

Implementation Statement for the Year to 31 March 2026
The Motability Defined Benefit Pension Scheme ("the Scheme")

Introduction

This Implementation Statement describes the voting and engagement policies of the Trustees of the Motability Defined Benefit Pension Scheme ("the Trustees") along with a summary of voting and engagement behaviour related to the Scheme's investments over the 12-month period to 31 March 2026.

The purpose of this Implementation Statement is to provide evidence that the Scheme continued to follow and act on the principles outlined in the Statement of Investment Principles ('the SIP'). During the Scheme year, the Eighth Edition of the SIP (signed November 2024) was in place.

This report details:

- Actions the Trustee has taken to manage financially material risks and implement the key policies in its SIP;
- The current policy and approach with regards to Environmental, Social and Governance (ESG) factors and the actions taken with managers on managing ESG risks; and
- The extent to which the Trustee has followed policies on engagement, covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in which they invest.

Summary of key actions undertaken over the Scheme reporting year

During the Scheme year there were no material changes to the investment strategy.

However, a new fund, the M&G Total Return Credit Investment Fund was added to the portfolio, with funding coming from cash held at the trustee bank account.

Implementation Statement

This report demonstrates that the Scheme has adhered to its investment principles and its policies for managing financially material considerations including ESG factors and climate change.

Managing Risks

Risk	Definition	Policy	Actions
Interest rates and inflation	This risk of changes to interest rates or inflation affecting the value of the assets in a different way to the value of the liabilities and negatively impacting funding.	To invest in matching assets that move in line with the present value of the Scheme liabilities.	The Scheme is invested in LDI and Gilts-based funds, as well as credit, which aim to hedge a material part of the Scheme's inflation and interest rate risk.
Liquidity	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values), and to provide collateral to the Liability Driven Investment ("LDI") manager.	The Trustees continue to stress test liquidity as part of the quarterly reporting. Liquidity is maintained in credit, cash and other daily traded funds.
Market	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away from any unrewarded risks, where practicable.	The Scheme invested in multi-asset funds which aims to reduce market volatility by diversifying across different sectors, geographies and asset classes. It also invests in credit and income-based strategies to further diversify sources of return.
Credit	Default on payments due as part of a financial security contract.	To diversify this risk by investing in a range of credit markets across different geographies and sectors where possible.	The Scheme has credit exposure through a number of funds with different credit strategies.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, including but not limited to climate change, which can impact the performance of the Scheme's investments.	To appoint managers who integrate ESG into their investment process, utilise their right to vote and have good reporting on ESG matters.	The Trustees expect the investment managers to make decisions on: <ul style="list-style-type: none"> • The selection, retention and realisation of investments, taking into account all financially material considerations. • The exercising of rights (including voting, where they are able) attached

			<p>to the investments they make.</p> <ul style="list-style-type: none"> • Undertaking engagement activities with investee companies and other stakeholders where appropriate. <p>The Trustees undertake training on ESG and Stewardship and do not feel it necessary to set any specific voting priorities at this time.</p>
Currency	The potential for adverse currency movements to have an impact on the Scheme's investments.	To invest in GBP denominated share classes where possible.	The Scheme invested in GBP denominated share classes, save for four illiquid funds in run-off, one of which was fully redeemed by year end.
Non-financial	Any factor that is not expected to have a financial impact on the Scheme's investments.	Non-financial matters are not taken into account in the selection, retention or realisation of investments.	These factors may be considered, where relevant, by the Trustees.

Changes to the SIP

The SIP was updated in November 2024.

ESG as a financially material risk

The SIP references the Scheme's policy with respect to ESG as a long-term risk. Details of how the Scheme's ESG policy is implemented is set out in a later section. The ESG policy is as follows:

- The Trustees believe ESG, including climate change, to be an important long-term factor when making investment decisions. It is therefore considered as part of the selection and retention of asset classes and fund managers, using analysis provided by their investment adviser.
- The Trustees believe that climate change is a financially material consideration when investing and engage with their managers on the issue, encouraging them to consider the impact climate change may have on their portfolios. They expect fund managers to, as far as possible, align with the Task Force on Climate-Related Financial Disclosures.
- Non-financially material ESG factors may be considered where it is believed there is a majority membership preference or where the financial impact is unlikely to be detrimental to returns.
- Where there is choice, investment will be in fund managers with a superior ESG approach, as rated by the investment adviser, all else being equal. Fund managers are expected to report on ESG issues and developments.
- The Trustees engage with the Sponsor on their ESG policy and consider any views they may have.

Engagement with the Sponsoring Employer

The ESG policy has been discussed and agreed with the Sponsoring Employer. The Sponsoring Employer also attends Trustee meetings and is kept updated on all material developments in relation to ESG.

The rest of this statement details the Trustees' view of the managers and an evaluation of their stewardship activities.

