

Implementation Statement

National Society for the Prevention of Cruelty to Children Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the National Society for the Prevention of Cruelty to Children Pension Scheme ("the Scheme") to set out the following information over the year to 31 March 2026:



how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year.



Conclusions

Based on the information received, the Trustee believe that the investment managers have acted in accordance with the Scheme's policies on exercising engagement activities. Overall, the Trustee does not have any material concerns with the ESG and Stewardship activities of the Scheme's holdings.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force at 31 March 2026 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. The SIP was reviewed following the year-end, in May 2026, and has been made available online here: [Statement of Investment Principles \(pensionpal.co.uk\)](https://pensionpal.co.uk)

The Trustee's stewardship policy is set out in the Scheme's policies on voting and engagement, which forms part of the SIP. To enable the Trustee to make high quality decisions, the fact-finding and analysis is delegated to the Trustee's independent investment advisor. In August 2025, the Trustee selected the following themes as the stewardship priorities of the Scheme:

- Climate change;
- Modern Slavery

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's investment managers.
- The Trustee receives information on Environmental, Social and Governance ("ESG") considerations, engagement and voting annually from their investment managers, via their investment consultant, and review this annually to ensure alignment with their own policies. The findings of the Trustee's review are reported in this Implementation Statement which will also be included in the Scheme's Annual Report & Accounts for the year to 31 March 2026.
- As part of ongoing monitoring of the Scheme's investment managers, the Trustee uses sustainability ratings information provided by its investment consultant, to assess how the Scheme's investment managers take account of ESG issues. The annual review of the ESG and climate risk exposure was conducted, connecting to the Scheme's stewardship priorities. At the time of the review, all of the funds the Scheme invests in were considered to be adequately taking into account material ESG issues that could affect the performance of the funds and that could capture any benefit into performance or mitigation to risk that ESG awareness brings. The Scheme's investment consultant continues to challenge the Scheme's investment managers on the Trustee's behalf to ensure this remains the case.
- Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund manager is in alignment with the Scheme's stewardship policies.

Prepared by NSPCC Pension Scheme Limited, as Trustee of the National Society for the Prevention of Cruelty to Children Pension Scheme

July 2026

Voting Data

The Scheme currently invests across bond and cash pooled funds. The Scheme also has a synthetic equity portfolio, implemented through equity futures. The bond portfolio includes holdings in secured finance, securitised credit, asset-backed securities, buy and maintain credit, fixed interest gilts and index-linked gilts.

Voting is not applicable to the Scheme's bond holdings as these funds invest only in fixed income assets, which have no voting rights. Likewise, the equity futures held by the Scheme have no voting rights attached as the Scheme does not own the underlying physical shares. The Trustee has therefore not communicated voting preferences to their investment manager over the period. As a result, the Scheme's investment managers do not utilise their proxy voting services on behalf of the Scheme for these funds.

In March 2026, the Scheme introduced a new allocation to a private equity fund managed by Hamilton Lane which has voting rights attached. However, as the Scheme only invested in this fund at the end of the reporting period, voting data for the fund is not included in this report.

Engagement Data

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's synthetic equity portfolio, LDI funds, cash funds and holdings in the Schroders AAA Flexible ABS Fund and Schroders Securitised Credit Fund due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

The engagement statistics for Schroders are provided as at 31 December 2025, this is the latest data available.

	Insight			Schroders		
Fund name	Insight Secured Finance Fund	Schroders Secured Finance Fund	Schroders SSF Sterling Liquidity Plus Fund	Schroders Matching Plus Buy & Maintain Credit Cashflow 2018-2032 Fund	Schroders Matching Plus Buy & Maintain Credit Cashflow 2032-2040 Fund	Schroders Matching Plus Buy & Maintain Credit Cashflow Over 2037 Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	Data not provided	Data not provided	57	65	65	43
Number of entities engaged on behalf of the holdings in this fund in the year	c.60*	Data not provided	11	32	26	18

**Number of
engagements
undertaken at a
firm level in the
year**

2,762 956 956 956 956 956

*Insight were unable to provide the exact number of engagements for the fund. This figure refers to the number of engagements across all of their secured finance funds due to considerable overlap in investments. Insight noted these include indirect engagement on new issuance structure, lending activity, role of ESG in their underwriting process and green issuance intentions. Of these engagements, Insight claim around half were meaningful.



Examples of engagement activity undertaken over the year to 31 March 2026

Insight, Secured Finance Funds

Bavarian SKY (BSKY)

BSKY is a leading issuer in both the UK and European Auto Asset Backed Securities (ABS) market. Historically transparency has been relatively poor in carbon reporting with sometimes only limited description of make and model in data tapes hindering approximations of auto carbon reporting. The aim of the engagement was to improve transparency of reporting and to understand the likely path of their Electric Vehicle lending.

BSKY confirmed that they remain committed to Electric Vehicle lending as part of the 'Neue Klasse' that they expect to result in a material increase in Electric Vehicle sales and into ABS issuance as a result. Carbon reporting is just starting in earnest and BSKY expect to include it in their annual report and will aim to increase data provided on all new deals including CO2 emissions.

The Insight Secured Finance Fund had no holdings with BSKY at 31 March 2026 but the company is an eligible issuer and so Insight will continue to engage on improving transparency.

Schroders, Sterling Liquidity Plus Fund

Toronto-Dominion Bank

Schroders aimed to gain a better understanding of the company's governance practices, corporate strategy, and ongoing efforts towards sustainability. The company's sustainability and governance efforts were discussed, with an emphasis on avoiding the politicization of ESG discussions, focusing on diversity, equity, and inclusion, and managing legislative considerations. Lastly, the company representatives highlighted the rising risks associated with climate change.

The bank was able to meet its sustainability goals without formal membership in the Net-Zero Banking Alliance (NZBA), preferring to work collaboratively with clients rather than withdrawing support. Managing the polarisation of ESG-related discussions, particularly in the highly politicised US environment, remains a key focus. New Canadian legislation has increased legal risks for companies making public ESG commitments, so Toronto-Dominion Bank is maintaining its commitment to transparency while ensuring that all disclosures are well-supported and legally robust.

Schroders communicated its preference for being ambitious and delivering on targets, while understanding the context in which they are operating.

Schroders, Matching Plus Buy & Maintain Credit Cashflow Funds

GSK

GSK is a UK-headquartered global biopharma company focused on medicines and vaccines, with an ambition to positively impact the health of 2.5 billion people by 2030, including 1.3 billion people in lower-income countries.

Schroders has been engaging with the company for many years, focusing on governance of strategy and risk, access to medicines, and antimicrobial stewardship (AMR). More recently, Schroders engaged repeatedly on executive remuneration, including consultations with the Chair of the Remuneration Committee. They challenged elements of the peer group, called for stronger pay-for-performance alignment, and requested greater transparency on financial and pipeline metrics, alongside a sharper focus on material ESG considerations.

In its 2025 proxy statement, GSK introduced a revised remuneration proposal reflecting feedback raised during these discussions. Schroders was satisfied that these changes strengthened alignment with long-term shareholder interests and supported the remuneration resolution at the company's 2025 Annual General Meeting.

In 2024 and 2025, through one-to-one and collaborative engagements with Investor Relations and sustainability teams, they examined how GSK's ambition to reach 2.5 billion people, including 1.3 billion in low- and lower-middle-income countries, is translated into Key Performance Indicators, governance processes and reporting. While the company has established a structured framework, they continue to encourage more detailed reporting on patient reach and clearer demonstration of how local health systems can support manufacturing capacity.