

Implementation Statement

Zoological Society 1988 (ZSL) UK Defined Benefit Scheme

Scheme year ended 30 June 2025

Purpose of this statement

This implementation statement has been produced by the Trustee of the Zoological Society 1988 (ZSL) UK Defined Benefit Scheme ("the Scheme") to set out the following information over the year to 30 June 2025:



how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year; and



the voting activity undertaken by the Scheme's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.



Conclusions

Based on the information received, the Trustee believes that the investment managers have acted in accordance with the Scheme's policies on exercising rights (including voting rights) and engagement activities.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force on 30 June 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in March 2025 and has been made available online here:

<https://cms.zsl.org/sites/default/files/2025-06/2025%2003%20-%20ZSL%20-%20SIP.pdf>

After careful consideration, the Trustee agreed that the impact of climate change and nature may be financially material for the Scheme. As a result, the Stewardship Policy was updated in March 2025 to recognise Climate Change and Nature as key stewardship priorities.

To enable the Trustee to make high quality decisions, the fact-finding and analysis is delegated to the Trustee's independent investment advisor. The Trustee has selected the following themes as the stewardship priorities of the Scheme:

- Climate change

- Nature

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Scheme's investment managers, the Trustee believes 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 managers.
- At the Scheme's year end, the Scheme's assets were invested in twenty-eight funds with one investment manager: L&G Asset Management ("L&G"). The Trustee meets as necessary to discuss the performance of the funds and be updated on important issues.

The Trustee, with support from their investment consultant, annually receive and review (through their Implementation Statement), the voting information and engagement policies from their asset managers, to ensure they align with their own policies. The findings of the Trustee's review are reported in this Implementation Statement, which will be included as part of the Scheme's Annual Report and Accounts for the year to 30 June 2025.

Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the investment managers are in alignment with the Scheme's stewardship policies as set out in the Scheme's Statement of Investment Principles.

**Prepared by the Trustee of the Zoological Society 1988 UK Defined Benefit Scheme
October 2025**

Voting Data

This section provides a summary of the voting activity undertaken by the investment managers within the Scheme's Growth Portfolio on behalf of the Trustee over the year to 30 June 2025.

The cash and LDI assets with L&G have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate.

As sustainability integration is most pronounced within equity holdings, voting data from the BlackRock Aquila ACS World ESG Equity Tracker Fund has been included to reflect the Scheme's primary stewardship exposure during the accounting year. The Scheme was invested in this fund until a full divestment took place in January 2025, as part of a strategic derisking at which point the Scheme's equity exposure was replaced by the L&G Future World Equity Fund. Although the L&G equity holdings was introduced towards the end of the Scheme year voting data for these funds has also been included for completeness.

Manager	BlackRock	L&G
Fund name	Aquila ACS World ESG Equity Tracker	Future World Global Equity Index
Structure	Pooled	Pooled
No. of eligible meetings	442	5,517
No. of eligible votes	6,719	55,250
% of resolutions voted	98%	100%
% of resolutions abstained	0%	1%
% of resolutions voted with management¹	97%	81%
% of resolutions voted against management¹	2%	17%
Proxy voting advisor employed¹	Institutional Shareholder Services	Proxy Exchange
% of resolutions voted against proxy voter recommendation	0%	10%



Significant votes

BlackRock and L&G have provided a selection of 39 and 691 votes respectively for the Aquila ACS World ESG Equity Tracker Fund and the Future World Global Equity Index Fund, which they consider to be significant. From these, the Trustee has selected three votes that directly align with the Scheme's stewardship priorities of Climate

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

Note: Pooled fund structures result in limited scope for the Trustee to influence managers' voting behaviour.

Change and Nature. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below.

Significant votes – BlackRock Aquila ACS World ESG Equity Tracker Fund

	Vote	Vote 2	Vote 3
Company name	Amazon.com, Inc.	Shell Plc	Equinor ASA
Approximate size of fund's holding as at the date of the vote (as % of fund)	2.69%	0.10%	0.14%
Summary of the resolution	Report on impact of data centres on climate commitments	Request Company disclose whether and how its demand forecast for Liquefied Natural Gas (LNG) Production, sales Targets, and new capital expenditure in natural gas assets are consistent with climate commitments	Assess if the Company's planned increase in oil and gas production is consistent with the majority of shareholder expectations
How the manager voted	For	For	Against
Rationale for the voting decision	BlackRock voted for as this proposal is considered in alignment with the investment objectives of the funds in scope of the BlackRock Investment Stewardship Climate and Decarbonization Stewardship Guidelines.	BlackRock voted for as this proposal is considered in alignment with the investment objectives of the funds in scope of the BlackRock Investment Stewardship Climate and Decarbonization Stewardship Guidelines.	BlackRock believe the request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.
Criteria on which the vote is considered "significant"	BlackRock Investment Stewardship shares selected "key votes" from shareholder meetings to offer insight into decisions likely to interest clients. These votes address corporate governance proposals, including sustainability issues relevant to a company's business model. Publication decisions may also consider the issue's profile and expected client interest.		
Outcome of the vote	The resolution failed to pass.	The resolution failed to pass.	The resolution failed to pass.
Implications of the outcome	BlackRock will continue to identify and prioritise 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.

