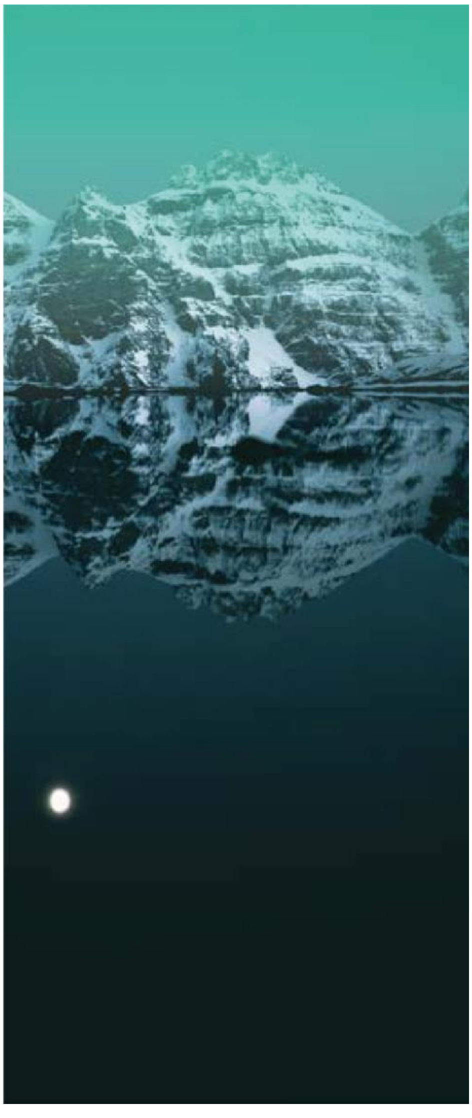
31 March 2025

G4S Pension Scheme

Implementation Statement



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Introduction

This implementation statement ("Statement") is produced alongside the Trustee Report and Accounts and is required by pensions regulations[1]. G4S Trustees Limited (the "Trustee", "we" or "our") has prepared this Statement to provide stakeholders with a transparent and accurate review of how it has acted in line with the stewardship and engagement policies set out in the Statement of Investment Principles (the "SIP") for the G4S Pension Scheme (the "Scheme") during the accounting year. The Statement covers the Scheme's three sections; the Securicor Section, the Group 4 Section and the GSL Section, and the Defined Contribution Account. Part A of this Statement covers the three Sections whilst Part B covers the Defined Contribution Account.

This Statement includes details of:

- Compliance against the stewardship and voting policies;
- Any changes made to the stewardship and voting policies ("Stewardship Policy") during the year; and
- Specifically, how the Scheme's investment managers voted and engaged on our behalf.

This statement has been prepared by the Trustee to cover the period 31 March 2024 to 31 March 2025.

The Statement is publicly available at www.g4s.com/g4sps

Part A

Executive summary

The day to day management of the Scheme's assets is delegated to Cardano Risk Management Limited (the "Fiduciary Manager"). In advance of the appointment, the Trustee took steps to ensure that the management of the Scheme's assets and the Fiduciary Manager's policies were aligned with the Trustee's own policies. The Trustee continues to monitor the Fiduciary Manager, as part of its regular interactions with them.

During the year to 31 March 2025, the Trustee took the decision to further increase retirement benefit security for members through the purchase of an insurance ("buy-in") policy covering a significant portion of the liabilities. In August 2024, the Trustee purchased a buy-in policy with Just Retirement Limited (the "Insurance Provider").

Following the purchase of the buy-in policy, all three Sections hold a "post-transaction" portfolio comprised of shorter-dated investment grade credit, long-dated investment grade credit and a single index-linked physical gilt. The assets held within the post-transaction portfolio do not include any investments that have either direct or indirect voting rights attached to them. For the avoidance of doubt, following the purchase of the buy-in policy in August 2024, the Scheme held a small allocation to Private Market assets in addition to the post-transaction portfolio outlined above. These remaining Private Market assets were sold on 31 March 2025.

We monitor the voting and engagement activity of the Scheme's investment managers, and, through the Fiduciary Manager, challenge their decisions. The Trustee focuses its efforts on those investment managers where voting and engagement is possible.

