Statement

Purpose

This statement provides information on how, and the extent to which, the Trustee's policies in relation to the exercising of rights (including voting rights), attached to the Scheme's investments, and engagement activities have been followed during the year ended 31 January 2026 ("the reporting year"). In addition, the statement provides a summary of the voting behaviour and most significant votes cast during the reporting year.

Background

The Trustee's policies on ESG, voting and engagement are documented in the SIP last updated in November 2025. No changes to the voting and engagement policies have been made over the reporting year.

The Trustee has, in its opinion, followed the Scheme's voting and engagement policies during the reporting year.

The Trustee's policy on ESG, voting and engagement

The Trustee has considered how ESG considerations (including but not limited to climate change) should be addressed in the selection, retention, and realisation of investments, given the time horizon of the Scheme and its members.

At the May 2024 Trustee meeting, the Trustee received training on how systemic risks (including climate change) could impact the Scheme. It was noted that engagement (with investment managers, company boards and policymakers) is the key means by which to address systemic risks.

The Trustee expects all of its investment managers to take account of financially material factors (including climate change and other ESG factors) within the parameters of the mandates they are set. The Trustee seeks to appoint managers that have the skills and processes to do this, and reviews how the managers are taking account of these issues in practice on an annual basis (and engages with managers where it feels improvements can be made).

The Trustee recognises its responsibilities as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments and is in the best interests of its members.

The Trustee seeks to appoint investment managers that have strong stewardship policies and processes, reflecting the principles of the UK Stewardship Code 2020 issued by the Financial Reporting Council, and from time to time the Trustee reviews how these are implemented in practice.

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement with relevant persons such as issuers of debt and equity, stakeholders and other investors about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG factors. It expects the managers to undertake voting and engagement in line with the Trustee's stewardship policies, considering the long-term financial interests of investors.

As all of the Scheme's investments are held through managers or pooled funds, the Trustee does not monitor or engage directly with issuers or other holders of debt or equity.

Manager selection exercises

The Trustee influences the Scheme's approach to ESG and other financially material factors through its investment strategy and manager selection decisions.

During the reporting year, there were no manager selection exercises or de-selection exercises undertaken.

Ongoing governance

The Trustee monitors managers' activities in relation to ESG factors, voting and engagement on a regular basis. It seeks to understand how the managers are implementing their stewardship policies in practice to check that their stewardship is effective and aligned with the Trustee's expectations.

The Trustee has selected some priority ESG themes to provide a focus for its monitoring of investment managers' voting and engagement activities: Corporate Transparency; and Business Ethics. The Trustee reviews the themes regularly and updates them if appropriate. The Trustee communicates these stewardship priorities to its managers and also confirms its more general expectations in relation to ESG factors, voting and engagement.

If the Trustee's monitoring identifies areas of concern, it will engage with the relevant manager to encourage improvements.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore the Trustee expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

Adherence to the Statement of Investment Principles

The Trustee is satisfied that it followed its policy on the exercise of rights (including voting rights) and engagement activities to an acceptable degree during the reporting year.

Voting activity

The main asset class where the investment managers will have voting rights is equities. Throughout the reporting year the Scheme held no exposure to equities, therefore, no voting information is available for the Scheme's investments.

The Trustee has included commentary on the Benefit Street Partners European Direct Lending Fund III, provided by Benefit Street Partners, which invests in assets that had some limited voting opportunities during the period. However, Benefit Street Partners is unable to provide specific voting examples or voting data for inclusion in the Scheme's Implementation Statement. Any holdings in the Fund with voting rights attached to them form a de minimis proportion of the Scheme's total assets, so the Trustee has not taken additional steps to try and obtain the missing voting data for the Fund.

"As a credit manager, proxy voting is not material within the context of our activities. The number of occasions when Benefit Street Partners Limited ("BSP Ltd") will be engaged in proxy voting will be limited. It is most likely to occur with high yield bond investments, where an allocation may take on formal voting rights. In such instances, BSP Ltd uses the opportunity to vote on matters concerning governance and corporate responsibility.

BSP Ltd generally will not be called upon to vote for proxies for its syndicated loan and Direct Lending investments because of the nature of the instruments involved in the investment strategy (i.e., loans rather than securities). An exception may be when BSP Ltd holds loan investments which could be converted to voting securities.

When it has voting responsibility, BSP Ltd will make every attempt to vote when given an opportunity to do so. However, there may be instances when the Firm is unable or unwilling to vote because of legal or operational difficulties or because it believes the administrative burden and/or associated cost exceeds the expected benefit to a client. BSP Ltd reviews the circumstances for each vote to determine which stance would best serve its clients and aims to act accordingly."

Signed: __________________________, Chair of Trustees

Date: _____________________________