FRED. OLSEN LIMITED PENSION FUND
ANNUAL ENGAGEMENT POLICY IMPLEMENTATION STATEMENT

Introduction

This statement sets out how the engagement policy in the Statement of Investment Principles ("SIP") produced by the Trustees has been followed during the period to March 2026 and subsequently. This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the guidance published by the Pensions Regulator.

Investment Objective of the Scheme

The Trustees' primary investment objective for the Fund is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due. Investments are held with Schroders Investment Management Limited and are diversified but take into account ESG, Stewardship and Climate Change considerations. The Trustees hold their funds in pooled mandates and invest in a range of gilt, index-linked gilt, corporate bond, property and Securitised Income funds.

Policy on ESG, Stewardship and Climate Change

The Scheme's SIP includes the Trustees' policy on Environmental, Social and Governance ("ESG factors") Stewardship and Climate Change. This policy takes into account the processes followed by the Trustees in relation to ESG, Stewardship and Climate Change. The Trustees keep their policies under regular review with the SIP last subject to review in November 2025, reflecting a de-risking transition whereby the Fund fully divested from equities and invested the proceeds in gilts and index-linked gilts to increase the interest rate and inflation hedge ratios. Since 31 March 2026 and as of writing, the Fund is in the process of implementing an increase in the allocation to liability hedging assets, for which the SIP will be updated upon completion of implementation.

A copy of the SIP is available at https://www.fredolsen.co.uk/wp-content/uploads/2025/12/Fred-Olsen-SIP-Nov-2025.pdf

The following work was undertaken during the period relating to the Trustees' policies on ESG, Stewardship and Climate Change and sets out how the Trustees' engagement policies were followed and implemented:

- The Trustees have requested that the investment manager confirm compliance with the principles of the UK Stewardship Code. The manager has confirmed that they are signatories to the current UK Stewardship Code.

- The manager's investment performance report is reviewed by the Trustees on a regular basis. The investment adviser of the Scheme has provided their views of funds invested in by the Scheme in respect of ESG.

- The investment manager has provided evidence of their commitment to ESG and good stewardship.

- Responsibility for voting at shareholder meetings lies with the investment manager. The investment manager has provided the Trustees with a voting summary report. This report is monitored by the Trustees. Following new guidance from the department for Work and Pensions (DWP), the Trustees are required to define a 'significant vote' to guide the inclusions in this Implementation Statement. The Trustees have decided to measure significance by holding size in the Fund's overall portfolio. Specifically, this is defined as:

  A vote in relation to one of the largest ten exposures for the Fund at Fund year end, in which the investment manager has cast a vote against the recommendation of management, and that aligns with the Trustees' key priority themes of:
  - Climate Change: including low-carbon transition and physical damages resilience;
  - Human Rights: including modern slavery, pay & safety in the workforce and supply chains; and,
  - Diversity, Equity and Inclusion: including inclusive & diverse decision-making.

  According to the above definition and given that the Fund had divested from all assets that carry voting rights as at Fund year end, there are no significant votes.

  Schroders' engagement with companies is ongoing, and a vote against management is one of the steps on their escalation path. Whilst each vote/company engagement path is different, a proposal that they have

voted against being passed would not be the end of their engagement journey. Should the situation not improve, the most extreme measure Schroders may take would be a partial or full disinvestment.

Please see the summary statistics below of the voting statistics for the relevant funds that the Fund was invested in over the year.

Schroder UK Equity	51 meetings eligible to vote at
	1,017 total proposals eligible to vote on
	100% of eligible votes were cast
	99% of votes were with management recommendations
	1% of votes were against management recommendations
	0% of vote was abstained from
	In 20% of meetings at least one vote was cast against management

Schroder US Equity	47 meetings eligible to vote at
	682 total proposals eligible to vote on
	100% of eligible votes were cast
	82% of votes were with management recommendations
	18% of votes were against management recommendations
	0% of vote was abstained from
	In 87% of meetings at least one vote was cast against management

Schroder Institutional Pacific Fund	38 meetings eligible to vote at
	335 total proposals eligible to vote on
	100% of eligible votes were cast
	93% of votes were with management recommendations
	7% of votes were against management recommendations
	1% of vote was abstained from
	In 34% of meetings at least one vote was cast against management

Schroder Japanese Opportunities	98 meetings eligible to vote at
	1,052 total proposals eligible to vote on
	100% of eligible votes were cast
	92% of votes were with management recommendations
	8% of votes were against management recommendations
	0% of vote was abstained from
	In 42% of meetings at least one vote was cast against management

Source: Schroders. Figures may not sum due to rounding.
Notes: The Fund divested from the UK Equity Fund, US Equity Fund, Institutional Pacific Fund and Japanese Opportunities Fund in November 2025. Schroders were unable to provide voting data covering the scheme year to this data and as such, the above data reflects the relevant voting summaries over the 12-month period to 31 December 2025 (the nearest quarter end to the termination of these funds).