

Implementation Statement, covering the Scheme Year from 1 April 2024 to 31 March 2025 (the “Scheme Year”)

The Trustee of the BMA Staff Pension Scheme (the “Scheme”) is required to produce a yearly statement to set out how, and the extent to which, the Trustee has followed the voting and engagement policies in its Statement of Investment Principles (“SIP”) during the Scheme Year. This is provided in Section 1 below.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, Trustees (including the most significant votes cast by Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 3 below.

In preparing the Statement, the Trustee has 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.

1. Introduction

No changes were made to the voting and engagement policies in the SIP during the Scheme Year. Post Scheme year-end the SIP was being updated to reflect the changes made to the strategic allocation over the year.

The voting and engagement policies from the SIP (dated June 2023) that were in place during the Scheme Year are set out below:

“We recognise our responsibilities as owners of capital, and believe that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments.

We have delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement with relevant persons such as issuers of debt and equity, stakeholders and other investors about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG factors.

We do not monitor or engage directly with issuers or other holders of debt or equity, but we do engage with current and prospective investment managers on matters including ESG and stewardship. We expect the investment managers to exercise ownership rights and undertake monitoring and engagement in line with their policies on stewardship, considering the long-term financial interests of the beneficiaries. We expect the managers to communicate their policies on stewardship to us from time to time, and provide us with reporting on the results of their engagement and voting activities regularly and at least once a year.

We seek to appoint managers that have strong stewardship policies and processes, reflecting the principles of the UK Stewardship Code 2020 issued by the Financial Reporting Council, and from time to time we review how these are implemented in practice.

We have selected some priority ESG themes to provide a focus for our monitoring of investment managers’ voting and engagement activities. We review the themes regularly and update them if appropriate. The current priorities are climate change, biodiversity and business ethics (including board remuneration, modern slavery and human rights).

We communicate these stewardship priorities to our managers. If our monitoring identifies areas of concern, we will engage with the relevant manager to encourage improvements.”

The Trustee has, in its opinion, followed the Scheme’s voting and engagement policies during the Scheme Year, by continuing to delegate to its investment managers the exercise of rights and engagement activities in relation to investments, as well as seeking to appoint managers that have strong stewardship policies and processes. The Trustee took a number of steps to review the Scheme’s managers and funds over the Scheme year, as described in Section 2 (Voting and engagement) below.

2. Voting and engagement

The Trustee has delegated to the investment managers the exercise of rights attaching to investments, including voting rights, and engagement. These policies are:

- L&G AM: [L&G's engagement policy](#)
- BlackRock: [BlackRock's engagement policy](#)

However, the Trustee takes ownership of the Scheme's stewardship by monitoring and engaging with managers and escalating as necessary as detailed below.

As part of its advice on the selection and ongoing review of the investment managers, the Scheme's investment adviser, LCP, incorporates its assessment of the nature and effectiveness of managers' approaches to voting and engagement.

The Trustee is conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustee aims to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

The Trustee undertook a comprehensive Responsible Investment (RI) review of the Scheme's managers in December 2024, including a review of the climate and RI credentials of the managers and funds based on research carried out by the Scheme's investment adviser. The review included the investment adviser's qualitative assessment for each manager, including a summary of the managers' approaches to voting, engagement and responsible investment.

The Trustee also receives updates on responsible investment matters including ESG and Stewardship related issues from its investment adviser.

3. Description of voting behaviour during the Scheme Year

All of the Trustee's holdings in listed equities are within pooled funds and the Trustee has delegated to its investment managers the exercise of voting rights. Therefore, the Trustee is not able to direct how votes are exercised and the Trustee itself has not used proxy voting services over the Scheme Year. However, the Trustee monitors managers' voting and engagement behaviour on an annual basis and challenges managers where their activity has not been in line with the Trustee's expectations.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP's guidance, on the Scheme's funds that hold equities as follows:

- L&G AM Low Carbon Transition Developed Markets Equity Index Fund.
- L&G AM Future World Developed Minimum Volatility Index Fund (until full redemption in August 2024).
- BlackRock Aquila Life Global Minimum Volatility Fund (invested in August 2024).

