

Implementation Statement

BMB Group Pension Scheme

Purpose of this statement

This implementation statement has been produced by the Trustee of the **BMB Group Pension Scheme (“the Scheme”)** to set out the following information over the year to **31 March 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.

Stewardship policy

The Trustee’s Statement of Investment Principles (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 August 2023 and has been made available online here:

<https://schemedocs.com/download/bmb-group-pension-scheme-statement-of-investment-principles-and-implementation-statement.pdf>

No changes were made to the stewardship policy over the year. At this time, the Trustee has not set stewardship priorities / themes for the Scheme but will be considering the extent that they wish to do this in due course, in line with other Scheme risks.

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 on the Mobius Life investment platform in three funds held with one manager: Columbia Threadneedle. The Trustee meets as necessary to discuss the performance of the funds and be updated on important issues.
- The Trustee, with input from their investment consultant, annually receives and reviews (through their Implementation Statement), voting information and engagement policies of the investment managers to ensure alignment with their own policies. The findings of the Trustee’s review are reported in this Implementation Statement which will also be included in the Scheme’s Annual Report and Accounts.
- Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund manager is in alignment with the Scheme’s voting and engagement policies.

**Prepared by the Trustee of the BMB Group Pension Scheme
July 2025**

Voting Data

Voting is not applicable for the Scheme's Liability Driven Investment (LDI) holdings with Columbia Threadneedle. Therefore, no voting data is presented for the purpose of this Implementation Statement.

Fund level engagement

Engagement activities are limited for the Scheme's LDI and cash funds due to the nature of the underlying holdings. However, we note that Columbia Threadneedle undertook a total of 942 engagements with 710 entities over the year to 31 December 2024 at the firm level, and this gives the Trustee comfort that, as an institution, Columbia Threadneedle engages with the entities in which they invest.

We have provided an illustrative example of Columbia Threadneedle's engagement activity with an issuer for their cash fund range is shown below for context.

Illustrative engagement example

Waste Connections Inc – Environmental engagement

Waste Connections (WCN) is the third-largest waste manager in the US, with a large presence in rural America. It has a key role in enabling a circular economy and mitigating environmental impacts like emissions and plastic pollution. In light of these environmental risks, Columbia Threadneedle engaged with the VP of Engineering & Sustainability to discuss WCN's net zero strategy, recycling initiatives, and approach to managing PFAS (Per- and polyfluoroalkyl substances) exposure.

Columbia Threadneedle were keen to assess the company's emissions management strategy, including their view on expanding their Renewable Natural Gas (RNG) processing capabilities. Columbia Threadneedle were interested to learn that WCN is exploring technologies to better model and capture fugitive emissions from landfill. It is also spending aggressively on RNG facilities for enhanced biogas generation. There were discussions around earnings opportunities available from recycling, as well as PFAS related regulations expected to be enforced in the US.

While WCN's lack of ambition on recycling may prove to be a missed earnings opportunity, Columbia Threadneedle still expect some focus here with enhanced recycling goals due to previous targets not having factored in the increased use of recycling robots or developments at new facilities. In light of this, more quantitative data on its emissions reduction roadmap as well as recycling efforts would be welcome. Finally, WCN intends to process at least 50% of its leachate (ie contaminated water in solid waste landfills) on site which Columbia Threadneedle believe is likely to position them well given pending legislation on wastewater and the Comprehensive Environmental Response Compensation and Liability Act. They are also partnering with wastewater treatment plants and vendors on the use of foam fractionation technology in order to improve PFAS management. Columbia Threadneedle see this as a potential commercial opportunity for the company and will monitor its progress.

Columbia Threadneedle believe an ambitious environmental strategy could benefit WCN in meeting their public climate and recycling commitments as well as developing new revenue streams. WCN expects to achieve its climate targets through enhanced modelling, the capturing of fugitive emissions, and the electrification of their fleet. RNG facilities are also expected to enhance revenues & generate carbon offsets. Their expansion of their recycling offering is currently muted, but Columbia Threadneedle will continue to encourage greater ambition, especially once US Extended Producer Responsibility regulations are enforced.