Implementation Statement, covering the reporting period from 21 March 2025 to 20 March 2026 (the "Plan Year")

The Trustees of the Panasonic UK Pension Plan (the "Plan") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed its Statement of Investment Principles ("SIP") during the Plan Year, as well as details of any review of the SIP during the Plan Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2-9 below.

The Statement is also required to include a description of the voting behaviour during the Plan Year by, and on behalf of, the Trustees (including the most significant votes cast by the Trustees or on their behalf) and state any use of the services of a proxy voter during that year. In Section 9 we confirm that due to the nature of the investments held over the year, none of this was required.

In preparing the Statement, the Trustees have had regard to the guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions ("DWP's guidance") in June 2022.

This Statement is based on the latest SIP, dated January 2026, which was updated during the Plan Year. This Statement should be read in conjunction with the SIP, which can be found here:
Panasonic-SIP-with-Addendum-2026-01.pdf

The Statement incorporates the Defined Benefit ("DB") and Defined Contribution ("DC") Sections of the Plan.

1. Introduction

The SIP was updated during the Plan Year. The SIP in place at the start of the Plan Year was dated February 2025, and Trustees updated it in January 2026 to reflect:

- the Plan's new bulk annuity buy-in contract with Prudential Assurance Company Limited ("Pru"); and
- the Plan's remaining non-insured DB assets being invested in the L&G cash fund.

The Trustees have, in their opinion, followed all of the policies in the Plan's SIP during the Plan Year. The following Sections provide detail and commentary about how and the extent to which they have done so.

2. Investment objectives

Progress against the Plan's long-term DB journey plan objective was reviewed quarterly throughout the year, supplemented by ongoing monitoring via LCP Visualise online (a tool provided by the Plan's investment adviser which shows key metrics and information on the Plan including expected return and risks of the investment strategy).

In December 2025, the Plan completed its long-term objective for the DB section by purchasing a bulk annuity policy with Pru, which, together with the existing PIC bulk annuity policies, means all member benefits are now fully insured.

There was no review of the DC section's performance and strategy during the Plan Year as the last review was completed in February 2025. In the 2025 review the Trustees considered the DC Section membership demographics and the variety of ways that members may draw their benefits in retirement from the Plan concluded that:

- the DC arrangements were in the best interests of most of the DC Section members and reflect the demographics of those members; and

- the Plan's AVC members had access to a suitable range of investment options which the Trustees believe are suitable for this purpose and enable appropriate diversification. The Trustees have made available lifestyle strategies and a self-select fund range to members which we believe cover all major assets classes.

The Trustees formally review the DC arrangements and AVCs from time to time when considered appropriate.

3. Investment strategy

The Trustees, with the help of their advisers and in consultation with the sponsoring employer, reviewed the investment strategy of the DB Section in November 2025 and decided to de-risk the Plan's investments by purchasing a buy-in policy for the Plan's remaining non-insured members. This involved the following investment strategy changes:

- First by selling all credit assets to better align the Plan's assets with an estimate of what a potential insurer's price lock might be.
- Once the Plan entered exclusivity with Pru, the Trustees switched from LDI pooled funds into a segregated gilt portfolio that precisely matched the insurer's price lock.
- At the point of the transaction, the Trustees sold the segregated gilt portfolio and a portion of the liquidity fund assets to pay the buy-in policy. Following the transaction, all surplus invested assets were invested in the L&G cash fund.

The Plan's cashflow requirements were met with income from the buy-in policies and the credit assets (before they were sold).

The Trustees reviewed the DC and AVC arrangements in the previous Plan Year and concluded they were comfortable with the arrangements.

4. Considerations in setting the investment arrangements

When the Trustees reviewed the DB investment strategy in November 2025, they considered the investment risks set out in the SIP. They also considered the expected returns and risks associated with their holdings as well as how these risks can be mitigated. Additionally, the Trustees considered the need for diversification and the specific circumstances of the Plan (eg the investment objectives, funding position, level of contributions and strength of the sponsor covenant).

The Trustees last reviewed their investment beliefs as part of the September 2024 SIP update. The Trustees invest for the long term, to provide for the Plan's members and beneficiaries, and to achieve good outcomes for members and beneficiaries over this investment horizon. The Trustees therefore seek to appoint insurers and managers whose stewardship[1]activities are aligned to the creation of long-term value and the management of long-run systemic risks.

The Plan's investment adviser, LCP, monitors the investment managers on an ongoing basis through regular research meetings. The investment adviser monitors any developments at the investment manager and informs the Trustees promptly about any significant updates or events they become aware of regarding the Plan's investment manager that may affect the managers' ability to achieve their investment objectives. This includes any significant change to the investment process or key staff for the fund the Plan invests in, or any material change in the level of diversification in the fund.

