Bristol-Myers Squibb Pension Plan ("the Plan")
Annual Engagement Policy Implementation Statement

Introduction

This statement sets out how, and the extent to which, the Engagement Policy in the Statement of Investment Principles ("SIP") produced by the Trustee has been followed during the year to 31 December 2025.

This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Plans (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the guidance published by the Pensions Regulator.

Investment Objectives of the Plan

The Trustee's investment objective is to invest the Plan's assets in the best interests of the members and beneficiaries, and in the case of a potential conflict of interest between members and beneficiaries and the Principal Employer, in the sole interest of the members and beneficiaries. To aid in meeting this objective, the Trustee entered into a bulk annuity policy with Rothesay Life Plc ("Rothesay") in June 2024, under the terms of which Rothesay is obligated to make payments to the Trustee to cover benefit outgo relating to members of the Plan, in line with the terms of the policy. Rothesay is authorised by the Prudential Regulation Authority ("PRA") to write contracts of long-term life insurance of this nature in the UK.

In due course, the known members' benefits will be secured by means of individual annuity policies issued by Rothesay directly to the members, in accordance with the terms of the bulk annuity policy.

Policy on ESG, Stewardship and Climate Change

The Plan's SIP includes the Trustee's policy on Environmental, Social and Governance ("ESG") factors, stewardship and climate change. This policy, last reviewed in August 2024, sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. A copy of the latest SIP can be found here:

https://bmspensionplan.co.uk/wp-content/uploads/BMS-SIP-2024.pdf

The Trustee believes that ESG issues may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole.

Since the vast majority of the Plan's assets are invested in the bulk annuity policy with Rothesay, the Trustee is reliant on Rothesay's policies on sustainable investment and corporate governance and may review these from time to time if deemed appropriate. The Trustee has implicitly delegated consideration of ESG issues, engagement and stewardship obligations to Rothesay. The Trustee therefore believes it has minimal direct exposure to risks arising from long-term sustainability issues, including climate change.

Residual assets of the Plan are held as cash in a liquid pooled fund. Given the size and nature of this investment, the Trustee believes it has minimal direct exposure to risks arising from long-term sustainability issues (including climate change) in relation to these holdings.

Engagement

The Plan's residual assets are invested in a pooled cash fund that does not have attached voting rights. The Trustee believes it is not necessary to monitor engagement activity in relation to these holdings, given the nature of the investment.

Voting Activity

The majority of the Plan's assets are invested in the bulk annuity policy with Rothesay, which does not have attached voting rights. The control of corporate governance issues in relation to the policy has been ceded by the Trustee to Rothesay.

The Plan's residual assets are also held in investments with no attached voting rights and specifics relating to voting activity over the Plan year are therefore not shown in this Statement.

The Trustee does, in line with regulatory requirements, maintain its own definition of "most significant votes" based on its own stewardship and engagement priorities as defined below.

The Trustee deems "most significant votes" to be those relating to good corporate governance, in particular board diversity and independence, as well as votes on climate change related resolutions, such as proposals for transition plans consistent with the Paris Agreement goals, and votes related to diversity, equity and inclusion policies. To be deemed "most significant", the Trustee has also set a threshold for the approximate size of the fund's holding as at the date of the vote at 1% of the fund in question. The Trustee will keep this definition under consideration based on emerging themes within internal discussions and from the wider industry. The Trustee does not inform managers of what it considers to constitute most significant votes.

Should the Trustee decide in the future to make future investments in assets with attached voting rights, most significant voting activity on behalf of the Trustee will be reported as part of this Statement.