

Implementation Statement

Bic UK Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustees of the BIC UK Pension Scheme ("the Scheme") to set out the following information over the year to **31 March 2025**:

- How the Trustees' policies on exercising rights (including voting rights) and engagement activities have been followed over the year.
- The voting activity undertaken by the Scheme's investment manager on behalf of the Trustees over the year, including information regarding the most significant votes.

The Implementation Statement covers details of all voting activity (and significant votes) as well as engagement activity for all funds held by the Scheme during the year to 31 March 2025.

Stewardship policy

The Trustees' Statement of Investment Principles ("SIP") in force at 31 March 2025 describes the Trustees' stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in January 2023 and has been made available online here: [Statement of Investment Principles \(pensionpal.co.uk\)](https://pensionpal.co.uk)

The Trustee has decided not to set stewardship priorities for the Scheme at this time because:

- the Scheme solely invests through pooled investment vehicles where the Scheme's asset only represents a small proportion of the capital invested in the funds. The Trustee understands that they are constrained by the policies of the managers.
- None of the Scheme's invested assets have voting rights attached.

The Trustees will keep this policy under review in line with the nature of the funds they are now investing in.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment manager, the Trustees believe that its policies on voting and engagement have been met in the following ways:

- The Scheme invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Scheme's fund manager.
- The Scheme is currently only invested in liability matching assets (gilts and corporate bonds) and cash and therefore there is limited engagement and stewardship that the Trustees can do.

**Prepared by the Trustees of the BIC UK Pension Scheme
June 2025**

Voting Data

There were no voting rights attached to any of the investments the Scheme held over the period covered by this statement, and so no voting data (including data on significant votes) is available for the period.

Fund level engagement

The investment manager may engage with investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by Legal & General Asset Management ("L&G") during the year for the relevant funds.

Engagement activities are limited for the Scheme's gilt funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown.

Manager	Legal & General Asset Management
Fund name	L&G Core Plus Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	163
Number of entities engaged on behalf of the holdings in this fund in the year	78
Number of engagements undertaken at a firm level in the year	4,459

Example of engagement activity undertaken over the year to 31 March 2025

Legal & General Asset Management

Petroleos Mexicanos (Pemex): Climate

L&G engaged with Pemex to discuss their management of methane emissions which have been an area of concern across their supply chain.

L&G have been a contributing investor to the CA100+ engagements with Pemex since 2023. In helping to establish a productive dialogue between the company and its investors, they encouraged the company to take a number of steps towards clear disclosures, oversight of climate risk at board level, and the setting of ambitious but achievable climate targets. Following successive engagements, the company published its first Sustainability Plan, setting out clear targets for emissions reduction, enhanced disclosure (aligned with TCFD and ISSB recommendations), allocation of capital towards achieving climate goals, and addressing methane emissions within their operations.

The publication of Pemex's first Sustainability Plan demonstrates, L&G believe, positive commitments regarding emissions reduction targets, disclosures, capital allocation and managing and mitigating methane emissions risks.

Qantas Airways: Human Rights

L&G's engagement with Qantas Airways began in 2020, following controversies over its treatment of customers and staff during the COVID-19 pandemic, which led to legal action and redress. These issues highlighted governance concerns, alongside climate change, which have been central to their discussions with the company.

In 2024, L&G addressed over-boarding (directors' time commitments), succession, and remuneration. L&G met with Qantas four times, including with the new Chair. In response to past controversies, both the Board Chair and the Chair of the Remuneration Committee were replaced, and the board's average tenure was reduced to three years as well as a refreshment. Their discussions helped L&G gain a closer understanding of board stability, the correction of over-boarding, and the steps taken by the remuneration committee to hold relevant directors and executives accountable for their actions.

This informed L&G's AGM vote in October. While L&G supported the re-election of the new Chair as he was unable to step down immediately, they voted against his re-election at other companies. L&G also voted for the re-election of a Non-Executive Director (NED) who was on the board during the COVID controversies, due to improved board refreshments and the need for stability as well as NED's industry experience.

L&G supported the remuneration report, noting that the new Remuneration Committee Chair had taken appropriate action against directors responsible for past misconduct, including recovering AU\$9 million from the former CEO. Overall, L&G believe that the board's significant changes and the steps taken are encouraging. L&G will continue monitoring governance and engage with Qantas on climate change under their Climate Impact Pledge.

Summary

The Trustees are supportive of the engagement activities undertaken by the fund manager over the period to encourage positive governance changes.

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June 2025