

Maybourne Hotels Group Pension & Life Insurance Scheme

Statement of Investment Principles - Implementation Statement

The purpose of this Statement is to provide information, which is required to be disclosed in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. In particular, it confirms how the investment principles, objectives and policies of the Trustees' Statement of Investment Principles (SIP) dated November 2025 have been implemented.

It also includes the Trustees' voting and engagement policies, as well as details of any review of the SIP during the year, subsequent changes made with the reasons for the changes (if any). A description of the voting behaviour during the year, either by or on behalf of the Trustees, or if a proxy voter was used, is also included within this Statement. This Statement covers the period 1 April 2025 to 31 March 2026.

Investment objectives of the Scheme

Funding Objective

The primary funding objective of the Scheme is to ensure, as far as possible, that there are sufficient assets to provide benefits to the Scheme members as and when these fall due.

Investment Objectives

The Trustees' high-level objectives with regard to investing the Scheme assets are to:

- achieve a return which is sufficient, over the longer term, to meet the Funding Objective.
- adopt an approach that recognises the need to balance risk with the achievement of a satisfactory investment return.

Responsible Investment and Stewardship policy

The Trustees believe that in order to protect and enhance the value of the investments, during the period over which the benefits are paid, they must act as a responsible asset owner.

The Scheme is also comprised of a diverse membership, expected to hold a broad range of views on ethical, political, social, environmental, and quality of life issues. The Trustees therefore do not explicitly seek to reflect any specific views through the implementation of the investment strategy, both financial and non-financial.

Review of the SIP

The Trustees updated the SIP in November 2025 to reflect the revised investment strategy which was implemented in the third quarter of 2025. Prior to this, the SIP was reviewed in February 2025.

The Trustees have a policy on financially material considerations relating to ESG issues, including the risk associated with the impact of climate change. In addition, the Trustees have a policy on the exercise of rights and engagement activities, and a policy on non-financial considerations. These policies are set out later in this Statement and are detailed in the Trustees' SIP.

The Trustees' policies on financially and non-financially material considerations, as well as engagement and voting activities, were not updated in the SIP in force during the year.

Investment managers and funds in use

During the year, the Trustees reviewed the Scheme's investment strategy after considering advice from their investment consultant, Broadstone Corporate Benefits Limited ('Broadstone'). In light of the Scheme's improved funding position, the Trustees agreed to further de-risk the Scheme's investment strategy. This consisted of reducing the Scheme's allocation to corporate bonds to reduce the exposure to credit risk, with the proceeds reinvested into its existing nominal and index-linked government bond holdings. The Trustees are satisfied that the strategy is consistent with their investment objectives.

The investment funds in use by the Scheme at the beginning and end of the year and the target allocations of each asset class are outlined below:

Asset Class	Funds
Investment grade corporate bonds	M&G All Stocks Sterling Credit Fund
	M&G Long Dated Sterling Credit Fund
	L&G Active Corporate Bond – Over 10 Year – Fund
	L&G Over 15 Year Gilts Index Fund
	L&G All Stocks Gilts Index Fund
Government bonds and cash	L&G 5-15 Year Gilts Index Fund
	L&G Over 15 Year Index-Linked Gilts Index Fund
	L&G Over 5 Year Index-Linked Gilts Index Fund
	L&G All Stocks Index-Linked Gilts Index Fund
	L&G Cash Fund

Asset Class	Asset Allocation
Corporate Bonds	26.3%
Government Bonds and Cash	73.7%
Total	100%

Investment Governance

The Trustees are responsible for making investment decisions, and seek advice as appropriate from Broadstone, as the Trustees' investment consultant.

The Trustees do not actively obtain views of the membership of the Scheme to help form their policies set out in the SIP as the Scheme is comprised of a diverse membership, which the Trustees expect to hold a broad range of views on ethical, political, social, environmental, and quality of life issues.

The Trustees have put in place strategic objectives for Broadstone, as the Trustees' investment consultant, as required by the Occupational Pension Schemes (Governance and Registration) (Amendment) Regulations 2022. These strategic objectives cover demonstration of adding value, delivery of specialist investment consultancy services, proactivity of investment consultancy advice, scheme management, compliance and service standards. The strategic objectives were last reviewed in January 2026.

In addition, the Trustees regularly review their advisers (including Broadstone as their investment consultant) on an annual basis. The last review was undertaken in January 2026.

The investment arrangements of the Scheme are reviewed by the Trustees on a quarterly basis, with the assistance of Broadstone.