Before the buy-in, the Trustees monitored the performance of the Plan's investment managers on a six-monthly basis, using a monitoring report prepared by the investment adviser. The report showed the performance of each fund over the quarter, six-month period, year and longer term. Performance was considered in the context of the

[1] The responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

managers' benchmarks and objectives. The Trustees also monitored their managers' responsible investment capabilities using scores provided by its investment advisor.

4.1 Policy towards risk

Risks are monitored on an ongoing basis with the help of the investment adviser. The Trustees maintain a risk register which is discussed at the Trustees' meetings.

The Trustees' policy for some risks, given their nature, is to understand them and to address them if it becomes necessary, based upon the advice of the Plan's investment adviser or information provided to the Trustees by the Plan's investment managers. These include the risk of inadequate returns, risk from lack of diversification, credit risk, equity risk, currency risk, interest rate and inflation risk, investment manager risk, illiquidity/marketability risk, counterparty risk, collateral adequacy risk and ESG (including climate) risks.

The Trustees' implemented their policy for these risks for the DB section during the year by:

- before the November 2025 buy-in transaction – the above risks, together how those risks combine with non-investment risks into funding risk, were monitored with six-monthly monitoring reports at Trustees' meetings, and the Trustees were also able to monitor funding and other investment metrics daily using LCP Visualise.

- after the November 2025 buy-in transaction – the above risks have been managed by purchasing the bulk annuity contract and the risks being passed to the insurer.

Within the DC Section, the Trustees believe the primary risk is risk of inadequate returns and this is managed because the Phoenix Life arrangement is a with-profits policy which provides members with a guaranteed minimum value at retirement. In addition, the underlying investment strategy makes use of equities, which are expected to provide positive returns above inflation over the long term.

5. Implementation of the investment arrangements

Following the buy-in, the Plan's LDI and credit assets were disinvested and the Insight mandate terminated, leaving only one cash mandate to consider.

While there is only one cash mandate to consider post the buy-in, the Trustees still evaluate manager performance over both shorter and longer periods, encourage managers to improve practices and consider alternative arrangements where the manager is not meeting performance objectives. Section 9 confirms that the Plan did not invest in any assets with voting rights and so the Trustees did not undertake any voting activities during the Plan Year.

The Trustees reviewed the DC and AVC arrangements in the previous Plan year. This assessed a range of factors, including the fees payable to managers in respect of the DC Section, which were found to be reasonable when compared with scheme with similar mandates.

Overall, the Trustees believe the investment managers provide reasonable value for money.

6. Realisation of investments

The Trustees regularly review the Plan's net current and future cashflow requirements. Before this latest 2025 buy-in, cash was raised from income from the previous buy-ins, plus income and disinvestments from the invested assets. However since all members' benefits are now fully insured, income from those insurance policies now provide the majority of cash needed, with disinvestments from the remaining surplus assets now likely to be smaller and less regular.

For the DC Section, it is the Trustees' policy to invest in a fund that offers daily dealing to enable members to readily realise and change their investments.

7. Financially material considerations, non-financial matters

As part of its advice on the selection and ongoing review of the investment managers, the Plan's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to financially material considerations (including climate change and other ESG considerations).

The Trustees periodically review LCP's responsible investment (RI) scores for the Plan's managers and funds, along with LCP's qualitative RI assessments and red flags for any areas concern. The fund scores and assessments are based on LCP's ongoing manager research programme, and it is these that directly affect LCP's manager and fund recommendations. The manager scores and red flags last considered were based on LCP's Responsible Investment Survey which was last carried out in 2024.

The Trustees reviewed the results of the LCP RI survey in February 2025 for the Plan's investment managers (Insight and L&G) and the buy-in provider (PIC) at that time. This included assessing the investment managers on their ESG foundations, net zero objectives, engagement, systemic stewardship and voting activities. Both of the Plan's investment managers at that time were signatories to the UK Stewardship Code.

During the Plan Year, the Trustees have since fully disinvested from Insight.

No specific actions have been taken in relation to the selection, retention, and realisation of managers as a result of member and beneficiary views.

8. Voting and engagement

The Trustees delegated to the investment manager and buy-in providers the exercise of rights attaching to investments, including voting rights, and engagement. The Trustees themselves had not used proxy voting services over the Plan Year.

The Trustees take ownership of the Plan's stewardship by monitoring and engaging with its manager and buy-in provider and escalating as necessary.

As part of its advice on the selection and ongoing review of the investment manager and buy-in providers, the Plan's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement and financial material considerations (including climate change and other ESG considerations).

The Trustees have limited influence over providers' stewardship practices where assets are held in pooled funds or buy-in policies, but they encourage them to improve their practices where appropriate.

9. Description of voting behaviour during Plan Year

Given the nature of buy-in insurance policies the Trustees could not direct how votes are exercised for these assets.

The investment managers with which the Plan was invested during the Plan Year have confirmed that they did not hold any securities that had voting opportunities . This was expected given the nature of the funds the Plan invested in over the period.

Therefore the Trustees have not included a description of buy-in providers or investment managers' voting processes, summary of behaviour or most significant votes.