Implementation Statement ("IS")

Biffa Pension Scheme (the "Scheme")

Scheme Year End – 31 March 2026

The purpose of the Implementation Statement is for us, the Trustee of the Biffa Pension Scheme, to explain what we have done during the year ending 31 March 2026 to achieve our objectives and implement our policies as set out in the Statement of Investment Principles ("SIP").

It includes:

1. A summary of any review and changes made to the SIP over the year;
2. How our policies in the SIP have been followed during the year; and
3. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services.

This statement relates to the DB Section of the Scheme only. A separate statement is available for the DC Section.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme's material investment managers were able to disclose adequate evidence of voting and/or engagement activity, and the activities completed by our managers align with our stewardship expectations.

1. Changes to the SIP during the year

We reviewed the SIP during the year and updated it in November 2025.

The changes made included:

- An update to reflect the newly agreed Strategic Asset Allocation
- An update to the target level of liability interest rate and inflation hedging
- Inclusion of additional wording relating to investment decision making.
- Removal of references to BlackRock and investments in Global Equities, which were removed from the portfolio.

The Scheme's latest SIP can be found here: https://pensioninformation.aon.com/biffa

2. How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

Investment Objectives

"The Trustee aims to invest the DB Section assets prudently with a view to ensuring that the benefits promised to members are provided. In setting the investment strategy, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk."

As part of meeting the Scheme's investment objectives, the Trustee monitored the funding level on a quarterly basis over the year. This allowed the Trustee to consider the current funding level within the context of the funding objective.

The portfolio is constructed to deliver an overall total return in line with achieving the funding objective. The Trustee actively manages the portfolio, making changes to the asset classes, fund managers and allocation as the Trustee sees fit to ensure it remains well diversified and on track to meet the Scheme's objective.

Investment Strategy

"The Scheme's strategic asset allocation chosen to meet the investment objectives is set out [in the SIP]."

The investment strategy outlined in the SIP is monitored frequently to ensure the strategy remains appropriate. The Trustee conducts deep dives into parts of the Scheme's investment strategy as deemed appropriate. Over the course of the year the Securis Catastrophe Bond Fund strategy was reviewed (June 2025).

Following the completion of the March 2024 triennial actuarial valuation, the Trustee undertook an investment strategy review in October 2025. As part of this review, the Trustee agreed to update the Scheme's strategic asset allocation. This involved removing the equity allocation and increasing the allocations to Active Diversifiers, Active Global Fixed Income and LDI.

Investment Risk Measurement and Management

"The Trustee has identified a number of risks which have the potential to cause deterioration in the Scheme's funding level and therefore contribute to funding risk."

The SIP outlines risks which have the potential to cause deterioration in the Scheme's funding level. The Trustee reports on several of the risks associated with the Scheme's investments annually in the investment risk disclosure report which accompanies the Reports and Accounts. In this report, the Trustee monitors the risks associated with the DB, DC and Additional Voluntary Contributions ("AVCs") portions of the Scheme, concentrating on market risks, credit risk, interest rate risk, inflation risk and others. Other areas in which the Trustee monitors the risks

outlined in the SIP includes Aon's quarterly monitoring report that monitors ongoing performance and risks as part of the regular reporting.

Over the year, the Scheme's target interest rate and inflation hedge ratios were updated to 95%, aligning the hedging strategy with the updated funding position and liability information following the triennial actuarial valuation.

Following advice from Aon, the Trustees completed redemptions from the M&G Inflation Opportunities Fund (the "Fund") in Q1 and Q3 2025 following the Fund's suspension in Q4 2023 due to potential loss of value from leasehold reform. The only remaining holdings are ground rent assets, for which there is currently no visibility on the timing of redemption due to ongoing developments relating to the Government's leasehold reform plans. The Trustees continue to monitor developments with assistance from Aon.

The Trustee's administration team monitors the cashflow requirements of the Scheme on a monthly basis and have authority to disinvest from assets when required to fulfil pension obligations. The Scheme invests some of its assets in daily traded funds so that assets are readily accessible for disinvestment purposes. In addition, over the year, the fiduciary arrangement had an agreed monthly disinvestment which was paid out for cashflow purposes unless otherwise stated.

