RESOURCESFUL,

RESPONSIBLE
Welcome to Biffa’s Sustainability Report.

This report outlines our ambitious approach to sustainability, embodying our commitment to helping solve the UK’s waste challenge and ensuring our business is fit for purpose over the critical years ahead.

We will be updating you, our stakeholders, on the excellent progress we have made in our three sustainability strategy pillars:

- Building a circular economy
- Tackling climate change
- Caring for our people, supporting our communities

This includes progress against our sustainability strategy, ‘Resourceful, Responsible’ targets to 2030, our first Task force on Climate-Related Financial Disclosures (TCFD) submission and our route to achieving net zero emissions no later than 2050.

I hope that you find this report informative and interesting and we welcome your feedback. You can contact us via email at sustainability@biffa.co.uk.

Michael Topham
Chief Executive Officer
21 June 2021

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### Performance summary

<table>
<thead>
<tr>
<th>Performance against our sustainability strategy</th>
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<tbody>
<tr>
<td>We are currently on track to meet 75% of our sustainability strategy targets by 2025. The remaining 25% require further intervention to help us get back on track, which we will be addressing in the coming year.</td>
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<table>
<thead>
<tr>
<th>Target progress:</th>
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<tbody>
<tr>
<td>Building a circular economy</td>
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### Building a circular economy

<table>
<thead>
<tr>
<th>Plastics recycling capacity:</th>
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<tbody>
<tr>
<td><strong>120kt</strong> (Doubled)</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2025</td>
<td>Triple capacity</td>
</tr>
<tr>
<td>2021</td>
<td>100kt</td>
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<tr>
<td>2019</td>
<td>50kt</td>
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### Tackling climate change

<table>
<thead>
<tr>
<th>Plastic waste recycled in the UK:</th>
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<tbody>
<tr>
<td><strong>91%</strong> (1% increase)</td>
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<table>
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<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2025</td>
<td>100%</td>
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<tr>
<td>2020</td>
<td>100%</td>
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<table>
<thead>
<tr>
<th>Total CO2 emissions reduction:</th>
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<tr>
<td><strong>533kt</strong> (29% reduction)</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
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<tbody>
<tr>
<td>2025</td>
<td>50MW</td>
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<tr>
<td>2020</td>
<td>50MW</td>
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### Caring for our people, supporting our communities

<table>
<thead>
<tr>
<th>Investing in solar power:</th>
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<tbody>
<tr>
<td><strong>8 sites</strong> identified for pre-application planning</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>100MW</td>
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### Performance Data and Targets

<table>
<thead>
<tr>
<th>Employee engagement:</th>
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<tbody>
<tr>
<td><strong>59%</strong> (1% increase)</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2025</td>
<td>100% reduction</td>
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<tr>
<td>2020</td>
<td>50% reduction</td>
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### Additional Information

<table>
<thead>
<tr>
<th>Lost Time Injury Rate:</th>
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<tbody>
<tr>
<td><strong>0.41</strong> (5% increase)</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2025</td>
<td>0.27</td>
</tr>
<tr>
<td>2020</td>
<td>0.41</td>
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We are Biffa

We’re changing the way people think about waste

We’ve been leading the UK’s waste management industry for over 100 years, and have a strong track record of growing our profits and returns to shareholders, whilst continuously growing our business.

Today, Biffa is an established enabler of the UK circular economy and our team of more than 9,000 colleagues carry out essential operations every day including surplus redistribution, recycling, treatment, energy generation, collection and disposal.

Read more at www.biffa.co.uk/sustainability

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### Glossary

And we’ve unlocked £1bn of our £1.25bn investment in UK green economy infrastructure.
Enabling a positive future where today’s goods are tomorrows resources

We consider sustainability to be of such importance that we have established a separate Sustainability Committee of the Board.

The Committee will ensure that we give appropriate emphasis and support to the sustainability strategy and goals, understand the actions we undertake to achieve our goals and develop relevant and reliable reporting metrics, in line with the growing legislative requirements and standards in this area.

As the leading sustainable waste management business in the UK, we are ideally placed to shape the waste sector for the benefit of current and future generations. Our strategy and focus on sustainability ensure that we identify risks arising from longer term trends in the waste management sector and the changing regulatory environment.

Such risks and longer-term trends help inform the identification of opportunities to innovate and grow value in our business.

