Engagement Policy Implementation Statement ("EPIS")

BNP Paribas Real Estate (UK) Pension Fund (the "Scheme")

Scheme Year End – 31 March 2026

The purpose of the EPIS is for us, the Trustee of the BNP Paribas Real Estate (UK) Pension Fund, to explain what we have done during the year ending 31 March 2026 to achieve certain policies and objectives set out in the Statement of Investment Principles ("SIP"). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme's investments have been followed during the year; and

2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the 'most significant' votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme's material investment managers were able to disclose good evidence of voting and/or engagement activity, and the activities completed by our managers align with our stewardship priority of climate change.

Our investment managers provided us with high-quality engagement information that was sufficient for us to deduce that the policies in our SIP had been implemented effectively, and we are comfortable that our managers have carried out appropriate stewardship activity in relation to our stewardship priority of climate change.

Our engagement action plan outlines our commitment to continue to engage with our managers and carry out ESG monitoring of them.

How voting and engagement policies have been followed

The Scheme is invested in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose good evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections of this report.

In line with previous years' reporting process, we have chosen to adopt **climate change** as a stewardship priority for the Scheme. This has been chosen because we believe climate change has the potential to negatively impact the value of investments held if not understood and evaluated properly. Therefore, it is in the best interests of our beneficiaries for climate change issues and risks to be properly understood, and where possible mitigated, by the Scheme's appointed investment managers through their stewardship activity.

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly ESG ratings from Aon for the funds the Scheme is invested in where available.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

This is in line with our stewardship priorities.

The Scheme's stewardship policy can be found in the SIP: https://www.bnppfinalsalaryuk.com/wp-content/uploads/2026/02/BNPP-Real-Estate-SIP-September-2025.pdf

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our Engagement Action Plan

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. Systematica did not provide any voting data or engagement information. This is not unreasonable given the nature of the fund – a hedge fund that heavily utilises derivates that do not have voting rights. Where equities are held directly, the nature of the strategy involves frequently trading a large number of issuers making meaningful engagement impractical. As such, voting rights are not relevant to the fund. Our investment adviser will continue to engage with Systematica on our behalf regarding the provision of this information in future.

2. We will continue to engage with our managers to improve the quality and completeness of their reporting on voting and engagement.

3. We continue to undertake regular ESG monitoring of our managers.

Our manager's voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment manager to responsibly exercise its voting rights.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Voting statistics

The table below shows the voting statistics for the Scheme's material fund with voting rights for the year to 31 March 2026.

Fund	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
L&G Future World Global Multi-Factor Equity Index Fund (Hedged)	21,023	100.0%	19.6%	0.4%

Source: L&G. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Scheme's manager uses proxy voting advisers.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Manager	Description of use of proxy voting adviser *(in the manager's own words)*
Legal & General Asset Management ("L&G")	Votes are cast according to our instructions, guided by our voting policies and effected through an electronic voting platform called 'ProxyExchange', which is managed by Institutional Shareholder Services ("ISS"). We have developed a granular custom voting policy with specific voting instructions driven by our expectations. In parallel to applying our custom voting policy, we use the voting information services of ISS and receive research reports for all companies in our equity portfolios. We undertake quarterly performance management reviews with ISS in which we discuss issues such as timeliness, the quality of their research and the application of our voting policy. During these meetings, we receive delivery statistics and discuss changes to team resources. We deliberate on specific instances where our expectations have not been met and review possible solutions to avoid future repetition. We escalate issues to senior individuals at ISS where necessary. We also have regular meetings with ISS to discuss the implementation and evolution of our policies, as part of our process to ensure that our voting decisions remain aligned to market best practices and evolving regulations.

Source: L&G

Significant voting example

To illustrate the voting activity being carried out on our behalf, we asked the Scheme's investment manager to provide a selection of what it considers to be the most significant votes in relation to the Scheme's fund. An example of a significant vote can be found in the appendix.