In addition to the above, the Trustee contacted the Scheme's asset managers that do not hold listed equities, to ask if any of the assets held by the Scheme had voting opportunities over the Scheme Year. Commentary provided from these managers is set out in Section 3.4.

3.1 Description of the voting processes

For assets with voting rights, the Trustee relies on the voting policies which its managers have in place. The Trustee has communicated its stewardship priorities to its managers and is comfortable that their voting and engagement policies are aligned with the Trustee's views. A link to L&G AM and BlackRock's voting policies are included in Section 2 and a description of their voting process is set out below.

L&G AM

All voting decisions are made by L&G AM's Investment Stewardship team and in accordance with their relevant Corporate Governance & Responsible Investment and Conflicts of Interest policy documents, which are reviewed annually. Each member of the team is allocated a specific sector globally so that the voting is undertaken by the same individuals who engage with the relevant company. This ensures their stewardship approach flows smoothly throughout the engagement and voting process and that engagement is fully integrated into the vote decision process, therefore sending consistent messaging to companies.

L&G AM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by L&G AM and they do not outsource any part of the strategic decisions. L&G AM's use of ISS recommendations is purely to augment their own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services (IVIS) to supplement the research reports that they receive from ISS for UK companies when making specific voting decisions.

To ensure L&G AM's proxy provider votes in accordance with their position on ESG, L&G AM has put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what they consider are minimum best practice standards which L&G AM believes all companies globally should observe, irrespective of local regulation or practice.

L&G AM retains the ability in all markets to override any vote decisions, which are based on their custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows them to apply a qualitative overlay to L&G AM's voting judgement. L&G AM has strict monitoring controls to ensure their votes are fully and effectively executed in accordance with their voting policies by their service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform L&G AM of rejected votes which require further action.

Every year, L&G AM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as L&G AM continue to develop their voting and engagement policies and define strategic priorities in the years ahead. L&G AM also take into account client feedback received at regular meetings and/or ad-hoc comments or enquiries.

BlackRock

As shareholders of public companies, BlackRock's clients have the right to vote on matters proposed by a company's management or its shareholders. Most of BlackRock's clients authorise it to exercise this right on their behalf. For those clients, and as a fiduciary, BlackRock is legally required to make proxy voting determinations in a manner that is consistent with their investment objectives. BlackRock Investment Stewardship does this by casting votes in favour of proposals that, in the team's assessment, will enhance long-term shareholder value.

BlackRock Investment Stewardship's benchmark policies, and the vote decisions made consistent with those policies, reflect the team's reasonable and independent judgement of what is in the long-term financial interests of clients. BlackRock Investment Stewardship's vote decisions are informed by the team's in-depth analysis of company disclosures, third-party research, comparisons against a company's industry peers, and engagement with boards and management teams.

BlackRock Investment Stewardship does not act collectively with other shareholders or organizations in voting shares nor follows any proxy research firm's voting recommendations. In addition, BlackRock Investment Stewardship does not disclose its vote intentions in advance of shareholder meetings as the team do not see it as its role to influence other investors' proxy voting decisions. BlackRock Investment Stewardship's role is to convey to a company its view on how its board and management are fulfilling their responsibilities to our clients as minority shareholders.

The vast majority of the team's voting decisions are straightforward applications of the BlackRock Investment Stewardship benchmark policies and are determined by the relevant voting analyst, in consultation with team members or the regional BlackRock Investment Stewardship head, as necessary. That said, BlackRock Investment Stewardship's benchmark policies are not prescriptive and take into consideration the context in which companies are operating their businesses.

BlackRock Investment Stewardship analysts may, in the exercise of their professional judgment, conclude that the benchmark policies do not cover the specific matter upon which a proxy vote is required or that an exception to the guidelines would be in the long-term financial interests of BlackRock's clients.

Generally, BlackRock Investment Stewardship supports the vote recommendations of the board of directors and management. When BlackRock Investment Stewardship determines it is in BlackRock's clients' financial interests to convey concern to companies through voting, the team may do so in two forms: it might not support the election of directors or other management proposals, or it might not support management's voting recommendation on a shareholder proposal.