The policies of those investment managers are summarised in this Statement, along with examples of the type of activity which took place during the period covered by this Statement. All of the investment managers use investment approaches where stewardship is less likely to be relevant or significant. The Trustee is comfortable that our Fiduciary Manager has an appropriate approach to assess the stewardship and voting

[1] The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (as amended)

policies for all investment managers.

1. Our Stewardship Policy

1.1 What is Stewardship?

"Stewardship" is the responsible allocation, management and oversight of capital to create long-term value for members, which should also lead to sustainable benefits for the economy, the environment and society. In practice, stewardship is effected through exercising the right to vote on any shares which are owned by the Scheme and engaging with the management of any companies or properties where an investment has been made.

1.2 What is our Stewardship Policy?

The Stewardship Policy in force during the financial year was:

> *"The Trustee's policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers. The Fiduciary Manager encourages the Scheme's investment managers to discharge their responsibilities in respect of investee companies in accordance with the Stewardship Code published by the Financial Reporting Council."*

Engagement

The Fiduciary Manager is responsible on an ongoing basis for engaging with our investment managers. For managers where it is expected to have a meaningful impact, the Fiduciary Manager monitors voting records and the level of engagement with underlying investments.

The Trustee has selected three stewardship priorities for manager engagement in order to improve alignment against our policies and beliefs as well as enhance disclosure. These priorities are linked to the UN Sustainable Development Goals with an international endeavour in mind and aim to improve sustainability within the portfolio and have a direct real-world impact to our members' current and future landscape. The Trustee's three stewardship priorities are:

- **Climate Crisis** (with a focus on climate change and net zero greenhouse gas emissions)
- **Environmental Impact** (with a focus on biodiversity, deforestation and water)
- **Human Rights** (with a focus on living wages gender equality and health & nutrition)

On behalf of the Trustee, the Fiduciary Manager has recently written to the Scheme's investment managers reaffirming and expanding on the Trustee's policy and expectations which align with our stewardship priorities. The Trustee expects the investment managers to incorporate these themes into their future voting practices and the Fiduciary Manager will monitor future manager disclosures to ensure alignment against our priorities.

As part of our selection exercise for the Insurance Provider, the priorities outlined above, particularly the Climate Crisis, were taken into account. Management of climate related risks formed part of the insurer selection exercise.

1.3 How have we implemented our Stewardship Policy?

External engagements

The Trustee assesses that the Fiduciary Manager has been aligned with our Stewardship Policy throughout the year. The Fiduciary Manager has been a signatory to the UN Principles for Responsible Investment since 2011 and they are a signatory to the UK Stewardship Code 2020.

In addition, the Fiduciary Manager is a member of a range of sustainable investment organisations noted below.

Engagement beliefs

The development of engagement beliefs is an important Trustee responsibility. We have delegated the day-to-day implementation of our beliefs to the Fiduciary Manager, having concluded that the Fiduciary Manager's core beliefs are consistent with our own. The beliefs driving the Fiduciary Manager's approach to engagement are as follows.

Quality over quantity

The Fiduciary Manager is interested in a few meaningful quality engagements, with strong reporting (rather than, being interested in the quantity of votes). They want managers to prioritise the highest sustainability impacts in their portfolios

Long-term

The Fiduciary Manager encourages underlying managers to form long-term relationships with companies. Successful stewardship can take many months, maybe even years

Real world impact

The Fiduciary Manager is interested in engagement on topics that contribute to positive real-world sustainability impact (such as, reduction in absolute carbon emissions)

Transparency

Some engagement, perhaps even most engagement, will be unsuccessful. The Fiduciary Manager is realistic, and they prefer transparency from managers

Collaboration

Engagement is more efficient when managers collaborate – not just for the managers, but for the companies too (who will field fewer, but higher conviction, engagements from their investors). The Fiduciary Manager encourages underlying managers to participate in collaborative initiatives, such as Climate Action 100+

Innovation

The Fiduciary Manager welcomes innovation, for example, third-party tools to assess a company's conviction on sustainability topics

Integrated

The Fiduciary Manager is interested in how (if at all) stewardship contributes to the investment thesis and whether managers link their stewardship to other engagement activity (for example, policy engagement)

Manager selection and monitoring

When selecting investment managers, the Fiduciary Manager scrutinises the stewardship, voting and engagement policies. Activities of investment managers are assessed before the initial investment to ensure they align with our Stewardship Policy. The Fiduciary Manager monitors our investment managers on an ongoing basis; ensuring their activities align with our Stewardship Policy and engaging with our investment managers to help them improve their stewardship approach. The Fiduciary Manager closely monitors investment managers who do not meet our stewardship standards and actively works with them to improve their policies, processes and reporting.