Trustees' Policies

The table below sets out how, and the extent to which, the relevant policies in the Scheme's SIP have been followed:

Requirement	Policy	Implementation of Policy
Financially and Non-Financially Material Considerations	The Trustees believe that the consideration of financially material Environmental (including climate change), Social and Governance (ESG) factors in investment decision making can lead to better risk adjusted investment returns over the time horizon of the Scheme. The Trustees adopt the following approach in relation to the Scheme's investment strategy: •In relation to funds where the investment manager is permitted to make active decisions about the selection, retention and realisation of investments the Trustees expect the manager, when exercising discretion in investment decision making, to take financially material ESG factors into account where permissible within applicable guidelines and restrictions. •On an ongoing basis the Trustees (delegating to the Investment Consultant where appropriate) assess the ESG integration capability of its investment managers and will periodically review the indices employed in index-tracking (passive) mandates. Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustees believe these should not drive investment decisions. The Trustees expect the Investment Manager, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors	No deviation from this policy over the year to 31 March 2026 (see below)

	should not lead to a reduction in the efficiency of the investment.	
Voting Rights and Engagement	The Trustees' voting and engagement policy is to use their investments to improve the Environmental, Social and Governance behaviours of the underlying investee companies. These ESG topics encompass a range of priorities, which may over time include climate change, biodiversity, the remuneration and composition of company boards, as well as poor working practices. The Trustees believe that having this policy and aiming to improve how companies behave in the medium and long term will protect and enhance the value of their investments and is in the members' best interests. The Trustees will aim to monitor the actions taken by the investment managers on their behalf and if there are significant differences from the policy detailed above, they will escalate their concerns which could ultimately lead to disinvesting their assets from the manager.	No deviation from this policy over the year to 31 March 2026 (see below)
Capital Structure of Underlying Companies	Responsibility for monitoring the capital structure of investee companies is delegated to the Investment Managers. The Trustees expect the extent to which the Investment Manager monitors capital structure to be appropriate to the nature of the mandate.	No deviation from this policy over the year to 31 March 2026 (see below)

Financially and non-financially material considerations

The Trustees note that the manner by which financially material ESG factors will be taken into account in an investment strategy or pooled fund offering will depend on the underlying asset classes within the pooled fund offering and the management style (e.g. active or passive).

The Trustees are satisfied that the funds currently invested in by the Scheme are managed in accordance with their views on financially material considerations, as set out below, and in particular with regards to the selection, retention, and realisation of the underlying investments held.

This position is monitored periodically. As part of the monitoring process, the Trustees have access to updates on governance and engagement activities by the investment managers, and input from their investment advisors on ESG matters. These views are also taken into account when appointing and reviewing investment managers.

The Trustees acknowledge that they are delegating the consideration of financially material factors in relation to determining the underlying holdings to their investment managers, given they are investing in pooled funds.

The Trustees invest across a range of asset classes and styles. The Trustees expect the investment manager to take into account ESG considerations by engaging with the underlying companies and where relevant, by exercising voting rights on these companies.

Voting rights and engagement activities

Within the current investment arrangements, the Scheme was not invested in any fund which had voting rights over the Scheme year. The Trustees therefore were unable to influence corporate behaviour of the funds they invest in through voting over the period 1 April 2025 to 31 March 2026.

Engagement activities

A notable engagement activity of the investment manager over the last 12 months is provided below:

L&G met with Microsoft over 2025 regarding their transparency, governance and risk management regarding the use of AI and human rights. L&G first engaged with Microsoft on AI governance in 2023 following the publication of L&G's 'safe AI' expectations report. Amongst other big tech companies, L&G regards Microsoft as a leader in transparency regarding AI usage over recent years. L&G views the firm's amendments to internal risk classifications for projects and increased human rights due diligence as positive, but believes that Microsoft can further improve its data governance disclosures. In the 2025 AGM, L&G voted in favour of a shareholder proposal requesting a report on AI data usage oversight due to the rapidly changing legal environment around this issue. L&G will continue to engage with Microsoft on this topic into the future.

Signatories to the UNPRI (United Nations Principles for Responsible Investment) will receive an overall 'score' which represents how well ESG metrics are incorporated into managers' investment processes. Investment managers will submit a transparency report on their processes across different categories which is then assessed by the UNPRI and graded in a formal report. Scores are presented in performance bands ranging from one star to five stars with more stars representing a higher score. The latest UNPRI scores of the investment managers are outlined in the table below.

Manager	UNPRI Score
L&G	5/5
M&G*	5/5

**M&G's UNPRI Score is shown as at 2023. M&G did not participate in UNPRI reporting for 2024 and were yet to receive their 2025 score when requested at the time of writing.*

The Trustees also consider the investment managers' policies on stewardship and engagement when selecting and reviewing investment managers.

Monitoring of Investment Arrangements

In addition to any reviews of investment managers or approaches, and direct engagement with investment managers (as detailed above), the Trustees receive performance reports on a quarterly basis from the investment managers, together with performance reports from Broadstone on a quarterly basis to ensure the investment objectives set out in their SIP are being met.

Signed:

Date: 07/09/2026

On behalf of the Trustees of the Maybourne Hotels Group Pension & Life Insurance Scheme