In certain markets, proxy voting involves logistical issues which can affect BlackRock's ability to vote, as well as the desirability of voting. In these cases, BlackRock votes on a "best efforts" basis. In addition, BlackRock Investment Stewardship may determine that it is generally in the long-term financial interests of BlackRock's clients not to vote proxies (or not to vote the full allocation) if the costs (including but not limited to opportunity costs associated with share-blocking constraints) associated with exercising a vote are expected to outweigh the benefit the affected clients would derive by voting on the proposal.

Proxy research firms provide research and recommendations on proxy votes as well as voting infrastructure. BlackRock Investment Stewardship leverages Institutional Shareholder Services (ISS) as an external proxy services vendor. ISS' electronic voting platform allows BlackRock Investment Stewardship to monitor voting activity, execute proxy vote instructions, record keep, and generate client and regulatory voting reports. BlackRock Investment Stewardship also uses Glass Lewis' services to support research and analysis. In addition to the global research provided by Institutional Shareholder Services (ISS) and Glass Lewis, BlackRock Investment Stewardship subscribes to market-specific research providers including Institutional Voting Information Service in the UK, Ownership Matters in Australia, Stakeholder Empowerment Services in India, and ZD Proxy in China.

Although proxy research firms provide important data and analysis, BlackRock Investment Stewardship does not follow any proxy research firm's voting recommendations.

3.2 Summary of voting behaviour

A summary of voting behaviour over the Scheme Year is provided in the table below.

	L&G AM Low Carbon Transition Developed Markets Equity Index Fund	L&G AM Future World Developed Minimum Volatility Index Fund	BlackRock Aquila Life Global Minimum Volatility Fund
Total size of fund at end of the Scheme Year	£1,974.8m	£110.4m	£347.7m
Value of Scheme assets at end of the Scheme Year (£ / % of total assets)	£13.3m (5.1%)	-	£14.0m (5.3%)
Number of equity holdings at end of the Scheme Year	1,341	651	359
Number of meetings eligible to vote	1,527	566	77
Number of resolutions eligible to vote	21,428	8,542	988
% of resolutions voted	99.5	99.1	97.5
Of the resolutions on which voted, % voted with management	78.2	76.6	95.1
Of the resolutions on which voted, % voted against management	21.3	23.1	4.9
Of the resolutions on which voted, % abstained from voting	0.5	0.3	1.0
Of the meetings in which the manager voted, % with at least one vote against management	78.9	81.6	24.7
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	15.9	19.7	0.1

Notes:

- The Scheme disinvested from the L&G AM Future World Developed Minimum Volatility Index Fund over tranches in August 2024. However, L&G AM were unable to provide voting data specific to 1 April 2024 to 15 August 2024 (the final disinvestment date). Accordingly, the above voting data refers to the period from 1 April 2024 to 30 September 2024.
- The Scheme invested in the BlackRock Aquila Life Global Minimum Volatility Fund in tranches over August 2024. The above voting data refers to the period from 1 August 2024 to 31 March 2025.

3.3 Most significant votes

Commentary on the most significant votes over the Scheme Year, from the Scheme's asset managers who hold listed equities, is set out below.

Given the large number of votes which are cast by managers during every Annual General Meeting season, the timescales over which voting takes place as well as the resource requirements necessary to allow this, the Trustee did not identify significant voting ahead of the reporting period. Instead, the Trustee has retrospectively created a shortlist of most significant votes by requesting each manager provide a shortlist of votes, which comprises a minimum of six most significant votes, and suggested the managers could use the PLSA's criteria¹ for creating this shortlist. By informing its managers of its stewardship priorities (Climate Change, Biodiversity, and Business Ethics (including in particular board remuneration, modern slavery and human rights)) and through its regular interactions with the managers, the Trustee believes that its managers will understand how it expects them to vote on issues for the companies they invest in on its behalf.

The Trustee has reported on two of these significant votes per mandate to cover a selection of its chosen stewardship priorities. If members wish to obtain more investment manager voting information, this is available upon request from the Trustee. BlackRock were only able to provide one significant vote relating to the Scheme's investment period, given the Scheme's initial investment date was after the typical proxy voting cycle.

L&G AM's interpretations of what constitutes a "significant vote" is confirmed below.

