

EA Technology Group of the Electricity Supply Pension Scheme (ESPS)

Implementation Statement for the year ended 31 March 2025

1. Introduction

Under the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustee is required to produce an annual Engagement Policy Implementation Statement (“EPIS”). This statement outlines how, and the extent to which, the policies relating to stewardship, voting and engagement as outlined in the Statement of Investment Principles (“SIP”) have been followed.

This statement covers the Group’s accounting year to 31 March 2025. It is intended to meet the updated regulations and will be included in the Group’s Annual Report & Financial Statements. In preparing this statement, the Trustee has taken advice from their professional advisers.

This statement details some of the activities taken by the Trustee, the Manager and the investment managers during the period, including voting statistics, and provides the Trustee’s opinion on the stewardship activities over the period.

2. Policies

The Trustee’s relevant policies regarding stewardship, voting and engagement are outlined in the SIP. The most recent version of the SIP is publicly available being published online and will be updated from time-to-time.

The Trustee has appointed BlackRock as the adviser and Fiduciary Manager (“the Manager”) for the Group. The Trustee delegates the day-to-day investment decisions and asset allocation to the Manager. The Trustee retains responsibility for the strategic investment objective and oversight of the Manager.

During the year to 31 March 2025, the Trustees decided not to update the Scheme’s SIP given an ongoing process to secure benefits through the purchase of a bulk annuity policy, which took place in April 2025. Therefore, the policies contained in the February 2022 SIP are those which are relevant to this Statement, which can be accessed online. The Trustee will be updating the SIP in due course to reflect the new arrangements for the Scheme’s assets.

3. Scope of this statement

The Trustee acknowledges that the extent to which the policies in relation to stewardship, voting and engagement can be applied varies across the portfolio. In general, voting rights are not attached to fixed income securities, and the applicability to the LDI (liability-driven investment) portfolio is limited. Nonetheless, the Trustee and the Manager expect all investment managers to take an active role in the stewardship of investments where relevant.

The Group’s de-risked the portfolio in Q3 2023 which involved selling the liquid asset allocation in favour of matching assets. Over the year to March 2025, the Group’s portfolio consisted of matching assets, cash and close-ended alternative assets. As there were no equity holdings over the period (excluding the equity holding in EA Tech), voting statistics are not applicable to this EPIS.

4. Group activity

The SIP includes the Trustee's policy on Environmental, Social and Governance ("ESG") factors and stewardship. This policy sets out the Trustee's beliefs on ESG and the processes followed by the Trustee in relation to voting rights and stewardship. The applicability of stewardship of the Group's assets was limited over the period.

5. Stewardship and Engagement

The Trustee has delegated to the Manager the responsibility of collecting the stewardship and engagement reports of the underlying managers and assessing the suitability. The Trustee also expects the Manager to monitor the underlying manager's activity to ensure compliance and confirm that it remains a suitable investment for the Group. The Trustee is comfortable that under the governance structure the responsibility sits with the Manager to communicate with the underlying managers and on a regular basis collect information as required.

This statement does not disclose stewardship information on investments in LDI pooled funds, gilts, cash or closed-ended alternatives due to the limited materiality of stewardship of these assets.

6. Concluding remarks

As the Group has moved to buy-in in April 2025, the Group acknowledges that ESG and stewardship activities were limited to the LDI pooled funds, gilts, cash, and close-ended alternative assets held over the period.