

THE PENSION AND ASSURANCE SCHEME OF THE LAND SECURITIES GROUP OF COMPANIES

YEAR ENDED 30 JUNE 2024

IMPLEMENTATION STATEMENT FOR THE YEAR ENDING 30 JUNE 2024

Statement of Compliance with the Pension and Assurance Scheme of the Land Securities Group of Companies Stewardship Policy for the year ending 30 June 2024.

Introduction

This is the Trustee's statement prepared in accordance with the requirements of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2019. This statement sets out how the Trustee has complied with the Scheme's Stewardship Policy during the period from 1 July 2023 to 30 June 2024. This Implementation Statement is in respect of the Scheme's Statement of Investment Principles (SIP) that was in place as at 5 December 2023.

As at 30 June 2024, all of the Scheme's assets were held in insurance contracts or in cash via the LGIM Sterling Liquidity Fund. No changes to the investment strategy were made during the reporting period.

Stewardship & Engagement policy

The Trustee Stewardship (voting and engagement) Policy sets out how the Trustee will behave as an active owner of the Scheme's assets which includes the Trustee approach to:

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustee monitors and engages with its investment managers and any other stakeholders.

The Scheme's Stewardship and Engagement Policy, which was completed on 14 August 2020, is reviewed regularly in line with the Scheme's SIP. The SIP was previously updated in December 2023 and can be accessed via the following link: [Landsec SOIP 2023.pdf](#)

Stewardship & Engagement Policy (as outlined in the SIP)

The Trustee recognises that stewardship encompasses the exercise of voting rights, engagement by and with investment managers and the monitoring of compliance with agreed policies. The Trustee expects the investment managers to comply with the 2020 UK Stewardship Code.

The Trustee believes that responsible share ownership and seeking the best long-term value for investment in shares requires active exercise of voting rights. However, the Scheme does not currently hold listed equity assets.

The Trustee reviews the stewardship activities of its investment managers on an annual basis covering both engagement and voting and will report on this in its annual Engagement and Implementation Statement.

The Trustee does not normally engage directly but believes it appropriate for its investment managers to engage with key stakeholders which may include corporate management, regulators and governance bodies, relating to their investments in order to consider the management of conflicts of interest and improve corporate behaviours, improve performance and mitigate financial risks.

The Trustee separately considers any conflicts of interest arising in the management of the Scheme and its investments and has ensured that each manager has an appropriate conflicts of interest policy in place.

The Trustee aims to monitor the managers' engagement activity on an annual basis in conjunction with its investment advisers. Where the Trustee deems it appropriate, any issues of concern will be raised with its managers for further explanation. The Trustee and its investment advisers may also challenge the managers on

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the impact of any significant issues including, where appropriate, ESG issues that may affect the prospects for return from the assets.

Investment managers

The Trustee has appointed LGIM to manage the Scheme's surplus assets. The manager is a signatory to the UN Principles for Responsible Investment ("PRI") and its Policy Governance and Strategy rating is shown in the table below.

| Manager | PRI Ratings (2022) |
|---------|--------------------|
| LGIM | 5 Star |

LGIM actively engage in climate issues and has an explicit climate impact pledge to support companies to limit carbon emissions to net zero by 2050. LGIM are also a Tier 1 signatory of the 2012 Stewardship Code, which is relevant for equity mandates.

Voting activity

The Trustee expects its managers to use their voting rights on all material issues and monitors investment managers' voting on particular companies or issues that affect more than one company.

The Scheme no longer invests in publicly listed equities and therefore has no material exposure to assets which carry any voting rights. As a result, the Trustee's monitoring activity focused on the manager's wider engagement with investee companies over the reporting period.

Engagement activity

The Trustee receives information at least annually on their appointed managers' engagement activity. The Trustee does not engage directly but expects the investment managers to engage with key stakeholders relating to its investments in order to consider the management of conflicts of interest, improve corporate behaviours, improve performance and mitigate financial risks.

The following summarises the key engagement activity for the 12-month period ending 30 June 2024 provided by LGIM.

LGIM

At a firm-wide level, LGIM had 5,003* engagements with 4,784 companies over the period through a combination of face-to-face meetings, conference calls, emails and letters. The number of engagements in the areas of environment, social and governance is shown below. Remuneration, climate change and deforestation were the top three topics of engagement.

| Number of engagements | Area or topic engaged on |
|-----------------------|--------------------------|
| 449 | Governance |
| 273 | Social |
| 4812 | Environment |

Note: *An engagement can cover more than a single topic.

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Summary

LGIM are signed up to the UN PRI and the Trustee is satisfied that LGIM is implementing the Trustee's stewardship policy on its behalf.

The Trustee will continue to seek improvement in its understanding of how LGIM engage with companies and use its influence to drive positive change.