

Engagement Policy Implementation Statement (“EPIS”)

IMI 2014 Deferred Fund (the “Fund”)

Fund Year End – 31 March 2025

This EPIS documents the actions we have taken as Trustee of the IMI 2014 Deferred Fund during the year ending 31 March 2025 to achieve certain policies and objectives outlined in our Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP on asset stewardship (including both voting and engagement activity) in relation to the Fund’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.

The Trustee has secured a majority of the Fund’s liabilities with bulk annuity providers. The residual assets of the Fund are invested in private equity and cash.

This EPIS does not disclose significant stewardship information due to the limited materiality of stewardship to these residual assets, the nature of the asset classes and given the relatively small value of the investments.

During the reporting year, the Fund did not hold any significant investments with voting rights.

How engagement policies have been followed

During the reporting period, most of the Fund's assets were invested in Bulk Purchase Annuity agreements (the "Annuities") with Legal & General Assurance Society ("LGAS") and Pension Insurance Corporation ("PIC"). The aim of the Annuities is to cover the majority of benefits to members of the Fund. The remaining material assets of the Fund were invested in two Venture Capital funds managed by HighVista.

We reviewed at a high level the stewardship activity carried out over the Fund year by the two bulk annuity providers and HighVista. More information on this stewardship activity can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Fund's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon").

Each year, the Trustee reviews the voting (where relevant) and engagement of the Fund's investment managers to ensure they align with our own policies for the Fund.

The Fund's stewardship policy can be found in the SIP:

https://pensiongeeks.com/PensionGeeks/media/imi/writable_pdfs/Statement-of-Investment-Principles-March-2024.pdf

During the year, the SIP and stewardship policy were reviewed by the Trustee.

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 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 manager's 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.

HighVista were unable to share a stewardship report for the period; however, they provided their firm's ESG policy which sufficiently explained their approach to voting and engagement.

This report does not include commentary on the Fund's cash owing to the limited materiality of stewardship to this asset class. In addition, engagement information is not included for immaterial assets (investments valued at less than £1.5m at 31 March 2025).

HighVista – Engagement

Policy

HighVista's 2025 ESG policy states that, the HighVista Investment Team believes it is important to incorporate an analysis of the risks (and potential opportunities) arising from various factors including ESG issues. This analysis is captured in an ESG summary, which is a component of each final Investment Committee recommendation.

In 2025, the HighVista Venture Capital (HVC) Investment Team disseminated an ESG survey to select underlying managers, with the intent to roll out the survey more broadly in the coming months. The purpose of the ESG survey is to track whether their venture capital managers maintain an ESG policy, whether ESG is a factor in their decision making, and whether they have any industry memberships and affiliations. Submissions will be tracked over time and will help the HVC team proactively engage with managers around policies and related matters. In addition, the manager continues to measure the diversity of managers' investment and non-investment staff in order to guide conversations with managers about their firm diversity across their investment and operations teams over time.

The HVC team continues to be in discussions with their data provider, MSCI/Burgiss, regarding their ability to look across HVC portfolio holdings to quantify and report on various ESG factors both today and in the future. The HVC team's ultimate goal is to use data to build an informed view of exposures at the portfolio level. The HVC team will continue to investigate ways to work with their data provider partner as they broaden their reporting metrics across a range of dimensions in the future.

Lastly, HighVista is currently in the exploratory phase of evaluating corporate sponsorship with organisations focused on under-represented populations in alternatives investing as well as Boston-based organisations focused on the local talent pool. While many of HighVista's employees serve on boards and investment committees where they can provide governance and investment guidance for organisations doing important work in communities, the manager seeks to expand upon these efforts more formally.

Examples

HighVista were unable to provide engagement examples at a fund-level, stating: "HighVista Venture Capital Fund VIII is a 2011 fund and HighVista Venture Capital Fund X is a 2016 vintage year fund. At the time that those funds were committed, we did not incorporate ESG related topics as part of our due diligence process".

At the firm level, the manager explained "HighVista maintains an ESG Policy that focuses on our fiduciary duty to consider a variety of factors when evaluating a potential investment opportunity, including factors that fall under various definitions of ESG. We conduct training for our employees upon initial hiring and annually thereafter that encompasses a range of topics including HighVista's policies and procedures, which include HighVista's ESG policy. In addition, we have established an ESG Committee that is responsible for the execution and enhancement of HighVista's ESG Policy." More information is available on the manager's website:

<https://www.highvistastrategies.com/about-us/#responsibility>

Our insurers' 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

Insurer	Commentary
PIC – Bulk Annuity	<p>PIC actively engages with investee companies across public credit and private debt investments on material sustainability issues. The manager of its Emerging Market Debt portfolio engages with corporates and sovereigns in that portfolio on PIC's behalf. For real estate assets, PIC strives to engage directly with the developers and contractors. PIC is involved in two collaborative engagements; one with the UN PRI Advance initiative on Human Rights and the other organised by Royal London Asset Management, which focused on the UK water sector.</p> <p>During 2024 PIC engaged with 130 firms through its diverse engagement channels on a range of sustainability topics. The largest proportion of discussions focused on climate change, aligning with PIC's priority to support the achievement of its net-zero commitments. Corporate governance and human rights were also key areas of focus during 2024.</p>
LGAS – Bulk Annuity	<p>Continuous engagement with companies is a key aspect of LGAS's commitment to responsible investment, initiated through regular catch-ups, analysis of responsible investment themes, voting issues, general company knowledge, or media reports.</p> <p>LGAS uses its in-house investment manager, L&G, to manage its annuity portfolio. As the annuity book does not contain equity holdings, it has a more limited capabilities to exhibit stewardship. L&G has developed a comprehensive framework for responsible investing across both public and private assets, aiming to strengthen long-term returns and elevate market standards through impactful stewardship and collaborative, active research across asset classes. L&G's stewardship and investment teams work closely together to integrate ESG factors into decision-making processes, from research and engagement to product development.</p>