To measure progress, we have established relevant and reliable metrics, in line with the developing reporting frameworks. We will regularly report and comment on progress and changes to the metrics to support our assertion that we are increasingly well-positioned as a strong leader in the circular economy.

For increased transparency, we have also reported against the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), the Science Based Targets initiative (SBTi) and the Sustainable Development Goals (SDGs), to which our sustainability strategy closely aligns.

A little less conversation, a little more action

I can’t help but reflect on what a noisy space the world of sustainability has become in such a short period of time. While the sentiment is to be celebrated, I often think many businesses talk a good talk but fail to deliver any meaningful impact.

This is where Biffa stands apart. We have an ambitious plan and we are getting on with delivering it. In spite of the challenges the Covid-19 pandemic has brought over the last year we have accelerated our sustainability programme with meaningful delivery across a range of areas.

We have established a separate Sustainability Committee of the Board.

I am delighted to be introducing Biffa’s first Sustainability Report, following the publication of our sustainability strategy ‘Resourceful, Responsible’ in March 2020.

The Covid-19 pandemic has provided the impetus for a period of self-reflection for businesses and for society. This self-reflection has given strength to the growing body of opinion that businesses should profit through a meaningful purpose to give greater credence to all stakeholders and ensure sustainability is embedded in the way that they operate. Organisations that have prioritised people, planet and profit within their business model have really come to the forefront.

At Biffa, we have long held the view that sustainability and business resilience are essential to our long-term success. ‘Resourceful, Responsible’ is built around our purpose to change the way people think about waste and there are many ways in which we are directly influencing important sustainability issues.

Our focus on enabling the circular economy through plastics recycling, our emphasis on moving up the waste hierarchy through waste prevention and redistribution and our net zero emissions target to address climate change risks are great examples of where significant investments and activities are already underway.

In this Sustainability Report you will read more about our activities, our investments, our goals and the areas in which we are making a difference to society and changing the way people think about waste. I look forward to reporting our progress in the future.
Hero to zero
These investments will ensure that we continue to help our customers to manage their waste as effectively as possible, helping them to meet their own sustainability commitments. It also helps us to meet ours: by moving our activities ever further up the waste hierarchy we continue to reduce the carbon intensity of our business.

We are on track to meet our commitment to reduce our greenhouse gas emissions by 50% by 2030 (taking our total emissions reduction from its peak in 2002 to 85%), and for the first time have set out our path to achieving net zero emissions no later than 2050.

In support of this, in the year we joined the Science Based Targets initiative (SBTi), setting science-based emissions reduction targets to lower our carbon footprint. The move to join the world recognised SBTi scheme will help further define Biffa’s journey to net zero emissions and demonstrates our commitment to a more sustainable future.

Of course this path requires a number of changes to happen that aren’t fully within our control, but we recognise the role we have as a leading name in our industry, in a high-profile sector, as a catalyst for change more broadly.

Doing it right
We are pleased with the progress we have made in transforming our business and are grateful for the support of our investors and lenders in providing us with the financial firepower to make it happen. But it all counts for nothing if we don’t run our business in the right way.

We must operate a business that keeps its people and everyone around it safe, that provides an engaging place of work that is inclusive and pays fairly, and as a consequence becomes more diverse.

We must be good neighbours to our local community residents. If not done right, our business can be noisy, unhygienically smelly and messy; we must set the highest standards for ourselves and our industry. And we must always be one step ahead of the organised crime of modern slavery. We have committed significant resource and headspace to these issues in the last year and have made great improvements. But in all of these areas we are not complacent and must do more. That is what ‘Responsible’ commits us to and that is what we will do.

Thank you
I hope that you find this report informative and interesting and we welcome your feedback. You can contact us via email at sustainability@biffa.co.uk.

On behalf of everyone at Biffa and to all of our stakeholders, I give my sincere thanks for your support over a year that none of us want to repeat with regard to the Covid-19 pandemic. The collaboration between customers, suppliers, regulators, investors, lenders, communities and of course colleagues has been extraordinary. Without it we would not have been able to accomplish so much.

Thank you.