The Trustee monitors voting and engagement activity of our investment managers and challenges their activity through the Fiduciary Manager. We categorise our managers according to how material voting and engagement is in their mandate, focusing efforts on managers where voting and engagement is possible.
The Trustee recognises that, for the assets the Scheme now owns (in particular, government bonds and corporate bonds), voting is not possible. The investment strategy of the Insurance Provider is also tilted to corporate bonds and Lifetime Mortgages whereby voting is less relevant. However, the Trustee recognises that engagement with the underlying issuers of these bonds is important for the management of the investment strategy.

Through the period covered by this statement, the Scheme invested in a series of Private Market investments. Most of these strategies own controlling stakes in the underlying businesses, meaning that stewardship and engagement is evidenced in a much broader way than, for example, investing in companies listed on a stock market (i.e. public market investments).

One important way for a Private Markets investment manager to add value is to ensure that each business has the best corporate governance possible – dictating and controlling the policies and make up of senior leadership (versus voting at shareholder meetings). Engagement was, therefore, highly relevant in some cases and we include some examples in the relevant section of this report.

Compliance statement

To the best of our knowledge, the Trustee has complied with the Stewardship Policy over the year.

2. Voting Activity

The Shareholder Rights Directive (SRD II) and the UK Stewardship Code 2020 both emphasise the importance of institutional investors and asset managers engaging with the companies in which they invest. They stress the importance of exercising stewardship rights effectively. Voting only applies to equities held by the Scheme and given the use of pooled funds, there is limited scope for the Trustee to directly influence voting. Voting is carried out by the investment managers on behalf of the Trustee. Given the activity of the Scheme over the year, as at 31 March 2025, the Scheme held no direct public equity positions. For completeness, we have included some examples of equity holdings that were held for a limited period throughout the Scheme year.

2.1 How did our managers vote?

As explained in the previous section, due to the nature of the assets held by the Scheme, and the manner in which they were held, none of the Scheme's investments that were held across the full reporting period had either direct or indirect voting rights attached to them. Given this, no votes were monitored by the Trustee over the reporting period.

2.2 Use of proxy voting services

Proxy voting services are specialist firms that provide an outsourced voting service. Some investment managers choose to use these services (rather than vote themselves). The reasons for using proxy voting services could include:

- The investment manager *lacks the resource to research each vote and submit votes*
- The investment manager wants to follow a recognised code of practice and the proxy voting service is *an easy way to implement this*

Using a proxy voting service does not necessarily mean that voting is done poorly. In fact, many professional proxy voting services are able to devote significant resource to researching AGM motions and are able to follow best practice guides like the Financial Reporting Council's (FRC) Stewardship Code.

We recognise that by having a suitable Stewardship Policy in place and using our Investment Advisor to monitor voting activity, investment managers can create more engagement over time; particularly smaller, more boutique managers with less in-house expertise and resource.

None of the Scheme's investments that were held across the full reporting period had any direct or indirect voting rights attached to them.

3. Engagement Activity

Engagement is considered to be purposeful dialogue with a specific and targeted objective to achieve positive change in the interests of beneficiaries, thereby a key action required for delivering good stewardship. The Fiduciary Manager is passionate about active engagement, as opposed to disinvestment or exclusions practices, in order create positive real-world change. Through engagement, asset managers can build relationships with the companies in which they invest, helping to steward companies on a range of topics, including sustainability.

The tables below provide examples of engagement activity of the Scheme's investment managers where engagement should be a material activity in the management of the assets.

