

John Lewis Partnership Trust for Pensions (“the Trust”) – Defined Benefit (“DB”) Section

Annual Implementation Statement – Year ending 31 March 2026

1. Introduction

The Trustee of the John Lewis Partnership Trust for Pensions (the “Trust”) is required to produce an annual statement setting out how, and the extent to which, it has followed its Statement of Investment Principles (“SIP”) during the year to 31 March 2026 (the “Trust Year”), including details of any review of, and changes to, the SIP during the year.

The Trust has both a Defined Benefit (“DB”) section and a Defined Contribution (“DC”) section. This statement relates only to the DB Section. A separate statement has been prepared for the DC Section.

The Statement also includes information on voting behaviour during the Trust Year, including significant votes cast on the Trustee’s behalf and the use of proxy voting services.

In preparing this Statement, the Trustee has had regard to the relevant statutory requirements and DWP guidance on stewardship statements.

2. Trust Governance

2.1. The Trustee Board

The Trustee has overall responsibility for how the Trust’s investments are governed and managed in accordance with the Trust Deed and Rules and applicable pensions law.

The Trustee Board has a Sub-Committee, the DB Sub-committee (“DBC”) with responsibility for DB investment matters under agreed terms of reference. It is supported in its activities by the in-house Trustee Services team, which provides support to the Trustee on investment matters.

2.2. Trustee knowledge and understanding

During the Trust Year, the Trustee received training covering investment grade credit and private equity, private credit, property and infrastructure.

2.3. Holding advisers and managers to account

The Trustee recognises the need to hold investment managers, advisers and consultants to account.

In December 2019, the Trustee set investment objectives for its DB Investment Consultant, Mercer Limited (“Mercer”). Mercer’s performance against these objectives is reviewed annually. The objectives were last reviewed in May 2025.

In March 2026, the Trustee also set investment objectives for its Outsourced Chief Investment Officer (“OCIO”) provider, Russell Investments Limited (“Russell”).

These objectives are designed to ensure that the Trustee receives the support and advice it needs to meet its investment objectives and provide a basis for assessing the performance of its advisers.

3. Statement of Investment Principles

3.1. Investment Objectives of the Trust

The Trustee aims to invest the assets of the Trust prudently with the objective of ensuring that the

benefits promised to members are provided as they fall due.

During the Trust Year, the investment strategy targeted a return of at least gilts +1.8% p.a., as agreed with the Sponsoring Employer, with a level of risk commensurate with the strength of the covenant. The strategy also supported the Trustee's long-term objective at that time of reaching full funding by 2034.

3.2. Review of the SIP

This statement is based on, and should be read in conjunction with, the SIP dated September 2024 which was in force during the Trust Year. The SIP will be reviewed in accordance with the statutory requirements and following any significant changes in investment policy.

The SIP is publicly available and can be accessed via this link:

<https://www.johnlewispartnership.co.uk/content/dam/cws/pdfs/Juniper/Pensions/JLPPT-DB-Section-SIP-September-2024.pdf>

3.3. Assessment of how the policies in the SIP have been followed

The following section explains how the Trustee implemented the policies in the SIP during the Trust Year.

	Policy	Location in SIP	How the policy has been met over the year to 31 March 2026
1	Kind of investments to be held	Sections 7 – 13	<p>There have been no material changes to the kinds of investments held by the Trust over the Trust Year.</p> <p>During the Trust Year, the Trustee took steps to realise some private market assets, which will return capital to the Trust over time. The Trustee has agreed a long-term investment strategy and will transition towards it over time as this capital is returned.</p>
2	The balance between different kinds of investments		<p>During the year, the Trust implemented a new Global Equity Mandate. As part of the selection process, the Trustee considered how the new allocations aligned, where possible, with the Trustee's Responsible Investment Policy, including its 2050 net-zero objective.</p>
3	Risks, including the ways in which risks are to be measured and managed	Sections 25 - 29	<p>The Trustee reviewed investment, funding and other relevant risks on a quarterly basis during the year as part of its regular investment performance, risk and funding monitoring. Wider, more strategic, risks were also considered as part of the discussions on the composition of the Trust's long-term investment strategy.</p> <p>The Trustee also received additional updates from its DB Investment Consultant, OCIO Provider and the in-house Trustee Services team as required.</p>
4	Expected Return on Investments	Sections 7, 14, and 27	<p>Investment performance was reviewed by the Trustee on a quarterly basis, including the risk and return characteristics of the investment manager strategies used by the Trust.</p> <p>Individual managers were monitored against their respective aims and objectives and against relevant peer group risk and return metrics.</p> <p>During the Trust Year, the Trustee monitored the expected return of the investment strategy against the gilts +1.8% p.a. target agreed as part of the 2022 actuarial valuation. The expected return was reviewed quarterly against the agreed monitoring framework, with action to be considered if it moved outside the agreed tolerance range.</p>