If the vote was against management, did the manager communicate their intent to the company ahead of the vote?

As a matter of policy, BlackRock do not disclose their vote intentions ahead of shareholder meetings.

Relevant stewardship priority

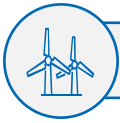
Climate change & Nature

Significant votes – L&G Future World Global Equity Index Fund

	Vote 1	Vote 2	Vote 3
Company name	Broadcom Inc.	Mitsubishi UFJ Financial Group, Inc.	BHP Group Limited
Approximate size of fund's holding as at the date of the vote (as % of fund)	1.21%	0.22%	0.15%
Summary of the resolution	Elect Director Henry Samueli	Amend Articles to Add Provision on Disclosure of Financial Risk Audit by Audit Committee	Approve Climate Transition Action Plan
How the manager voted	Against	For	For
Rationale for the voting decision	L&G voted against this proposal as the company is deemed not to have made sufficient progress against their climate expectations and red lines, as set out in L&G's sector guides through L&G's dial-mover engagement programme.	L&G voted in favour, acknowledging the Company's climate risk oversight disclosures but urging more detail on risk controls in the audit report. They believe enhanced transparency around the Audit Committee's assessment would help the Board better focus on risk management and the necessary resources and expertise.	L&G voted for the proposal, recognizing BHP's key role in the energy transition and its strong alignment with L&G's Climate Transition Action Plan framework. L&G will monitor BHP's progress on methane strategy, steelmaking decarbonisation, and resilience in the metallurgical coal market.
Criteria on which the vote is considered "significant"	L&G consider this vote to be significant as it is applied under the Climate Impact Pledge, L&G's flagship	This significant shareholder resolution resembles a 2024 proposal, highlighting ongoing concerns over	This shareholder resolution is considered significant due

	engagement programme targeting companies in climate-critical sectors.	limited progress despite strong prior support. L&G maintains that banking sector decarbonisation is vital for protecting value and driving growth aligned with the Paris Agreement.	to the relatively high level of support received.
Outcome of the vote*	The resolution passed.	The resolution failed to pass.	n/a
Implications of the outcome	L&G will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	L&G publicly communicates their vote instructions on their website with the rationale for all votes against management. It is L&G's policy not to engage with investee companies in the three weeks prior to an AGM as engagement is not limited to shareholder meeting topics.		
Relevant stewardship priority	Climate Change	Climate Change	Climate Change and Nature

*At the time of reporting, L&G had not received the outcome of the vote. We have requested that this information be provided once available.



Engagement

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

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

Engagement data has been included for the BlackRock Equity Fund, which the Scheme held during part of the year, as well as for the L&G equity fund. In addition, data has been presented for the L&G Buy and Maintain Credit Fund, which the Scheme introduced an allocation to as part of the strategy review in January 2025.

	BlackRock	L&G	L&G
Fund name	Aquila ACS World ESG Equity Tracker Fund	Future World Global Equity Index Fund	Buy and Maintain Credit
Number of entities engaged on behalf of the holdings in this fund in the year	301	1,072	152
Number of engagements undertaken at a firm level in the year	Data not provided	3,643	3,643



Examples of engagement activity undertaken over the year to 30 June 2025

BlackRock

Noodles & Company

BlackRock's Investment Stewardship (BIS) team engaged with Noodles & Company ahead of its May 2024 annual general meeting to discuss the board's oversight of climate-related risks and opportunities, and how these align with long-term financial resilience. The engagement focused on a shareholder proposal requesting the company to disclose its greenhouse gas (GHG) emissions, set measurable reduction targets, and report progress. While acknowledging that Noodles & Company lags its peers in climate disclosures, BIS considered the company's financial challenges, including declining revenues, increased debt, and recent leadership changes, and concluded that its resources would be better directed toward stabilising its financial position.

BIS voted against the proposal, determining that the cost of implementing the requested disclosures outweighed the benefit to investors at this time. BIS emphasised that as the company strengthens its financial footing, climate-related transparency, particularly around Scope 1 and 2 emissions—will become increasingly important for assessing long-term investment risk.

L&G

ArcelorMittal

L&G has been engaging with ArcelorMittal on climate-related matters since 2020, maintaining regular dialogue around the company's decarbonisation strategy. In 2024, a member of the team joined other investors on a site visit to ArcelorMittal's Sestao steel plant in Spain to observe its low-carbon steel production processes, including the use of Electric Arc Furnaces and thin slab direct casting. The visit provided valuable insights into the company's technological efforts and the broader challenges facing the steel industry in achieving net zero.

L&G highlighted the importance of policy support and demand creation in driving effective decarbonisation and reaffirmed its commitment to engaging across value chains. The visit reinforced L&G's view that investor influence can play a critical role in shaping both corporate and policy-level climate action.