Private Markets - Oaktree

Key points	Engagement activity
Engagement Theme: Multiple **Industry:** Energy **Outcome:** • The management team is in the process of developing a sustainability policy and relevant KPI tracker to codify and measure these commitments. The manager intends to closely monitor these KPIs and, in partnership with management, evaluate the impact on the business	The manager invested in a leading energy services company that provides energy efficiency, sustainability, resiliency, and infrastructure improvement solutions to public- and private-sector customers. The company offers a full range of sustainable infrastructure solutions for waste-to-energy, distributed generation, and renewable energy applications. The company completed the manager's "ESG toolkit" and based on a materiality assessment is intending to focus its ESG efforts on the following areas: Environmental • Energy consumption within and outside of the organization • Greenhouse gas emissions Social • Occupational health and safety management system coverage • Work-related injuries • Gender composition of highest governance body and its committees • Diversity composition of governance bodies and employees Governance • Board composition • Delegation of authority • Communication and training about anti-corruption policies and procedures • Executive-level responsibility for ESG topics

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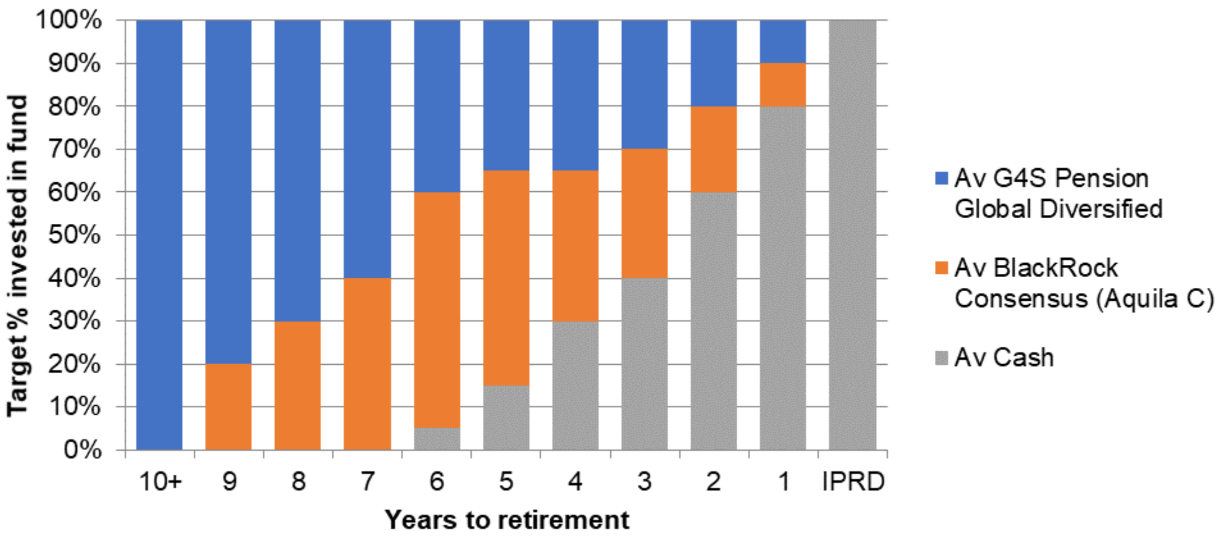
Part B – Aviva DC Assets

The Defined Contribution objective is to provide members with the facility to accumulate additional savings for retirement over and above members' Defined Benefit pension. The Default Strategy is known as the 'Additional Lump Sum Lifetime Investment Programme'. The aim of the default strategy is to grow the capital value of the assets over time balancing risk and return. As a member gets closer to retirement, assets are gradually switched into less volatile holdings, which are also expected to provide lower investment returns.

The progression as the Investment Programme Retirement Date ('IPRD') approaches and funds used are shown below:



The Trustee offers 9 other fund options so that members can tailor their arrangements towards their specific objectives:

1. How did our managers vote?

BlackRock World ex UK Equity Index Fund

	Manager response
Number of meetings the manager was eligible to vote at over the year	1,915
Number of resolutions the manager was eligible to vote on over the year	24,660
% of eligible resolutions the manager voted on	92%
% of votes with management	70%
% of votes against management	27%
% of resolutions the manager abstained from	3%

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BlackRock UK Equity Index Fund

	Manager response
Number of meetings the manager was eligible to vote at over the year	694
Number of resolutions the manager was eligible to vote on over the year	9,792
% of eligible resolutions the manager voted on	99%
% of votes with management	95%
% of votes against management	5%
% of resolutions the manager abstained from	0%

BlackRock 60/40 Global Equity Index Fund

	Manager response
Number of meetings the manager was eligible to vote at over the year	2,326
Number of resolutions the manager was eligible to vote on over the year	30,098
% of eligible resolutions the manager voted on	100%
% of votes with management	78%
% of votes against management	20%
% of resolutions the manager abstained from	2%

BlackRock Emerging Market Equity Index Fund[2]

	Manager response
Number of meetings the manager was eligible to vote at over the year	2,608
Number of resolutions the manager was eligible to vote on over the year	22,300
% of eligible resolutions the manager voted on	98%
% of votes with management	88%[2]
% of votes against management	11%[2]
% of resolutions the manager abstained from	3%[2]

[2] Figures may not total 100% due to a variety of reasons, such as lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management.