Policy	Location in SIP	How the policy has been met over the year to 31 March 2026
5 Securing compliance	Sections 3 – 5	<p>The Trust's DB Investment Consultant attended all DB Sub-Committee ("DBC") meetings during the year, providing updates on investment performance, funding and, where required, the appropriateness of the Trust's investments. Russell, in its capacity as the Trust's Outsourced Chief Investment Officer, also attended the DBC meetings. The DBC also delegated responsibility for the ongoing monitoring of fund performance for the DB section to Russell, with support from the in-house Trustee Services team and the DB Investment Consultant.</p> <p>Investment advice was received in relation to strategic decisions and investment manager selection exercises undertaken during the year.</p>
6 Realisation of Investments	Sections 12 – 13	<p>The Trust's investments at the year-end included an LDI portfolio, an illiquid private markets portfolio, two Multi-Asset Credit portfolios and a liquid equity portfolio. The private market assets are less readily realisable than the other assets. The Trust also maintained a cash buffer to meet benefit payments and other short-term cash-flow requirements.</p> <p>During the Trust Year, the Trustee continued to manage portfolio liquidity, including taking account of the timing of capital expected to be returned from its illiquid private market investments.</p>
7 Financial and non-financial considerations	Sections 18, 29	<p>The Trustee considers the key investment risks identified in the SIP to be financially material.</p> <p>During the Trust Year, the DBC monitored and considered these risks, including, interest rate and inflation risk, currency risk and liquidity risk. Other investment risks, including collateral sufficiency, were considered through ongoing monitoring and wider discussions on investment strategy.</p> <p>The Trustee published its Climate-related Disclosures reporting covering the year ended 31 March 2026. The full report can be found here: https://www.johnlewispartnership.co.uk/site-services/jlp-trust-for-pensions</p> <p>As part of the quarterly reporting process, the Trustee reviewed how ESG (Environmental, Social and Governance) considerations were integrated across the underlying funds, including through ESG ratings provided by its Investment Consultant.</p> <p>In line with the SIP, no non-financial matters were taken into consideration in respect of the DB Section's investments during the Trust Year.</p>



Monitoring the Investment Managers

Policy	Location in SIP	How the policy has been met over the year to 31 March 2026
8 Incentivising investment managers to align their investment strategy with Trustee's policies	Section 21	<p>The Trustee considers that the contractual arrangements in place with the Trust's investment managers continue to incentivise them to make decisions based on medium to long-term financial and non-financial performance.</p> <p>When selecting and monitoring the Trust's DB investment managers, the Trustee considered the DB Investment Consultant's research ratings. The Trustee was also supported by the Trustee Services team in assessing the continued appointment of the Trust's investment managers.</p>
9 Incentivising the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer, and to engage with issuers	Section 20	<p>The Trustee monitored the performance of the Trust's investments throughout the year. Russell Investments also monitored the Trust's appointed investment managers and shared its monitoring with the Trustee and DB Investment Consultant. Where concerns arose, these could be subject to further review by the Trustee Services team and Russell Investments.</p>
10 Aligning the evaluation of the investment managers' performance and the remuneration for investment management services with the Trustee's policies	Section 24	<p>When considering investment performance, the Trustee primarily focused on long-term performance, reflecting the Trust's expected investment time horizon. Shorter-term performance was also taken into consideration as appropriate.</p> <p>The Trustee monitored the performance of the Trust's investment managers and was satisfied that managers remuneration arrangements were consistent with the Trust's long-term objectives. None of the funds had short-dated performance fees in place that could encourage inappropriate short-term decision making.</p>
11 Monitoring portfolio turnover costs incurred by the investment managers	Section 23	<p>The Trustee monitored the net-of-fees performance of its investment managers, relative to their respective targets, taking into account the impact of ongoing costs on long-term performance. Over the Trust Year, there were no investment managers where turnover costs were a concern.</p>
12 The duration of the arrangement with the investment manager	Section 24	<p>The Trustee is a long-term investor and did not seek to make frequent changes to its investment arrangements. The Trust's investment managers were retained subject to their continued suitability and performance against their mandates.</p>

There were no set durations for the investment manager appointments used by the Trust, although investments in closed-ended funds are generally held for their agreed term, subject to the terms of the relevant fund.