Strategic ambitions
Unlock £1.2bn of investment in green economy by 2030

2. Tackling climate change

Strategic ambitions
Having reduced emissions by 70% since 2002, we will deliver a further 50% reduction in emissions by 2050

3. Caring for our people, supporting our communities

Strategic ambitions
Be recognised as a top ranked employer and continue to be a good corporate citizen, supporting good causes to make a real difference

Our sustainability strategy is based on three strategic pillars

1. Building a circular economy

Strategic ambitions
Unlock £1.2bn of investment in green economy by 2030

Targets to 2030
- Leading in surplus redistribution
- Quadrupling our plastics recycling
- Investing in low carbon energy from waste

Alignment to UN SDGs

2. Tackling climate change

Strategic ambitions
Having reduced emissions by 70% since 2002, we will deliver a further 50% reduction in emissions by 2050

Targets to 2030
- 50% reduction in carbon emissions
- Cease buying fossil-fuelled trucks
- Increase collection route efficiency by 20%}

Alignment to UN SDGs

3. Caring for our people, supporting our communities

Strategic ambitions
Be recognised as a top ranked employer and continue to be a good corporate citizen, supporting good causes to make a real difference

Targets to 2030
- Support of national Hope for Justice campaign to end modern slavery
- 50% reduction in our LTI rate
- Manage 30% of estate for biodiversity

Alignment to UN SDGs

An Overview of our Sustainability Strategy

Our sustainability strategy outlines our ambitious approach to sustainability, embodying our commitment to helping solve the UK’s waste challenge and ensuring our business is fit for purpose over the critical years ahead.

The strategy is focused on three core areas, each aligned to the United Nations Sustainable Development Goals (UN SDGs) where we believe we can make the most meaningful contributions.

Our sustainability strategy is based on three strategic pillars

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Alignment to UN SDGs
We are Biffa.

- **Purpose**: To change the way people think about waste
- **Vision**: To lead the way in UK sustainable waste management
- **Values**: Be safe, Be innovative, Be customer focused, Be a team player and Be accountable

We’ve been leading the UK’s waste management industry for over 100 years, and have a strong track record of growing our profits and returns to shareholders, whilst reinvesting to grow our business. Today Biffa is an established enabler of the UK circular economy and our team of more than 6000 colleagues carry out essential operations every day, including surplus redistribution, recycling, treatment, energy generation, collection and disposal.

Our four investment areas are:

- **Reduce**: To identify and operate the UK’s leading waste reduction and redistribution services.
- **Recycle**: To develop and operate the UK’s leading recycling solutions.
- **Collect**: To collect the UK’s largest, most efficient, low carbon waste and recycling collections operation.

**2020 was a challenging year for society and many businesses, but we have delivered a resilient performance and increased our revenues.**

The UK waste sector is entering an exciting period of change, driven by increasing customer demand for sustainable waste management, alongside changes to Government policy through the Resources and Waste Strategy. Biffa’s strong position as an enabler of the UK circular economy is helping to guide the changes to Government policy towards progressive, long-term benefits for the environment, the economy and the communities we serve.

The four areas of our sustainable business model reflect the outcomes and value creation delivered by our operational capabilities.

**About Biffa**

**Enabling the UK circular economy by creating renewable, long-term value**

The four investment areas are designed to drive change for the better through the outcomes and value creation delivered by our operational capabilities. Specifically, the four areas of our sustainable business model reflect the outcomes and value creation delivered by our operational capabilities.

**Our divisions**

**Collections division**

| 1. I&C | £495.1m |
| 2. Municipal | £182.1m |
| 3. Specialist Services | £92.4m |

**Total Net Revenue**

£770.0m

**EBITDA excluding adjusting items**

£109.0m

**Resources & Energy division**

| 1. Recycling | £886m |
| 2. Organics | £326m |
| 3. Inerts | £445m |
| 4. Landfill Gas | £394m |

**Total Net Revenue**

£218.1m

**EBITDA excluding adjusting items**

£40.7m

**Our market**

We have a deep and unrivalled understanding of the UK waste market, which comes with over a century of experience.

This, along with our scalable infrastructure, distinguishes us from our competitors and underpins our exciting growth journey ahead.

**Our supply chain**

Biffa’s procurement team works in partnership with our suppliers to strive for improvements and innovations to support sustainable waste management across the UK.

Biffa procures all goods and services through a professional strategic Group Procurement Team, which supports the entire business. The supply management team monitors an external spend in excess of £500m and works closely with business leaders and suppliers to source the right products and services efficiently.