In November 2025, the Trustee reviewed the existing cashflow management policy and deemed it appropriate for a further 12 months, subject to it being updated to reflect the Scheme's current funds.

Arrangements with Investment Managers and Custodians

"The Trustee regularly monitors the Scheme's investments to consider the extent to which the investment strategy and decisions of the investment managers are aligned with the Trustee's policies, including those on non-financial matters. This includes monitoring the extent to which investment managers:

- *make decisions based on assessments about medium- to long-term financial and non-financial performance of an issuer of debt or equity; and*
- *engage with issuers of debt or equity in order to improve their performance in the medium- to long-term."*

The Trustee receives a Quarterly Monitoring Report ("QMR") from the Scheme's investment advisor outlining the valuation of all investments held, monitoring the performance of these investments and recording any transactions encountered during the quarter. Investment returns are compared with appropriate performance objectives to monitor the relative performance of these investments. The asset allocation is also monitored and compared to the strategic asset allocation set out in the SIP.

Within the QMR, the Trustee also receives an overview of each manager, produced by Aon's Investment Manager Research ("IMR") team, giving a quarterly update on the manager.

The Trustee receives verbal reports on the Scheme's investment strategy, performance, and longer-term positioning of the portfolio at each quarterly Trustee meeting.

"Day to day control of custody arrangements is delegated to the custodians."

The investment managers' custodians provide independent performance measurement services. The custodians provide performance monitoring on a quarterly basis and covers a range of different time periods.

"Before appointment of a new investment manager, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies."

There were no new investments made during the year however the Trustee will review governing documentation before any new appointment.

Investment Manager Cost Monitoring

"The Trustee receives annual cost transparency reports from AIL, their fiduciary manager. These reports present information in line with prevailing regulatory requirements for fiduciary managers."

"For investment managers other than AIL, the Trustee collects annual cost transparency reports and asks that investment managers provide this data in line with appropriate reporting standards. The Trustee works with its investment adviser and investment managers to understand these costs in more detail where required."

During the year, the Scheme's fiduciary manager produced their Cost Disclosure report, covering the assets held under the fiduciary arrangement. The report provided insights into how the Scheme's fiduciary manager and the underlying investment managers are remunerated, including details on the fiduciary fee, underlying management fees, transaction costs and Scheme expenses.

The Trustee and the investment consultant collate annual cost transparency reports that cover all remaining investment managers in line with the appropriate Cost Transparent Initiative ("CTI") template for each asset class. The CTI templates help the Trustee better understand transaction costs and other hidden costs, such as administration and auditing fees. CTI templates for the remaining managers will be shared with the Trustee post Scheme year end.

Evaluation of Investment Manager Performance and Remuneration

"The Trustee assesses the performance of the investment managers on a rolling three-year basis. The remuneration paid to the investment managers is provided annually."

The Trustee regularly reviews the performance of the investment managers and the fees paid to them as part of the ongoing monitoring of the Scheme's portfolio, supported by the Scheme's investment advisor.

Environmental, Social, and Governance ("ESG") considerations

"…the Trustee expects AIL to:

- *Where relevant, assess the integration of ESG factors in the investment process of underlying managers;*
- *Use its influence to engage with underlying managers to ensure the Scheme's assets are not exposed to undue risk; and*
- *Report to the Trustee on its ESG activities as required."*

The Trustee undertakes an annual review of the entirety of the Scheme's investments, which includes assessing ESG and related issues where relevant.

As part of the regular asset class deep dive sessions at Trustee meetings, the Trustee also asks that managers report on their ESG activities where relevant.

"The Trustee reviews the stewardship activities of its investment managers covering both engagement and voting actions on appointment, on an annual basis, and whenever the need arises. The Trustee will review the alignment of the Trustee's policies to those of the Scheme's investment managers and ensure its managers, or other third parties, use their influence as major institutional investors to carry out the Trustee's rights and duties as a responsible shareholder and asset owner. This will include AIL monitoring its underlying asset managers' voting and engagement activities and engaging with these managers to promote good corporate governance, accountability, and positive change."