Where possible, we have focused on votes that have relevance to climate change, in line with our stewardship priorities.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material managers. The managers have provided information for the most recent calendar year available.

Where engagement activity related to our stewardship priority of climate change, we have highlighted this in **bold text**.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
BlackRock All Stocks Corporate Bond Fund	45	2,362	**Environment - Climate Risk Management; Water** Social - Talent and Culture; Other Social/Human Capital Issues Governance - Corporate Strategy (Disclosure/Governance); Business Oversight/Risk Management; Executive Management and Succession Planning
L&G Future World Global Multi-Factor Equity Index Fund (Hedged)	781	3,762	**Environment - Climate Change; Natural Resource Use/Impact** Social - Human Capital Management Governance - Strategy, Financial & Reporting; Remuneration; Board Effectiveness - Other Other - Multiple ESG Topics
Robeco Global Credits Fund	16	304	**Environment - Climate Change; Natural Resource Use/Impact** Social - Conduct, Culture and Ethics Governance - Shareholder Rights Other - SDG Engagement/Global Controversy Engagement/Sovereign Engagement
Systematica Alternative Risk Premia Fund			*Not provided*

Source: Managers

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- Whilst BlackRock did provide a comprehensive list of fund-level engagements, these examples did not give as much detail as required by the Investment Consultants Sustainability Working Group ("ICSWG") engagement reporting template (which our investment adviser considers to be industry standard) and were not necessarily specific to the funds that we invest in.
- Systematica did not provide engagement data as the manager stated the number of entities engaged with respect to the last calendar year was zero and as such, there are no case studies they can provide at this time. This is not unreasonable given the use of derivatives in the fund and the nature of the strategy.

This report does not include commentary on certain asset classes such as liability driven investments, gilts or cash because of the limited materiality of stewardship to these asset classes.

Appendix – Significant Voting Example

In the table below is an example of a significant vote as provided by the Scheme's manager. We consider a significant vote to be one which the manager considers significant, in particular those related to climate change (our chosen stewardship priority). Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the example below:

L&G Future World Global Multi-Factor Equity Index Fund (Hedged)	**Company name**	Shell Plc
	Date of vote	20 May 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.3
	Summary of the resolution	Resolution 22: Request that the company disclose whether and how its Liquefied Natural Gas ("LNG") demand forecast, LNG production and sales targets, and new capital expenditure in natural gas assets are consistent with its climate commitments, including its target to reach net zero emissions by 2050.
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	L&G's Asset Management business publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an Annual General Meeting ("AGM") as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Shareholder resolution - Climate change: While we recognise the intent behind Resolution 22, we have decided to vote against it following careful consideration. This decision follows a series of constructive engagements with Shell's leadership, during which the company committed to improving disclosures on stranded asset risks and financial resilience related to its Liquefied Natural Gas ("LNG") operations. We acknowledge meaningful progress in Shell's reporting, which now provides a clearer basis for assessing climate-related risks. In light of these developments, we believe the resolution's key objectives are being addressed through ongoing company actions.
	Outcome of the vote	Fail
	Implications of the outcome e.g., were there any lessons learned and what likely future steps will you take in response to the outcome?	L&G's Asset Management business will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	On which criteria have you assessed this vote to be most significant?	Pre-declaration: This shareholder resolution is considered significant. We recognise the underlying merit of this resolution, after careful consideration, we have made the decision to vote against. This decision is underpinned by a series of direct and constructive engagements with Shell's leadership. Through these discussions, we received clear commitments that the company will enhance its reporting in line with L&G's expectations specifically, providing detailed disclosures on stranded asset risks and financial resilience related to Shell's growing exposure to LNG. These gaps were key reasons we were unable to support the company's climate transition strategy at its 2024 AGM. Following a detailed analysis of the company's disclosures, we believe Shell's current reporting provides a basis for investors to consider alignment with various climate outcomes, contributing to the broader objectives of the resolution.
	Relevance to Trustee stewardship priorities	Climate-related resolution

Source: L&G