

The BW Plan

## Implementation statement

Year ending 31 March 2025





# Section 1: Introduction

This document is the Annual Implementation Statement (“the Statement”) prepared by the Trustee of the BW Plan (“the Plan”) covering the scheme year to 31 March 2025 (“the year”).

The purpose of this statement is to:

- Detail any reviews of the Statement of Investment Principles (“SIP”) the Trustee has undertaken, and any changes made to the SIP over the year as a result of the review
- Set out the extent to which, in the opinion of the Trustee, the Plan’s SIP, required under section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004 and regulations made under it), has been followed during the year
- Describe the voting behaviour by, or on behalf of, the Trustee over the year (including most significant votes) and state any use of services of a proxy voter during that year.

A copy of this implementation statement will be made available on the following website alongside the Plan’s SIP:

<https://yourbwpension.co.uk/Your-scheme-documents/>

**In summary, the Trustee considers that all SIP policies and principles were adhered to over the year.**

## Section 2: SIP reviews/changes over the year

The SIP was reviewed and updated during the year, with the relevant versions over the year:

- 1 June 2023 – This was the version in place as at the start of the year.
- 2 March 2025 – This revised version of the SIP was adopted in March 2025 and is the most recent version of the document formally adopted by the Trustee and published on the website.

Updates to the Plan's SIP in March 2025 were:

- Updates to the investment objectives and manager sections following the full Plan buy-in in December 2024. The Plan's investments (with the exception of small holdings in cash and Henderson Property) were fully liquidated to fund the buy-in
- Updates to combine and streamline the investment policies and risk management sections where appropriate to do so following the full Plan buy-in.

For the remainder of this document we refer to the most recent version of the SIP dated March 2025.

## Section 3: Adherence to the SIP

Overall, the Trustee believes the policies outlined in the SIP have been adhered to during the year. In this section we set out how this has been achieved.

### Plan's objectives and long-term policy

The Trustee has identified objectives for the Plan which are outlined in section 3 of the SIP. These include:

- a) The acquisition of suitable assets of appropriate liquidity which will generate income and an element of capital growth to meet, together with funding contributions from the Employer, the cost of accrued benefits which the Plan provides.
- b) To limit the risk of the assets failing to meet the liabilities.

The investment policy is structured to support these objectives, with detail included in the latest version of the SIP (dated March 2025).

Following the full Plan buy-in in December 2024, the Plan no longer has any material asset positions to monitor, and no holdings that have voting rights attached to them, hence the Implementation Statement has been updated to reflect the reduction in monitoring policies going forward. However, throughout the financial year, the Plan did have exposure to some assets with voting rights (as part of the pre-buy-in strategy), therefore within the following pages we have included details on those legacy investments for completeness.

## Section 4 : Engagement and voting

The Trustee's engagement policy is set out in the SIP. Whilst this engagement is very limited post full buy-in, some legacy investments that were held for part of the reporting year did have voting rights attached to them, so for completeness the policy and voting information has been included in this iteration of the Implementation Statement.

The Trustee has delegated the day-to-day ESG integration and stewardship activities (including voting and engagement) to its Investment Managers. The approach and actions taken by the Trustee in relation to engagement and how it monitors the Plan's investment managers is set out in the previous section.

The table below sets out the voting activities of the Plan's Investment Managers, including any votes cast on the Trustee's behalf, detail on the Plan's Investment Managers use of proxy voting and examples of votes cast that they deem to be significant. For some of the Plan's underlying investment strategies, such as hedge funds, government bonds and property, whereby these holdings do not have voting rights attached these have been excluded from the table below.

Manager and strategy	Voting activity	Use of proxy voting	Most significant votes cast
BlackRock Aquila Life World Equity Index	<p>How many resolutions was the manager eligible to vote on: 21,305</p> <p>Percentage of eligible votes cast: 97.0%</p> <p>Percentage of votes with management: 96.0%</p> <p>Percentage of votes against management: 3.0%</p> <p>Percentage of votes abstained from: 0.0%</p> <p>BlackRock state: Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management</p>	<p>BlackRock state that while they subscribe to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, it is just one among many inputs into their vote analysis process, and they do not blindly follow their recommendations on how to vote. They continue, stating that they primarily use proxy research firms to synthesise corporate governance information and analysis into a concise, easily reviewable format so that their investment stewardship analysts can readily identify and prioritise those companies where their own additional research and engagement would be beneficial. Other sources of information BlackRock use include the company's own reporting (such as the proxy statement and the website), their engagement and voting history with the company, and the views of their active investors, public information</p>	<p><b>Company: Shell Plc</b></p> <p><b>Resolution:</b> Request Shell to Align its Existing 2030 Reduction Target Covering the Greenhouse Gas (GHG) Emissions of the Use of its Energy Products (Scope 3) with the Goal of the Paris Climate Agreement</p> <p><b>Voting Action:</b> Against the resolution.</p> <p><b>Rationale:</b> BlackRock state that the request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.</p> <p><b>Outcome of the vote:</b> The resolution failed to pass</p>

		<p>and ESG research.</p>	<p><b>Company: The Walt Disney Company</b></p> <p><b>Resolution:</b> Report on gender-based compensation and benefits inequities</p> <p><b>Voting Action:</b> Against the resolution</p> <p><b>Rationale:</b> BlackRock states that the company already provides sufficient disclosure and reporting regarding this issue It deems the company is already enhancing its relevant disclosures.</p> <p><b>Outcome of the vote:</b> The resolution failed to pass</p>
<p>Towers Watson Core Diversified Fund</p>	<p>How many resolutions was the manager eligible to vote on: 38,335</p> <p>Percentage of eligible votes cast: 98.7%</p> <p>Percentage of votes with management: 86.0%</p> <p>Percentage of votes against management: 14.0%</p> <p>Percentage of votes abstained from: 0.0%</p>	<p>Towers Watson Investment Management (TWIM) have engaged with EOS at Federated Hermes to provide voting recommendation services (via the ISS platform) to enhance engagement and achieve responsible ownership.</p> <p>Voting rights for the TW CDF's holdings are delegated to the underlying managers who are always expected to exercise voting rights. The underlying managers use ISS's 'ProxyExchange' electronic voting platform to vote clients' shares electronically. Where they choose to vote differently to the EOS recommendation, the underlying managers' rationale must be noted and if required, can be discussed further with EOS.</p>	<p><b>Company: Berkshire Hathaway Inc.</b></p> <p><b>Resolution:</b> Report on Efforts to Measure, Disclose and Reduce GHG Emissions Associated with Underwriting, Insuring, and Investing</p> <p><b>Voting Action:</b> For the resolution (against management)</p> <p><b>Rationale:</b> TWIM voted in support of climate risk disclosure, believing the significance of leadership on this issue overrode the minor cost and inconvenience of compliance.</p> <p>It voted against management but in line with ISS recommendations. Given the company already discloses 90% of emissions and given the company's long-earned reputation for ethical stewardship.</p> <p>It believed awaiting SEC guidance seemed like an inadequate delayed response.</p> <p><b>Outcome of the Vote:</b> The resolution failed to pass.</p>

			<p><b>Company: Eli Lilly and Company</b></p> <p><b>Resolution:</b> Adopt a Comprehensive Human Rights Policy  <b>Voting Action:</b> For the resolution (against management)</p> <p><b>Rationale:</b> TWIM voted in favour of the shareholder proposal as it promotes better management of Social, Environmental and Ethical opportunities and risks.</p> <p><b>Outcome of the vote:</b> The resolution failed to pass</p>
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Investment managers have provided an extensive list of significant votes, and full details can be made available on request.