

CIM Holdings Limited Retirement Benefits Scheme

Implementation Statement

Barnett Waddingham LLP

September 2025

Purpose of Implementation Statement

This Implementation Statement has been prepared by the Trustee of the CIM Holdings Limited Retirement Benefits Scheme (the Scheme) and sets out:

- How the Trustee's policies on exercising rights (including voting rights) and engagement policies have been followed over the year.
- The voting behaviour of the Trustee, or that undertaken on their behalf, over the year to 30 June 2025, including information regarding the most significant votes.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force as of 30 June 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in May 2024 and has been made available online here:

<https://www.cim.co.uk/media/eqynpkea/2024-05-statement-of-investment-principles-v10-signed.pdf>

The Trustee decided not to set stewardship priorities for the Scheme because the Scheme solely invests through pooled investment vehicles where the Scheme's assets only represent a small proportion of the capital invested in the funds. As an investor in pooled funds, the Trustee currently adopt the policy of delegating the exercise of the rights (including voting rights) attaching to the Scheme's investments to the investment managers, who are signatories to the UK Stewardship Code.

How voting and engagement policies have been followed

The Scheme invests entirely in pooled funds and, as such, delegates responsibility for carrying out voting and engagement activities to the Scheme's fund managers.

The Trustee reviews the voting, stewardship and engagement activities of the current managers from time to time.

The Trustee is comfortable that the actions of the fund managers are in alignment with the Scheme's stewardship policies and no remedial action was taken during the period.

Voting undertaken on behalf of the Trustee

The Scheme's equity investments are held through pooled diversified growth funds managed by Baillie Gifford and Schroders. The investment managers of these funds vote on behalf of the Trustee.

The table below provides a summary of the voting activity of undertaken by each manager during the year.

Manager	Baillie Gifford	Schroders
Fund name	Baillie Gifford Diversified Growth Fund	Schroder Life Diversified Growth Fund
Structure	Pooled	
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.	
No. of eligible meetings	76	1,280
No. of eligible votes	928	16,778
% of resolutions voted	98.0%	94.5%
% of resolutions abstained	0.6%	0.1%
% of resolutions voted with management¹	95.3%	89.5%
% of resolutions voted against management¹	4.2%	10.5%
Proxy voting advisor employed¹	n/a	Glass Lewis
% of resolutions voted against proxy voter recommendation	n/a	8.5%

Source: fund managers as at the end of Q2 2025.

Baillie Gifford don't rely upon recommendations from proxy advisers when voting clients' shares and vote in line with their in-house policy. They do, however, utilise voting research from ISS and Glass Lewis for information only and have specialist proxy advisors in the Chinese and Indian markets (ZD Proxy and IIAS respectively to provide more nuanced market specific information). Schroders utilise Glass Lewis as one of their service providers, for which they have their own bespoke policy.

¹ As a percentage of the total number of resolutions voted on. Totals may not add up to 100%. Numbers are subject to rounding.

Significant votes

At this time, the Trustee has not set stewardship priorities for the Scheme. For this Implementation Statement, the Trustee has asked the investment managers to determine what they believe to be a "significant vote". The Trustee has not communicated voting preferences to their investment managers over the period.

Baillie Gifford and Schroders have provided a selection of votes which they believe to be significant. In the absence of agreed stewardship priorities / themes, the Trustee has selected 3 votes from each manager, that cover a range of themes to represent what they consider the most significant votes cast on behalf of the Scheme. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below. Where this information wasn't provided, votes which covered a breadth of themes were selected.

Baillie Gifford, Diversified Growth Fund

	Vote 1	Vote 2	Vote 3
Company name	MP Materials Corp.	American Tower Corporation	Equinix Inc.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.75%	0.67%	0.63%
Summary of the resolution	Elect Director	Appoint/Pay Auditors	Incentive Plan
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	N/A	No	N/A
How the manager voted	For	Against	For
Rationale for the voting decision	Baillie Gifford supported the election of all directors to the board as they are comfortable with the board's current composition.	Baillie Gifford opposed the ratification of the auditor because of the length of tenure. They believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls.	Baillie Gifford supported the incentive plan as they see value in the strong incentive programme in the company for employee retention and incentivisation.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	Baillie Gifford are aware that one proxy advisor was recommending withholding votes on three directors responsible for board governance due to the ongoing classified board structure. They are currently comfortable with the company having this provision in place and as such were happy to support all director elections.	The company's auditor has been in place for 28 years, and it has not stated any intention of retendering the contract. Although not a regulatory requirement in the US, Baillie Gifford considers it best practice for the auditor to rotate at least every 20 years to maintain independence. They have previously communicated this position to the company.	The request to amend the incentive plan received 40 per cent opposition from shareholders. While Baillie Gifford were comfortable with the conditions attached to the plan, they understand that one proxy advisor had recommended opposing the plan due to concerns with cost and levels of dilutions. Baillie Gifford will continue to assess

	Vote 1	Vote 2	Vote 3
			the suitability of future incentive plans.
Criteria on which the vote is considered "significant"	This resolution is significant because it received greater than 20% opposition.	This resolution is significant because Baillie Gifford opposed the election of auditors.	This resolution is significant because it received greater than 20 per cent opposition.

