

Implementation Statement

Communis Pension Plan

Purpose of this statement

This implementation statement has been produced by the Trustee of the Communis Pension Plan (“the Plan”) to set out how the Trustee’s policies on exercising rights (including, where applicable, voting rights) and engagement activities have been followed over the period from 28 December 2023 to 31 December 2024.

Investment managers

The investment managers and funds in which the Plan was invested as at 31 December 2024 are set out in the table below:

Manager	Asset class	Fund
Legal & General Asset Management Limited (“L&G”) ¹	Property	LPI Income Property Fund
JP Morgan Asset Management Limited (“JP Morgan”) ¹	Infrastructure	Infrastructure Investments Fund
Arcmont Asset Management Limited (“Arcmont”)	Private credit	Senior Loan Fund I
		Senior Loan Fund II
Insight Investment Management Limited (“Insight”)	Liability Driven Investment (“LDI”)	LDI Enhanced Selection Nominal Shorter Fund
		LDI Enhanced Selection Nominal Longer Fund
		LDI Enhanced Selection Real Shorter Fund
		LDI Enhanced Selection Real Longer Fund
	Cash	LDI GBP Liquidity Plus Holding Fund

¹ Full redemption requests for the L&G LPI Income Property Fund and JP Morgan Infrastructure Investments Fund were submitted in December 2024, with monies eventually realised in May 2025.

Stewardship policy

The Trustee’s Statement of Investment Principles (or “SIP”) in force at 31 December 2024 describes the Trustee’s stewardship policy on the exercise of rights (including voting rights) and engagement activities. The Plan’s The SIP is currently being updated as at July 2025 to reflect recent actions taken on investment strategy and will be made publicly available on the website in due course, accessed via the link below:

[Vidett schemes » Communis](#)

The Plan invests solely through pooled investment vehicles where the Plan's asset only represents a small proportion of the capital invested in the funds. The Trustee understands that it is constrained by the policies of the Plan's investment managers.

There were no changes made to the stewardship policy over the year. In addition, the Trustee has not set stewardship priorities for the Plan at this stage, given the Plan's status in PPF Assessment and the fact that the Plan does not invest in any assets that carry voting rights. The Trustee will review this approach in the future if the Plan's status or investment strategy changes, alongside other risks.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Plan's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Plan invests entirely in pooled funds, and as such the Trustee delegates responsibility for carrying out voting and engagement activities to the Plan's investment managers.
- The Trustee receives and reviews the engagement activities of the investment managers, which it reviews to ensure alignment with the Plan's policies (as set out in the Plan's SIP). This exercise was undertaken as part of preparation of the Implementation Statement in respect to the managers' activities over the period from 28 December 2023 to 31 December 2024.

Summary

Having reviewed the above in accordance with the Plan's policies, the Trustee is comfortable that the actions of the investment managers are in alignment with the Plan's stewardship policies.

**Prepared by the Trustee of the Communis Pension Plan
August 2025**

Voting Data

The Plan has no exposure to equity investments, so there is no need to include details regarding the voting activity of the Plan's investment managers. This also means there is no use of proxy voting advisers.

Engagement Activity

The investment managers may engage with investee companies on behalf of the Trustees. The commentary below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's LDI and cash funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Examples of engagement activity undertaken over the period from 28 December 2023 to 31 December 2024

L&G - LPI Income Property Fund

India Buildings, Liverpool

L&G's Private Markets team believe that a responsible investment approach can drive positive real-world outcomes and add long-term value, while maintaining commercial benefit.

Across L&G's real estate equity portfolios, a Place-based Social Impact Framework was developed in 2022 to support asset managers, and rolled out from 2023. It provides methodology and tools to identify local needs and opportunities, enabling initiatives that deliver economic, social, and environmental benefits. In 2024, the Fund finalised its Social Impact Strategy, aligned with the framework, focusing on:

- equity and affordability;
- communities and partnerships; and
- jobs & skills.

L&G note that a key challenge is delivering social impact at the asset level, particularly with Full Repairing and Insuring ("FRI") leases, where occupier engagement and local partnerships are key. In 2024, the Fund collaborated with HM Revenue & Customs at India Buildings, Liverpool, and The Academy of Real Assets to deliver impact in line with L&G's "jobs and skills" focus area.

A work and careers day was hosted for 29 students from West Derby School, including seminar on Tax Facts, followed by a presentation and building tour of the property undertaken by the L&G team. A round up discussion and Q&A on careers within both HM Revenue & Customs and the property industry were also conducted.

JP Morgan - Infrastructure Investments Fund ("IIF")

Nadara

JP Morgan note that infrastructure assets are highly regulated, and the IIF works with stakeholders to address climate change risks – physical, transition, and stranded asset risks – through governance and risk frameworks. These risks are integrated into investment decisions and company strategies, with Boards overseeing environmental plans and carbon reduction efforts to support long-term value creation.

IIF portfolio company Boards and management teams will, as appropriate to each company's business planning, aim to:

- gather and refine Scope 1 and 2 emissions data and build robust baselines to support decarbonisation plans;
- obtain limited assurance where Scope 1 and 2 emissions data is available;
- in line with industry regulatory body timing, identify and quantify financially material Scope 3 emissions categories for reporting;
- engage with suppliers and customers along the value chain, supported by third-party consultants on methodologies and data gathering.

Nadara is one example of an IIF portfolio company that JP Morgan engage with. It is a renewable energy platform operating in Europe and the US, with installed onshore wind and solar capacity. In 2024, Nadara saw a significant reduction in Scope 1 emissions compared to the previous year, driven by operational changes, including the end of a waste-to-energy plant concession.

Overall, the IIF reported an 8% reduction in net asset value ("NAV") carbon emissions intensity in 2024 compared to 2023.

Arcmont – Senior Loan Funds I and II

Unither

Arcmont set several climate objectives that it uses to determine the rate charged on loans and when to engage with companies. To leverage control as a lender to businesses (as opposed to an owner), Arcmont has a policy to offer sustainability-linked margin ratchets to every new borrower since April 2021.

Unither is a French pharmaceutical Contract and Development Organisation (CDMO). In 2023, Arcmont initially engaged with the company on a holistic ESG KPI framework covering various key themes – including the company's supplier sustainability engagement, greenhouse gas ("GHG") emissions, female representative levels and diversity and inclusion ("D&I") training. Arcmont established a chain of direct dialogue with co-lenders and the sponsor, with a ratchet being signed in March 2024. Following continued engagement over the period, the company met its goal for Arcmont's first level of Sustainability Performance Targets ("SPT") in just under two months since the ratchet agreement.

As such, Arcmont awarded the company a 7.5 bps margin reduction on their loans. Arcmont will continue to monitor the progress of the company towards achieving the targets agreed with the next SPT test in May 2025.