ESG, Stewardship and Climate Change

Policy	Location in SIP	How the policy has been met over the year to 31 March 2026
13 Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, trustee would monitor and engage with relevant persons about relevant matters)	Section 18	<p>The Trustee considered ESG, climate change and stewardship as part of both the selection and ongoing monitoring of the investment managers, including through. ESG ratings provided by its DB Investment Consultant.</p> <p>A change in an ESG rating, or the absence of a rating, did not automatically lead to the removal of an investment manager. Where managers were not rated, or had a lower ESG rating, the Trustee discussed the reasons with the DB Investment Consultant.</p> <p>Investment managers were expected to provide information on their ESG and stewardship policies and were challenged on these matters where appropriate. Relevant ESG information was also collected as part of the Trustee's climate reporting.</p> <p>The Trustee recognises that where the Trust invests in pooled funds, the investment manager undertakes engagement with investee companies on investors' behalf, and the Trustee therefore has limited direct control over individual engagements.</p>



Voting Disclosures

Policy	Location in SIP	How the policy has been met over the year to 31 March 2026
14 The exercise of the rights (including voting rights) attaching to the investments	Section 21	<p>The Trustee delegated the exercise of voting rights and other day-to-day stewardship activities to its investment managers during the Trust Year.</p> <p>The investment managers exercised voting rights in accordance with their own policies and having regard to the best interests of the Trust, or in the case of pooled funds, investors in the fund as a whole.</p> <p>The Trustee did not appoint a proxy voting service directly, although investment managers may use proxy voting services in exercising voting rights.</p> <p>At the year-end, the Trust had exposure to LGIM's Future World Global Equity Index Fund, which had voting rights attached to it. Details of the voting activity and significant votes are provided below.</p>

Voting and Engagement Activity

The Trustee's stewardship priorities during the Trust Year were:

- **Environmental:** Climate change, including the low-carbon transition and physical resilience; and nature and biodiversity.
- **Social:** Human rights, modern slavery, pay & safety in workforces and supply chains, and abuses in conflict zones.
- **Governance:** Diversity, equity and Inclusion.

Voting Activity during the Trust Year

The Trustee is required to report on the most significant votes exercised on its behalf. In identifying these votes, it considered its stewardship priorities and focused on larger holdings where the voting decision represented a meaningful exposure within the relevant portfolio.

The Trustee invested in LGIM's Future World Global Equity Index Fund during the period from 20 March 2026 to 31 March 2026. The tables below summarise the LGIM's voting activity during that period.

Metric	Value
Meetings eligible to vote	344
Meetings with at least one vote against management	225
Meetings with at least one vote against management (%)	65.60%
Resolutions eligible to vote	4,052
Resolutions voted	4,042
Voting participation	99.75%

Table 1: Voting Activity. Source: Legal & General

Resolution Type	Voted	For	Against
Management proposals	3,960	3,405	461
Shareholder proposals	82	45	36

Table 2:Resolution Breakdown. Source: Legal & General

Metric	Value
Votes For	3,450
Votes Against	497
Abstentions	95
Votes with management recommendation	3,465
Votes against management recommendation	482
Votes with management recommendation (%)	85.72%
Votes against management recommendation (%)	11.92%
Abstentions (%)	2.35%
Votes contrary to proxy adviser recommendation (%)	7.03%

Table 3:Voting Decisions. Source: Legal & General

Most Significant Votes

The following votes were identified as the most significant during the Trust Year, having regard to the Trustee's stewardship priorities and the size of the relevant holdings.