L&G AM

In determining significant votes, L&G AM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile votes which have such a degree of controversy that there is high client and/ or public scrutiny;
- significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at L&G AM's annual Stakeholder roundtable event, or where they note a significant increase in requests from clients on a particular vote;
- sanction votes as a result of a direct or collaborative engagement;
- votes linked to an L&G AM engagement campaign, in line with L&G AM's Investment Stewardship 5-year ESG priority engagement themes.

L&G AM Low Carbon Transition Developed Markets Equity Index Fund

Company Name	Tesla, Inc	Canadian Pacific Kansas City Limited
Date of vote	13 June 2024	24 April 2024
Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' (NEOs) Compensation	Management Advisory Vote on Climate Change
Relevant stewardship priority	Business Ethics	Climate Change
Approximate size of holding at date of vote (%)	1.4%	0.2%
Why this vote is considered to be "most significant"	Relates to the business ethics stewardship priority.	Relates to the climate change stewardship priority

¹ [Vote reporting template for pension scheme implementation statement – Guidance for Trustees \(plsa.co.uk\)](https://www.plsa.co.uk/vote-reporting-template-for-pension-scheme-implementation-statement-guidance-for-trustees). Trustees are expected to select "most significant votes" from the long-list of significant votes provided by their investment managers.

How you voted	Against	For
Rationale for the voting decision	L&G AM voted against the proposal due to their belief that the approved remuneration policy should be sufficient to retain and motivate executives. While most NEOs received modest or no compensation for FY23, one executive was granted an outsized, time-based stock option award upon his promotion, the magnitude and design for which are not adequately explained. The grant does not require the achievement of pre-set performance criteria in order to vest and the value is considered to be excessive.	L&G AM voted in favour of this proposal as it expects companies to introduce credible transition plans, consistent with the Paris goals of limiting the global average temperature increase to 1.5°C. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5°C goal. As CPKC set targets validated by Science Based Target initiative, L&G welcome the company's efforts to reduce its GHG emissions and expects to see a clear transition plan.
Was the vote communicated to the company ahead of the vote?	No	No
Outcome and next steps	The vote passed. L&G AM will continue to engage with Tesla, publicly advocate its position on this issue and monitor company and market-level progress.	The vote passed. L&G AM will continue to engage with Canadian Pacific Kansas City Limited, publicly advocate its position on this issue and monitor company and market-level progress.

L&G AM Future World Developed Minimum Volatility Index Fund

Company Name	Unilever Plc	Shell Plc
Date of vote	1 May 2024	21 May 2024
Summary of the resolution	Approve Climate Transition Action Plan (CTAP)	Approve the Shell Energy Transition Strategy
Relevant stewardship priority	Climate Change	Climate Change
Approximate size of holding at date of vote (%)	0.3%	0.2%
Why this vote is considered to be "most significant"	Relates to the climate change stewardship priority.	Relates to the climate change stewardship priority.
How you voted	For	Against
Rationale for the voting decision	L&G AM voted in favour due to the CTAP meeting L&G AM's minimum expectations. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short, medium and long-term greenhouse gas emissions reduction targets consistent with a 1.5 °C goal. Despite the SBTi recently removing their approval of the company's long-term scope 3 target, L&G AM noted that the company has recently submitted near term 1.5 degree scope 3 targets to the SBTi for validation and therefore at this stage	L&G AM voted against the resolution. L&G AM acknowledges the substantive progress that the company has made in respect of climate related disclosure over recent years, and views positively the commitments made to reduce emissions from operated assets and oil products, the strong position taken on tackling methane emissions, as well as the pledge of not pursuing frontier exploration activities beyond 2025. Nevertheless, in light of the revisions made to the Net Carbon Intensity (NCI) targets, coupled with the

	believes the company's ambition level to be adequate. Accordingly, L&G AM remains supportive of the net zero trajectory of the company at this stage.	company's ambition to grow its gas and LNG business this decade, L&G AM expects the company to better demonstrate how these plans are consistent with an orderly transition to net-zero emissions by 2050.
Was the vote communicated to the company ahead of the vote?	No	No
Outcome and next steps	The vote passed. Next steps not provided.	The vote passed. Next steps not provided.

BlackRock's interpretations of what constitutes a "significant vote" is confirmed below.