Schroder Life Diversified Growth Fund

	Vote 1	Vote 2	Vote 3
Company name	Snowflake Inc	BPER Banca. S.p.A	Eurobank Ergasias Services
Approximate size of fund's holding as at the date of the vote (as % of portfolio)		This information was not provided.	
Summary of the resolution	Elect Director	Amendment to remuneration policy	Set maximum variable pay ratio
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?		This information was not provided.	
How the manager voted	Withhold	Against	Against
Rationale for the voting decision	Schroder opposed the vote for the director as the firm has failed to remove the classified board structure.	Schroder voted against the remuneration policy due to the lack of relative total shareholder return in the long-term incentive plan.	Schroder opposed the resolution as they are not supportive of the stock option plan.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome		This information was not provided.	
Criteria on which the vote is considered "significant"	This resolution is significant because Schroder opposed the election of a director against management's recommendation.	This resolution is significant because Schroder voted against management's recommendation.	This resolution is significant because Schroder voted against management's recommendation.

Fund level engagement

Manager	Baillie Gifford	Schroders	Schroders
Fund name	Baillie Gifford Diversified Growth Fund	Schroder Life Diversified Growth Fund	Schroders Buy & Maintain Credit Funds
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	20	1,586	1,059
Number of engagements undertaken at a firm level in the year	1,607		1,236

Source: Fund managers

Examples of engagement activity undertaken over the year to 30 June 2025

Schroder

Harum Energy

In 2024, Schroder met the CEO to discuss progress on the company's transition away from coal and its ability to decarbonise its business model toward net zero by mid-century. A rapid transition away from coal is considered essential for reducing greenhouse gas emissions. Schroder's key objective from the engagement was to understand how the firm was adapting its strategy to the prospect of a global energy transition and thus evaluate the business model's resilience.

The CEO explained how in 2020 the company recognised the need to diversify its operations away from coal. As part of this strategy, the company ventured into the nickel industry, acknowledging its growing significance in steel and battery manufacturing. In 2021, they successfully acquired their first nickel ore mine along with a 51% stake in a smelter, an industrial facility that processes nickel ore into refined forms used in stainless steel and battery manufacturing. In 2024, they further expanded by acquiring a majority stake in a second smelter.

The CEO is optimistic that the nickel market will sustain growth in the coming years, especially as the global automotive sector moves from internal combustion engines (ICE) to electric vehicles (EVs). The company confirmed that there has been no capital expenditure on coal expansion. Reporting indicates that the company anticipates that by 2025, between 65% and 75% of their revenue will be derived from nickel, with the remaining revenue coming from coal. Additionally, a third nickel project is expected to start generating revenue in 2026.

The company has established targets for reducing scope 1 and 2 emissions. The CEO also committed to considering scope 3 targets to better monitor the downstream impacts of their operations. The company is hiring a sustainability lead and we agreed to maintain ongoing dialogue to support further initiatives focused the social and environmental impacts of transitioning the business.

Baillie Gifford

ASML Holding N.V

Baillie Gifford held a call with Terri Kelly, the chair of the remuneration committee, to discuss proposed changes to ASML's executive remuneration policy.

ASML must seek shareholder approval of its executive remuneration policy every three years. Ahead of the 2025 AGM, the remuneration committee consulted with its top shareholders on the proposed changes. This discussion built on previous conversations with Kelly, and Baillie Gifford was encouraged by the committee's proactive approach and openness to stakeholder engagement. In particular, Baillie Gifford were pleased to see that earlier feedback had been incorporated into the new policy.

Baillie Gifford encouraged ASML to benchmark executive pay against a more directly comparable peer group and to raise the ambition of relative share price targets in the long-term incentive plan. Both changes are viewed as positive, helping to strengthen the alignment between executive remuneration outcomes and shareholder value creation.

The consultation process remains ongoing. However, Baillie Gifford continues to support ASML's approach to executive remuneration and considers all proposed changes justified.

**Prepared by the Trustee of the CIM Holdings Limited Retirement Benefit Scheme
September 2025**