

Implementation Statement

Sanctuary North West Housing Association Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustees of the **Sanctuary North West Housing Association 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 managers on behalf of the Trustees over the year, including information regarding the most significant votes.



Conclusions

Based on the information received, the Trustees believe that the investment managers have acted in accordance with the Scheme's policies on exercising rights (including voting rights) and engagement activities. The Trustees are supportive of the key voting action taken by the investment managers over the period to encourage positive governance changes in the companies in which the investment managers hold shares.

Stewardship policy

The Trustees' SIP in force at 31 March 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in June 2025 and the updated version has been made available online here:

<https://schemedocs.com/download/Sanctuary-Statement-of-Investment-Principles.pdf?ver=2025>

The Trustees have not set stewardship priorities for the Scheme, given that, over the period under review, they were pursuing a buy-in transaction with an insurer. At the year-end, the Scheme had purchased a buy-in policy with Rothesay, thereby limiting their ability to influence the voting and engagement activities undertaken on behalf of the insurer. Responsibility for engagement with the issuers of investments underlying the bulk annuity policy is now the responsibility of the insurer, but the Trustees can engage with Rothesay on these matters as appropriate. This has been reflected in the updated SIP.

This statement therefore reflects the investments held during the year with voting and engagement rights, before the transfer to the buy-in policy.

How voting and engagement/stewardship policies have been followed

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

- Over the period, the Scheme invested entirely in pooled funds, and as such delegated responsibility for carrying out voting and engagement activities to the Scheme's fund manager.
- The investment manager was a signatory to the UK Stewardship code at the Scheme year-end date.
- The Trustees receive voting and engagement information from the investment manager on an annual basis, which is reviewed to ensure alignment with the Scheme's policies. This exercise was undertaken during the approval of this Statement.
- Having reviewed the voting and engagement data provided by BlackRock, the Trustees are comfortable with the actions of the investment manager and their alignment with the Scheme's stewardship policies.

**Prepared by the Trustees of the Sanctuary North West Housing Association Pension Scheme
August 2025**

Voting Data

This section provides a summary of the voting activity undertaken by the investment manager within the Scheme's Growth Portfolio on behalf of the Trustees over the year to 31 March 2025. The cash, gilts and LDI held with BlackRock (representing the Matching Portfolio) over the year have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate.

Manager	BlackRock
Fund name	Aquila Life 30:70 Currency Hedged Global Equity Fund
Structure	Pooled
No. of eligible meetings	5,122
No. of eligible votes	55,773
% of resolutions voted	98%
% of resolutions abstained¹	1%
% of resolutions voted with management¹	92%
% of resolutions voted against management	7%
Proxy voting advisor employed	BlackRock leverages Institutional Shareholder Services (ISS) as an external proxy services vendor. BlackRock 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 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.
% of resolutions voted against proxy voter recommendation	0%

¹ As a percentage of the total number of resolutions voted on. Totals may not add up to 100%. Numbers are subject to rounding.



Significant votes

Given the buy-in transaction was completed at the year-end, the Trustees have not set stewardship priorities / themes for the Scheme. So, for this Implementation Statement, the Trustees have asked the investment managers to determine what they believe to be a "significant vote". The Trustees have not communicated voting preferences to their investment managers over the period, as they have not developed a specific voting policy.

BlackRock have provided a selection of 52 votes which they believe to be significant. In the absence of agreed stewardship priorities / themes, the Trustees have selected 3 votes from the manager, that cover a range of themes to represent what it considers the most significant votes cast on behalf of the Scheme.

A summary of the significant votes provided for the BlackRock Aquila Life 30:70 Currency Hedged Global Equity Fund is set out below.

	Vote 1	Vote 2	Vote 3
Company name	The Walt Disney Company	Dow Inc.	Tesla, Inc.
Summary of the resolution	Advisory Vote on Board Size and Related Vacancies	Commission Audited Report on Reduced Plastics Demand	Report on Harassment and Discrimination Prevention Efforts
How the manager voted	Against	Against	For
Rationale for the voting decision	Absent some concern about the functioning of the board or its size, BlackRock do not support a proposal to suggest any modifications to the existing structure.	Company already has policies in place to address these issues.	Greater disclosure on this issue, which BlackRock deem material to the long-term economic interests of shareholders, would help investors better assess risks at the company.
Criteria on which the vote is considered "significant"	BlackRock 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. Other factors BlackRock 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 they expect in the vote decision.		
Outcome of the vote	Fail	Fail	Fail
Implications of the outcome	BlackRock value the opportunity to listen to company leadership, which enhances their understanding of their business models, ensuring that their proxy voting decisions are based on a comprehensive view on company practices and priorities.		



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 the manager during the year for the relevant funds.

Engagement activities are limited for the Scheme's LDI, gilt and cash funds held over the year due to the nature of the underlying holdings, so engagement information for these assets has not been shown.

BlackRock

Fund name	Aquila Life 30:70 Currency Hedged Global Equity Fund	Over 10 Year Corporate Bond Fund	Sterling Short Duration Credit Fund
Number of engagements undertaken on behalf of the holdings in this fund in the year	1,865	59	98
Number of entities engaged on behalf of the holdings in this fund in the year	1,238	26	43
Number of engagements undertaken at a firm level in the year		3,019	



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

BlackRock, Aquila Life 30:70 Currency Hedged Global Equity Fund, Over 10 Year Corporate Bond Fund and Sterling Short Duration Credit Fund

BlackRock have a dedicated Investment Stewardship Team, which oversees their approach to engagement. BlackRock's five engagement priorities over 2024 were strategy, purpose and financial resilience; board quality and effectiveness; incentives aligned with financial value creation; climate and natural capital; and company impacts on people.

An example of an engagement case study from BlackRock's Investment Stewardship Annual Report is below.

Noodles & Company

The agenda of Noodles & Company's May 2024 AGM included a shareholder proposal requesting that the company "disclose its current greenhouse gas emissions, establish and publish targets for measurably reducing them, and regularly report progress meeting those targets."

In advance of the shareholder meeting, BlackRock engaged with Noodles & Company to gain insights into the board's oversight of, and management's approach to, material climate-related risks and opportunities, and how these align with the financial interests of BlackRock's clients as long-term, minority investors. In addition, BlackRock sought to understand how to weigh the importance of enhanced disclosure of climate-related data versus the need to allow management to maintain focus on improving the company's financial footing.

At the time of the AGM, Noodles & Company was in a challenging financial position. In addition, the company had recently undergone a leadership change with a new CEO named in March 2024. BlackRock did not support the shareholder proposal. While Noodles & Company did not report the items requested in the proposal, which are components of the TCFD and ISSB reporting standards that have been broadly adopted by companies in the restaurant industry, it was not in the long-term financial interests of BlackRock's clients to support the proposal.

BlackRock's assessment and insights gained from their engagement, indicated that the financial cost to the company to provide the requested information outweighed the informational benefit to investors in light of its financial condition. Given the company's situation, it was in their clients' long-term financial interests for the board and management to focus on executing the strategic turnaround plan and bolstering the company's capacity for sustained earnings growth. The shareholder proposal received approximately 28% shareholder support.