We work with our supplier partners to achieve the highest standards of responsible sourcing, sustainability and human rights. As well as reducing accidents and supporting our communities, we remain committed to stamping out modern slavery and work closely with Hope for Justice, the international anti-human trafficking charity, promoting awareness of this important global issue across our business, supply chains and wider industry. Our Sustainable Procurement Policy helps to influence and support suppliers to innovate and deliver environmentally sustainable goods, services and solutions, which you can read more about on page 75.

Biffa’s biggest suppliers are included within the following categories:

- **Fuel**
- **Labour**
- **Vehicles**
- **Facilities, including furniture and equipment**

**Mitigating risks from the Covid-19 pandemic in the supply chain**

We worked with our suppliers at the outset of the pandemic to mitigate risks in our supply chain, with the majority of suppliers procuring excess stock to ensure continuity of supply. This process had already begun in preparation for Brexit, which proved beneficial.

Procuring additional cleaning and Covid-secure materials was challenging at first; however suppliers worked flexibly with their customer base to evaluate where excess stock was available (for example through customers whose businesses were closed during lockdown, which could be provided elsewhere. We took the strategic decision to increase our supplier network throughout the pandemic in order to provide increased flexibility and to mitigate risks.

We supported our supply teams throughout the pandemic, ensuring that they could continue to operate throughout the various lockdowns, by providing evidence that they were supporting key workers. We also supported customers who required Covid-secure materials, such as face masks, by providing any additional equipment we had so they could overcome any shortfalls.

1. Biffa is launching a new set of values in FY22.

2. Includes Company Shop Group revenues post acquisition.
**Our Role in the Waste Industry**

**Why is waste management so important?**

Every year the UK generates more than 220 million tonnes of waste, a figure that according to Defra’s most recent progress report will continue to rise. Population growth and increasing waste generation mean that we must invest, develop and encourage a broader circular economy proposition moving towards the ultimate goal of a zero waste future.

Waste collection has been established in the UK for around 100 years and it is easy to take for granted the role that reliable and resilient waste management services provide. Without this essential service, waste would pile up in our streets, on our land and in our rivers and we would also consume more raw materials by losing the resource potential, such as low carbon energy, the material provides.

Biffa is the UK’s leading sustainable waste management company and is helping to provide the foundation of a new greener economy by working closely with the UK Government as it develops its new Resources and Waste Strategy and climate change prevention plans.

This is also helping to drive more investment in the UK’s green infrastructure, so that as a country, we can take better responsibility for managing our own waste on our own shores as well as capturing more resource value from the waste we produce.

**Evidence suggests that 80% of the damage done to the environment from waste products can be avoided if more thoughtful decisions — about their design, the choice of materials and chemicals used, and how they will be distributed and sold to consumers — are made at the production stage.**

HM Government, Our Waste, Our Resources: A Strategy for England, 2018

Biffa actively promotes waste reduction. Through our work with commercial customers, we help them to reduce waste, identify opportunities for re-use and ensure that recycling opportunities are maximised.

Our acquisition of Company Shop Group establishes us as the leading enabler in the UK circular economy, with genuine alignment to our customers’ objectives to reduce waste.

**Disposal**

Our landfill services are increasingly focused on inert and specialist waste which cannot be used for energy recovery.

We provide conveniently located drop off locations in city centres and transport material by rail, taking thousands of vehicles off the road.

**Biffa’s Role in the Waste Hierarchy**

**Reduce**

Biffa actively promotes waste reduction. Through our work with commercial customers, we help them to reduce waste, identify opportunities for re-use and ensure that recycling opportunities are maximised.

**Recycling**

Recycling diverts waste from landfill disposal, reducing carbon emissions and natural resource consumption. Each year, we sort and supply around 500,000 tonnes of recyclable materials back to the circular economy, including plastics, fibre (paper and card), metals and glass.

**Recover**

Recovering energy from waste that cannot be recycled is a better alternative to landfill in order to generate renewable and low carbon energy.

Each year, we divert around 500,000 tonnes of our customers’ waste, which cannot be recycled, away from landfill, helping to provide low carbon energy for the UK grid.

**Dispose**

Our landfill services are increasingly focused on inert and specialist waste which cannot be used for energy recovery.

We provide conveniently located drop off locations in city centres and transport material by rail, taking thousands of vehicles off the road.
Down to Zero

Our path to 2030
Our 2030 targets are based on existing technology and realistic deployment. This deliverable strategy builds the foundations for the next phase of our long term ambition of reaching net zero emissions across our direct operations (Scope 1 and 2 emissions) by no later than 2050.