The following table outlines the areas which the Scheme's investment managers are assessed on when evaluating their ESG policies. The Trustees review the Scheme's ESG policies and arrangements periodically to ensure they remain fit for purpose.

Implementing the Current ESG Policy

Areas for monitoring and engagement	Method for monitoring and engagement	Circumstances for additional monitoring and engagement
Environmental, Social and Corporate Governance factors and the exercising of rights.	The Trustees receive information from its investment advisers on the investment managers' approach to engagement.	<p>A manager has not acted in accordance with their policies and frameworks.</p> <p>A manager's policies are not aligned with the Trustees.</p>

Engagement and Voting

Fund Manager	Policies	Engagement and Voting
VT-RM Alternative Income Fund	Responsible Investment Policy - active stewardship integral part of approach, companies that deliver wider societal benefits will be successful. RM has a list of activities they will not invest in, even if the activity is along the supply chain, nor will they invest in companies with a significant negative impact such as gambling. They believe voting, Engagement & Escalation Policy engagement is key to making a difference.	Engagements: <ul style="list-style-type: none"> • Environmental: Over 20 • Social: 17 • Governance: Over 50
M&G Total Return Credit Investment Fund	<p>M&G believes that ESG factors can have a material impact on long-term investment outcomes. Selecting individual securities is based on the value offered and the perceived risk in holding that security. Consequently, ESG issues are integrated into investment decisions wherever they have a meaningful (positive or negative) impact on risk or return.</p> <p>They believe that long-term investment returns are underpinned by good governance and sustainable business models. At M&G, implement the UNPRI-endorsed definition of ESG integration principles using three pillars:</p> <ol style="list-style-type: none"> 1. Integration of ESG issues into investment research 2. Integration of ESG issues into investment decision making and portfolio construction 3. Periodic ESG portfolio review 	<p>M&G undertook 19 engagements in the year to 31 March 2026 and had 216 interactions with issuers.</p> <p>M&G had 14% of the portfolio in sustainable or green bonds as at 31 January 2026.</p> <p>They declined to invest in a number of bonds for ESG purposes, such as BPCE whose bond proceeds were linked to defence activities.</p>
Ormonde Multi-Asset Fund	The fund has been in wind-down for 36 months. As at the end of the Scheme year, all assets had been sold and the final payment was received in July 2025, with a final release of wind up reserve received after year end.	Given the position, engagement has only been on the timing of final payments.

Chenavari
Regulatory Capital
Fund

The fund makes up less than 0.5%
of the portfolio and is in the process
of paying back remaining capital.

Given the position, engagement
has only been on the sale of the
remaining assets.

Harbert III, Harbert
IV, Lunar Capital IV,
Phoenix V

These are illiquid property and
private equity funds that are all in
harvest mode.

Given the stage of the funds' lives,
engagement has only been on the
sale of remaining assets.

Columbia
Threadneedle Multi-
Asset Fund

Documents are available on their
website covering RI policies.
[Responsible investment |
Columbia Threadneedle
Investments](#)

CT's primary driver for engagement
is to support long-term investment
returns by mitigating risk,
capitalising on opportunities linked
to ESG factors and reducing any
material negative impact that their
investment decisions could have.

An example of a key climate
engagement is with Waste
Connections in the US.

Discussions concerned their
emissions management strategy,
and expanding renewable gas
processing capabilities.

The result was that they expect to
achieve emissions targets through
electrification of its car fleet and the
capture of fugitive emissions.

Columbia
Threadneedle LDI
and Cashflow
Matching

Documents are available on their
website covering RI policies.
[Responsible investment |
Columbia Threadneedle
Investments](#)

For LDI portfolios, CT engage with
counterparty banks that provide
them with leverage to encourage
them to identify and manage ESG
risks.

Within LDI and cashflow matching,
CT record specific outcomes,
where objectives for engagement
are met, as "milestones".

In the period of review, no
milestones were recorded.

Please see below for more
information, noting that CT only
report half yearly on LDI
engagement.

Columbia
Threadneedle Net
Zero Low Duration

Documents are available on their
website covering RI policies.

[Responsible investment |
Columbia Threadneedle
Investments](#)

Within the Net Zero Low Duration
fund, CT record specific outcomes,
where objectives for engagement
are met, as “milestones.”

An example of engagement is with
Premier Foods PLC on enhanced
product ranges, including to meet
UK regulatory standards. The
company has subsequently
increased revenue from higher
nutritional standards products.