The Trustee delegates engagement and voting activities to the Scheme's underlying managers. Aon also actively engages with asset managers; this is used to support Aon in their fiduciary services.

Aon's Investment Manager Research ("IMR") team is responsible for researching, rating, and monitoring investment managers across all asset classes. This includes some aspects on the manager's alignment with the Trustee's policies generally, for example, whether the manager is expected to achieve the performance objective and a review of their approach to ESG issues. Aon invests only in buy-rated managers. IMR meet with each of buy rated managers on a quarterly basis to receive an update on the portfolio performance and any major

developments. IMR also meets with managers on an ad-hoc basis if there are significant changes to any monitoring points which raise concern (changes to investment team, poor performance, etc.)

Governance

"The Trustee's policy is to review its direct investments and to obtain written advice about them at regular intervals (normally annually). These include vehicles available for members' Additional Voluntary Contributions."

Over the year, there were no new fund managers introduced to the portfolio. The Trustee delegated the mix of underlying funds invested in through fund solutions to the Scheme's fiduciary manager.

The Scheme provides a diversified range of investments for members with AVC assets including equity, fixed income, and lifestyle strategies. We consider information on the AVCs during the quarterly meetings. A review of the AVCs is completed on an annual basis.

3. The implementation of our stewardship policy including the exercise of our voting rights

As above, the Trustee has delegated the exercise of its voting rights as well as engagements with underlying security issuers to investment managers.

The rest of this section sets out the stewardship activities, including the exercise of our voting rights, carried out on our behalf over the year to 31 March 2026.

Based on the information provided, we are comfortable that most managers are carrying out stewardship activities that are in line with our expectations and policies set out in the SIP. Where managers have been unable to provide the requested information, we are engaging with these managers (via AIL) to set expectations regarding the provision of this data in the future.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Aon's engagement activity

At the year end, some of the Scheme's assets were invested in AIL's Active Global Fixed Income Strategy and Active Diversifiers Strategy. These are fund of funds arrangements, where AIL selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed Aon's latest annual Stewardship Report and we believe it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code ("the Code"), which is a voluntary code established by the Financial Reporting Council ("FRC") that sets high standards on stewardship for asset owners, investment managers and service providers.

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

For part of the year, the Scheme was invested in AIL's Active Global Equity Strategy. Although this holding was divested during the year, we have set out the voting activites carried out in respect of this strategy below.

Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 31 March 2026.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
GQG - Global Equity Fund (Hedged & Unhedged)	862	100.0%	0.7%	1.2%
Harris - Global Equity Fund (Hedged & Unhedged)[1]	766	100.0%	0.8%	0.0%

Source: Investment managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote. [1]This Fund was removed from the Active Global Equity Strategy on 10 March 2026. Data is therefore shown for the period 1 April 2025 to 10 March 2026..

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the investment managers shown above use proxy voting advisers.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Managers	Description of use of proxy voting advisers *(in the managers' own words)*
GQG Partners ("GQG")	To augment our independent research, we use Institutional Shareholder Services Inc. ("ISS") as an additional source of information to guide our voting. While we find ourselves voting with ISS on the majority of issues, we do not blindly follow their lead and will vote against their recommendations when we deem it necessary.
Harris Associates L.P. ("Harris")	We use our own Harris policy that ISS implements on our behalf.

Source: Investment managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, AIL asked these investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme's material investment managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e. is not necessarily specific to the funds invested in by the Scheme.