BlackRock

BlackRock Investment Stewardship publishes 'vote bulletins' and 'case studies' on key votes at shareholder meetings to provide insight into certain vote decisions the team expects will be of particular interest to clients. The vote bulletins are published on the 'Vote Bulletin library' section of the [BlackRock Investment Stewardship website](#). The case studies can be found in BlackRock Investment Stewardship's flagship publications, namely the Investment Stewardship Annual Report and the Global Voting Spotlight, as well as pieces published on the 'BIS Insights Hub' website. These bulletins and case studies are intended to explain vote decisions relating to proposals addressing a range of corporate governance issues, including sustainability-related matters that may be material to a company's business model, that are on the agenda for a shareholder general meeting.

Other factors BlackRock Investment Stewardship may consider in deciding to publish a vote bulletin and/or a case study include the profile of the issue in question and the level of client interest we expect in the vote decision. The vote bulletins and case studies include relevant company-specific background, sector or local market context, and engagement history where applicable. Vote bulletins and case studies may also include observations on emerging corporate governance issues and market-level stewardship developments.

BlackRock Investment Stewardship does not disclose its vote intentions in advance of shareholder meetings as the team do not see it as its role to influence other investors' proxy voting decisions. BlackRock Investment Stewardship's role is to convey to a company its view on how its board and management are fulfilling their responsibilities to our clients as minority shareholders.

BlackRock Investment Stewardship's published regional voting guidelines provide clients, companies, and others guidance on our position on common voting matters.

BlackRock Aquila Life Global Minimum Volatility Fund

Company Name	Tyson Foods, Inc.
Date of vote	6 February 2025
Summary of the resolution	Elect Director David J. Bronczek
Relevant stewardship priority	Climate Change
Approximate size of holding at date of vote (%)	0.4%
Why this vote is considered to be "most significant"	Relates to the climate change stewardship priority.
How you voted	Against
Rationale for the voting decision	Vote against director for insufficient progress with respect to sustainability-related reporting.
Was the vote communicated to the company ahead of the vote?	No
Outcome and next steps	The vote passed. Generally, BlackRock Investment Stewardship supports the vote recommendations of the board of directors and management. When BlackRock determines it is in its clients' financial interests to

	<p>convey concern to companies through voting, it may do so in two forms: BlackRock might not support the election of directors or other management proposals, or might not support management's voting recommendation on a shareholder proposal. In some cases, companies may request an engagement after a shareholder meeting to provide additional clarity.</p> <p>BlackRock Investment Stewardship identifies and prioritizes companies for engagement based on several factors, including but not limited to, identified or potential material financial risks, aggregate client exposure, corporate developments, changes in regulation, or geopolitical or environmental-related developments that could impact a company's operations. It determines engagement would be helpful to further understand a company's situation after assessing its disclosures. It values the opportunity to listen to company leadership, which enhances its understanding of their business models, ensuring that its proxy voting decisions are based on a comprehensive view on company practices and priorities.</p> <p>In these conversations, BlackRock do not direct companies on how they should manage their business. BlackRock believes that responsibility lies with management, with input from the board.</p>
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3.4 Votes in relation to assets other than listed equity

The following comments were provided by the Scheme's asset managers which don't hold listed equities, but invest in assets that had voting opportunities during the Scheme Year:

- **ICG-Longbow UK Real Estate Debt Investments V:** ICG-Longbow confirmed that it does not sit on any board for its real estate funds and therefore has no voting opportunities.
- **Permira Credit Solutions IV Senior:** In respect of the fund, Permira has confirmed that:
 - As a general matter, in cases where the Permira Credit Solutions (PCS) funds do hold board seats, these are predominantly board observer seats as opposed to formal board seats with voting rights.
 - The main exception to the above are cases in which the asset has been restructured and PCS funds have taken equity ownership.
 - In the past, there have been cases where PCS funds have taken a formal board seat with voting rights due to the nature of the transaction (non-sponsored). The funds do not utilise proxy voting, so there were no instances of proxy voting in the twelve months to 31 March 2025.
- **M&G Secured Property Income Fund:** M&G confirmed that this fund did not have voting opportunities over the period.
- **AXA ACT Carbon Transition Sterling Buy and Maintain Credit Fund:** AXA confirmed that this fund did not have voting opportunities over the period.