Columbia Threadneedle MAF (for the year to 31 March 2026)

Request	Response
How many meetings were you eligible to vote at?	503
How many resolutions were you eligible to vote on?	6,638
What % of resolutions did you vote on for which you were eligible?	99.8%
Of the resolutions on which you voted, what % did you vote with management?	93.6%
Of the resolutions on which you voted, what % did you vote against management?	5.7%
Of the resolutions on which you voted, what % did you vote to abstain?	0.7%
In what % of meetings, for which you did vote, did you vote at least once against management?	37.8%

Columbia Threadneedle Company Level

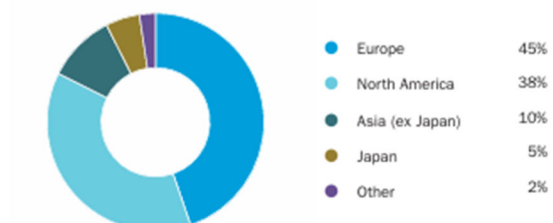
H1 2025

Total engagements	404
Companies engaged	295
Milestones achieved	85
Countries covered	31

Engagement by theme



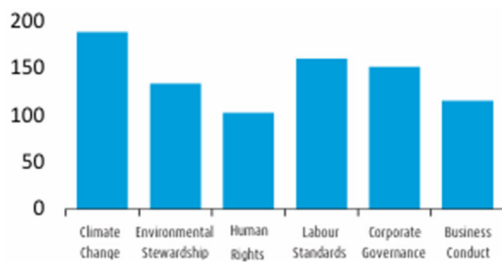
Engagement by geography



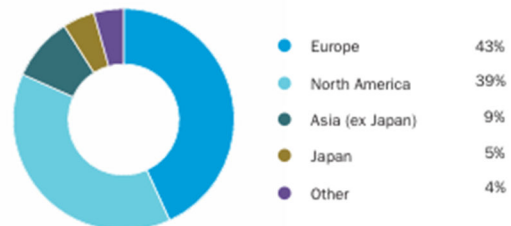
H2 2025

Total engagements	493
Companies engaged	322
Milestones achieved	97
Countries covered	34

Engagement by theme



Engagement by geography

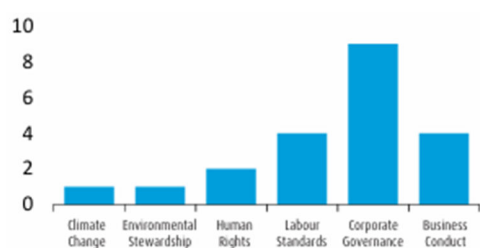


Columbia Threadneedle LDI

H1 2025

Total engagements	11
Companies Engaged	8
Milestones achieved	0
Countries covered	7

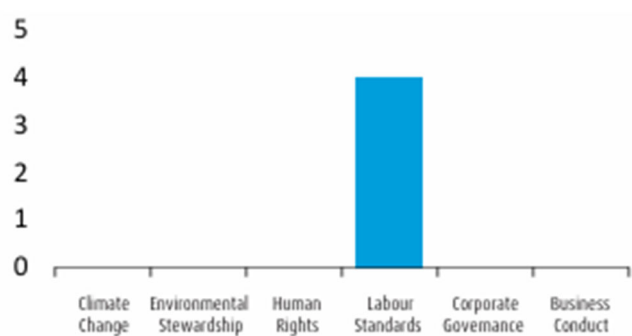
Engagement by theme



H2 2025

Total engagements	4
Companies engaged	3
Milestones achieved	0
Countries covered	1

Engagement by theme

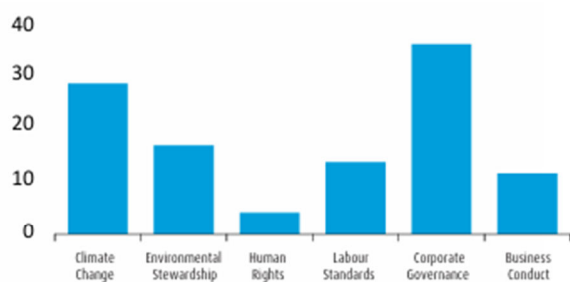


Columbia Threadneedle Net Zero Low Duration

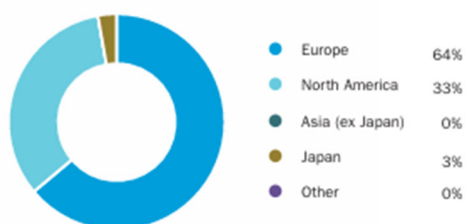
H1 2025

Total engagements	65
Companies Engaged	36
Milestones achieved	12
Countries covered	11

Engagement by theme



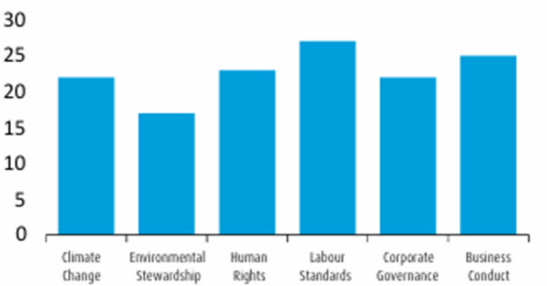
Engagement by geography



H2 2025

Total engagements	84
Companies Engaged	44
Milestones achieved	12
Countries covered	9

Engagement by theme



Engagement by geography