LG Energy Solution Ltd.	
Resolution 4: Elect Park Jin-gyu as Outside Director to Serve as an Audit Committee Member	
Date	2026-03-20
Approximate size of the holding at the date of the vote	0.018
Why this vote is considered to be most significant	The vote was significant in the context of recent Korean governance reforms.
Mgmt. Rec.	For
How the vote was cast	For
Vote Outcome	
Rationale	
LGIM supported the appointment because it considered the proposed director sufficiently independent to provide audit committee oversight.	
Samsung Biologics Co., Ltd.	
Resolution 3.1: Elect Rim John Chongbo as Inside Director	
Date	2026-03-20
Approximate size of the holding at the date of the vote	0.023
Why this vote is considered to be most significant	Thematic - Board Leadership
Mgmt. Rec.	For
How the vote was cast	Against
Vote Outcome	Did not pass
Rationale	

LGIM voted **against** management on the resolution to elect Rim John Chongbo as an Inside Director. LGIM's rationale was that it expects the roles of Chair and Chief Executive Officer to be separated in order to promote an appropriate balance of authority and effective board oversight. The vote reflected LGIM's governance expectations regarding board independence and accountability.

Skanska AB

Resolution 14i: Reelect Hans Biorck as Board Chair

Date	2026-03-31
Approximate size of the holding at the date of the vote	0.009
Why this vote is considered to be most significant	Thematic - Diversity
Mgmt. Rec.	For
How the vote was cast	Against
Vote Outcome	Did not pass

Rationale

LGIM voted **against** management on the resolution to elect *Hans Biorck* because the Company's current level of gender diversity on their board does not meet with our minimum expectations. LGIM's rationale was that it views gender diversity as a financially material issue for its clients, with implications for the assets LGIM manages on their behalf.

Volvo Car AB

Resolution 12k: Re-elect Eric Li (Li Shufu) as Board Chair

Date	2026-03-31
Approximate size of the holding at the date of the vote	0.001
Why this vote is considered to be most significant	Thematic - Board Leadership
Mgmt. Rec.	For

How the vote was cast	Against
Vote Outcome	Did not pass
Rationale	

LGIM voted against the re-election of the director because it considered the board did not meet its expectations on independence and governance. This vote demonstrated LGIM's continued focus on improving board composition and governance standards.

Engagement Activity during the Trust Year

The following examples illustrate engagement activity undertaken by the Trust's investment managers against the Trustee's stewardship priorities.

Climate: Carlyle supports sustainability improvements at SierraCol Energy

During Carlyle's ownership of SierraCol Energy, the Manager worked closely with the Company to support both operational growth and improvements in environmental performance. Through its active ownership approach, Carlyle helped transform SierraCol into one of Colombia's leading independent energy companies.

The Manager also supported initiatives to strengthen the Company's sustainability performance, contributing to a reduction of approximately 60% in Scope 1 and 2 greenhouse gas emissions since 2020 and a 45% reduction in methane emissions since 2023. These outcomes demonstrate how active ownership can support long-term value creation while driving progress towards lower-carbon operations.

Social: Center Rock invests in leadership and workforce development at Power Services Group

Center Rock continued to work closely with the management team at Power Services Group to strengthen the business and support its long-term growth. During the year, the Manager supported further investment in the Company's leadership team through a number of senior appointments across finance, operations, engineering, manufacturing and nuclear operations.

In addition, Center Rock worked with the Company to establish a field machinist training programme in partnership with a local trade school, helping to develop a pipeline of skilled employees for a role that has historically been difficult to recruit. These initiatives demonstrate the Manager's focus on strengthening organisational capability, supporting employee development and positioning the business for sustainable long-term growth.

Governance: Innisfree strengthens ESG governance across its portfolio

Innisfree continued to take an active ownership approach through Board representation and significant minority stakes across each of its portfolio companies, enabling the Manager to influence governance and strategic decision-making. During the year, Innisfree continued to promote the adoption of ESG policies across its portfolio companies to improve environmental performance, risk management and ESG reporting. Oversight of these activities was coordinated through the Innisfree ESG Steering Group, which meets at least quarterly. The Manager also remained an active participant in the Net Zero Working Group, bringing together public and private sector stakeholders to support the development and implementation of decarbonisation plans across operational PFI assets, and continued its commitment as a signatory to the Decarbonisation Guidance for Operational PFIs.