Scaling up to deliver net zero by no later than 2050
Emerging technology and process innovation will bring opportunities to further accelerate the reduction of our emissions and allow us to achieve net zero emissions by no later than 2050.

We have an ambitious plan, and we are getting on with delivering it.

Net zero by no later than 2050
Managing Sustainability

Our Sustainability Governance Framework

Board Sustainability Committee
Biffa established a Sustainability Committee in November 2020 to oversee, on behalf of the Board, the Company’s sustainability strategy, which was first published in March 2020 and focuses on three core areas: building a circular economy; tackling climate change; and caring for our people, supporting our communities. The Committee also oversees broader stakeholder engagement and ethical policies and procedures, as well as updates on the Company’s sustainability strategy and reporting requirements, on behalf of the Board. The Committee has final sign-off on the Annual Sustainability Report, prior to publication. During the year, the Board, its Committees and the Group Executive Team oversaw operational decision making to ensure alignment to our sustainability strategy. They also carry out rigorous testing of our sustainability data, to ensure accuracy and that any anomalies in performance are investigated quickly to find resolution.

Sustainability Champions provide data to us twice a year. The Champions are accountable for providing accurate and timely data in accordance with our reporting requirements.

Board Sustainability Committee responsibilities are provided below.

- Our Board Sustainability Committee is ultimately responsible for overseeing the Company’s sustainability strategy. More details on the Sustainability Committee’s roles and responsibilities are provided below.
- Our Group Executive Sustainability Committee is responsible for overseeing the Company’s sustainability strategy, at a business level.
- Our internal audit function provides a thorough examination of sustainability performance data, ahead of it being submitted to the Group Executive Sustainability Committee.
- Our Group Sustainability Team provides an expert service to the business, advising on operational decision making to ensure alignment to our sustainability strategy. They also carry out rigorous testing of our sustainability data, to ensure accuracy and that any anomalies in performance are investigated quickly to find resolution.
- Sustainability Champions provide data to our Group Sustainability Team twice a year. The Champions are accountable for providing accurate and timely data in accordance with our reporting requirements.

The role of the Committee is to oversee, on behalf of the Board, the Company’s sustainability strategy, which focuses on three strategic pillars: building a circular economy; tackling climate change; and caring for our people, supporting our communities. The Committee will also oversee broader stakeholder engagement on behalf of the Board.

Governance
We take a rigorous approach to managing sustainability at Biffa. Over the last few years, we have made substantial progress in how we manage our sustainability performance. The governance mechanisms we have in place are outlined below:

- Our Board Sustainability Committee is ultimately responsible for overseeing the Company’s sustainability strategy. More details on the Sustainability Committee’s roles and responsibilities are provided below.
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Reporting on our financial performance
Our FY21 annual report and accounts provides an overview of our business, economic and operational performance and market presence. You can read the report here: biffa.co.uk/investors/reports/annual-report

Sustainability-Linked Finance Framework
Green financing principles align to Biffa’s core strategic priorities, purpose and vision and deliver broad environmental and societal benefits.

The services Biffa delivers are mainly classified as essential and align with the EU’s sustainable taxonomy; however, the acquisition and integration of waste collections businesses as part of our market consolidation strategy do not strictly satisfy the use of proceeds rules. As a result, in order to align our funding strategy with our sustainability strategy, we have established a Sustainability-Linked Finance Framework, which will be launched during FY22.

Biffa will consider various funding instruments, including but not limited to sustainable bonds, private placements, bank facilities and leases. The proceeds of Biffa’s sustainability-linked instruments will be used for general corporate purposes. We anticipate the financial characteristics of the sustainability-linked loans or bonds will be linked to the performance of our sustainability performance targets. If the targets are not met this will trigger an increase in the margin, and if the targets are met this may lead to a decrease in the margin.

Our FY21 annual report and accounts provides an overview of our business, economic and operational performance and market presence. You can read the report here: biffa.co.uk/investors/reports/annual-report

Sustainability Champions provide data to our Group Sustainability Team twice a year. The Champions are accountable for providing accurate and timely data in accordance with our reporting requirements.

Internal audit
Our internal audit function provides a thorough examination of sustainability performance data, ahead of it being submitted to the Group Executive Committee.