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2. Use of proxy voting services

Manager	Use of proxy voting service
BlackRock World ex UK Equity Index Fund	Glass Lewis
BlackRock UK Equity Index Fund	Glass Lewis
BlackRock 60/40 Global Equity Index Fund	Glass Lewis
BlackRock Emerging Market Equity Index Fund	Glass Lewis and ISS

3. Examples of significant votes

BlackRock World ex UK Equity Index Fund

Company Name	Date of Vote	Summary of the resolution	How the manager voted	Rationale / Outcome
Apple	25/02/2025	Shareholder Proposal Regarding Report on Risks of AI Data Sourcing	For (Exceptional)	This proposal requests that the Company prepare a report assessing the risks associated with the unethical or improper usage of external data in AI training. Given the Company's recent involvement in the Siri eavesdropping lawsuit and its partnership with OpenAI, which faces several copyright infringement cases. BlackRock believe that additional disclosure would help shareholders better understand how the Company is mitigating risks related to data sourcing.

BlackRock UK Equity Index Fund

Company Name	Date of Vote	Summary of the resolution	How the manager voted	Rationale / Outcome
Unilever Plc	01/05/2024	Advisory Vote on Climate Transition Action Plan	For	The company has asked shareholders to vote on its climate transition action plan, which sets out the actions the company is taking to reduce GHG emissions in its business and across its value chain, all aimed at achieving its ambition of net zero emissions by 2039. BlackRock have supported the proposal given that the company has adopted a net zero ambition and has set reduction targets for its Scope 1 and 2 emissions from its operations, as well as new near-term targets to reduce Scope 3 value chain GHG emissions from energy and industrial sources, as well as from forest, land, and agriculture. These new near-term Scope 3 reduction targets were developed with reference to the SBTi 1.5°C criteria and recommendations for near-term targets and time-bound emissions reduction plans that are integrated into the company's five business groups' financial growth plans. The company also provides reporting aligned with the TCFD, information concerning its

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				scenario analysis, and adds that these targets have been submitted to the SBTi for validation. From a governance perspective, the company notes that the board and the executive leadership team are responsible for setting the company's climate strategy and implementing it. The updated Climate Transition Action Plan (CTAP) provides insight into the company's detailed advocacy priorities, with specifics regarding the topics where the company must work with governments, regulators, or different industry bodies. Additionally, the company has included a section in the CTAP on its strategy to support a just transition, particularly the issues that arise in its agricultural value chains. Overall, we are pleased with the additional levels of detail provided in the CTAP and the positive engagements we have had with the company regarding its updated plan. Furthermore, the company states that if more than 20% of votes are cast against this resolution to approve the CTAP, it will engage with and provide updates to shareholders as prescribed under provision 4 of the UK Corporate Governance Code and take the voting outcome for this resolution into account when making future decisions regarding further updates to the plan. Based on the details provided in the company's CTAP and the outcomes of our engagement with the company in the context of its climate strategy, we believe this proposal warrants our support.

BlackRock 60/40 Global Equity Index Fund

Company Name	Date of Vote	Summary of the resolution	How the manager voted	Rationale / Outcome
Compass Group Plc	06/02/2025	Remuneration Policy	For (exceptional)	Under normal circumstances, BlackRock would have not supported the new remuneration policy to reflect material increases to both fixed and variable pay. However, BlackRock have supported the increases to ensure Compass can continue to both retain, and recruit key talent, particularly given its significant US operations (with around two-thirds of our overall revenue generated in North America) where executive pay is typically materially higher. BlackRock are also mindful that despite the sustained strong performance of the management team / company, the Remuneration Committee is not seeking to replicate US pay practices and quantum with US peers.

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