Funds	**Number of engagements**		**Themes engaged on at a fund/firm level**
	Fund level	**Firm level**	
GQG - Global Equity Fund (Hedged & Unhedged)*	*Not provided*	67	Environment Social - Human Capital; Social Capital Governance - Leadership and Governance Other - Business Model & Innovation
Harris - Global Equity Fund (Hedged & Unhedged)	*Not provided*		Environment - Climate Change Social - Human and Labour Rights Governance - Strategy
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	100	383	Environment - Climate Change Social - Conduct, Culture and Ethics Governance - Strategy, Financial & Reporting Other - General Disclosure
M&G Investments ("M&G") - Sustainable Total Return Credit Investment Fund	56	533	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Public Health Governance - Board effectiveness - Diversity Other - Succession
Arrowstreet Capital - ESG Global Equity Long/Short Fund*	*Not provided*	136	Environment - Water Quality; Water Security Social - Human & Labour Rights; Community Relations; Product Quality & Safety; Occupational Health & Safety Governance - Business Ethics, Bribery and Corruption
Caius Capital - International Fund	>30	>30	Governance - Board Effectiveness - Other; Leadership - Chair/CEO; Remuneration Strategy, Financial & Reporting - Strategy/Purpose; Financial Performance
Man Group - Alternative Risk Premia Fund*	*Not provided*	65	Environment - Climate Change; Pollution, Waste; Natural resource Use/Impact Social - Human and Labour Rights; Human Capital Management Governance - Remuneration; Board Effectiveness - Other; Strategy, Financial and Reporting
Marshall Wace - Market Neutral ESG Tops Fund*	*Not provided*	*Not provided*	Environment - Natural Resource Use/Impact (e.g. Water; Biodiversity; Deforestation; Sustainable Sourcing)
M&G - Inflation Opportunities Fund*	*0*	533	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Other Social Governance - Remuneration; Strategy, Financial and Reporting

Source: Investment managers.
**GQG, Arrowstreet, Man Group, Marshall Wace and M&G (for the Inflation Opportunities Fund) did not provide fund level themes; themes provided are at a firm-level.*

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- GQG did not provide fund-level engagement information, as they conduct engagements only at the firm level. Last year, the manager communicated that they would continue tracking engagement data at the firm level only, citing efficiency reasons.
- Harris did not provide a breakdown of themes engaged at both firm and fund level.
- Marshall Wace, Arrowstreet and Man Group did not provide all of the engagement information requested. This is because the assets managed by these managers are held tactically over a short period of time and/or indirectly through derivative exposures, meaning that engagement is less applicable to these assets given the long-term nature of engagements.
    - Marshall Wace provided limited engagement information but did provide detailed illustrative examples of its engagement activity at a firm level and stated that the manager undertakes engagement initiatives at the firm level rather than strategy level.
    - Arrowstreet and Man Group provided detailed engagement information at a firm level only.
- M&G stated that there were no engagements carried out for the M&G Inflation Opportunities Fund for the reporting period.

This report does not include commentary on certain asset classes such as liability driven investments or cash because of the limited materiality of stewardship to these asset classes. Furthermore, this report does not include the AVCs due to the relatively small proportion of the Scheme's assets that are held as AVCs.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's managers. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

GQG - Global Equity (Hedged & Unhedged)	**Company name**	The Progressive Corporation
	Date of vote	09 May 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	4.1
	Summary of the resolution	Elect Director Charles A. Davis
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No, it is not GQG Policy to disclose voting intention to companies pre-vote.
	Rationale for the voting decision	A vote FOR the director nominees is warranted.
	Outcome of the vote	Pass
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	Our policy is to vote proxies in the interest of maximizing investment value for our clients, we generally do not follow up on voting outcomes.
	On which criteria have you assessed this vote to be most significant?	This vote was deemed significant based on the security weight, dissent level and vote topic.
Harris - Global Equity (Hedged & Unhedged)	**Company name**	Alphabet Inc.
	Date of vote	06 June 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	3.0
	Summary of the resolution	Approve Recapitalization Plan for all Stock to Have One-vote per Share
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	We supported this shareholder resolution to move to a one vote per share model, since this would strengthen the rights of minority shareholders. It attracted a 31% level of support.
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	*Not provided*
	On which criteria have you assessed this vote to be most significant?	We voted against management.

Source: Investment managers