Biffa’s Sustainability Committee meetings take place three times a year and the Committee Chair reports to the Board on its proceedings and all matters within its duties and responsibilities.
Stakeholders and Materiality

- Positive relationships with our stakeholders, who have an interest in our business, are key to our long-term success.
- We asked – what matters most?

This year, Biffa carried out a materiality assessment with the dual aims of identifying material sources and with the dual aims of identifying material sources of Environmental, Social and Governance (ESG) risk and opportunity and informing our sustainability reporting processes. We asked our key stakeholders to rate the ‘ESG topics’ that matter most to them.

These topics were informed by internationally accepted reporting frameworks set out by the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI), sector trends, and investor perceptions.

A list of the most material issues for Biffa, identified via this process, is summarised below:

1. Recycling (see page 34)
2. Health & Safety (see page 63)
3. Plastics (see page 33)
4. Greenhouse Gas (GHG) emissions from operations (see page 47)
5. Modern slavery (see page 67)
6. Energy from Waste (see page 39)
7. Fair employment and wellbeing (see page 64)
8. Consumer behaviour (see page 48)
9. Food waste (see page 39)

Outputs of the internal and external consultation process are displayed on the matrix below. The vertical axis values are made up of the importance to stakeholder scoring and the horizontal axis values of the importance to Biffa scoring.

The topics of highest strategic importance to Biffa, in terms of meeting the expectations of our key stakeholders, are related to the circular economy and waste disposal. Investment in these areas is both core to Biffa’s commercial offering and central to our sustainability strategy.

We’ve summarised what each of our core stakeholder groups (Employees, Customers, Investors, Suppliers, Government and Regulators and Environment and Communities) key interests were in the ‘what matters to them’ section in the following pages, along with some other key topics raised in the year.

Issues identified as most material will be prioritised within Biffa’s sustainability activities and reporting, enabling us to address our ESG risks, capture opportunities, and increase our overall resilience as a business.

Engaging stakeholders

We have set out in the following pages an overview of how our business and our Board directly and indirectly engage with our stakeholders to understand what matters to them and the outcomes of that engagement.

You can also read more about how our Board take into account stakeholders and other factors in their decision making in the Section 172 (1Z) Statement on pages 12-15 of our Annual Report.

Introduction

Employees

Our employees are the strength of our organisation and the >9,000 team of talented, experienced and diverse individuals help us to lead the way in sustainable waste management. We pride ourselves on having an open and honest relationship with our workforce, empowering them to have their say, whilst ensuring they remain supported. We engage with each other respectfully, encourage each other and help make Biffa a fair, inclusive and fun place to work.

What matters to them?

- Support during the pandemic, including Covid-secure arrangements and additional financial support.
- The processes we have in place to ensure the Health & Safety of our people, customers and communities.
- Communications and engagement, ensuring two-way communication with employees.
- Financial performance and recovery and how this impacts employees.
- Tackling modern slavery, teaching our people how to spot the signs of modern slavery.
- Strategy and business performance, how we are investing for the future.
- Development opportunities, how our employees can grow and develop at Biffa.
- Diversity and Inclusion (D&I) how we are improving D&I across Biffa.
- Fair employment, benefits and wellbeing, ensuring that Biffa takes care of employees and provides fair employment.

How our Board engaged

The Board received updates throughout the year on how Covid-19 was impacting our employees, including how the Group is supporting employees’ mental health and wellbeing.

David Martin, our Non-Executive Director for Workforce Engagement attended a number of employee forums during the year and received a presentation on the employee engagement results, reporting back to the Board on the outcomes.

In April 2021, the Board received an update on the 2020 employee engagement survey results.

How we engaged across the business

As face-to-face communication was difficult this year, we increased the frequency of our digital channels and launched new ones including:

- Our employer app Biffa Beat, company intranet, CEO blogs.
- Print and digital newsletters and employee letters.
- Employee video calls, with the opportunity to put questions to our Group Executive Team.
- Digital conferences and awards events, including a digital ‘Diamond Awards’ and Strategy Conference.

Outcomes of engagement

- Ensured our operational sites and offices were Covid-secure.
- Provided mental health training for all senior leaders in the business and launched E N E R G Y programme to support employee wellbeing.
- 100% share award provided to all employees as a token of appreciation for their efforts throughout the pandemic.
- Modern slavery and D&I training for all managers across the business.
- Launched digital engagement survey ‘Biffa Buzz’ (see page 66)

Link to our principal risks (see pages 74 – 78 of Annual Report)

1. Changes in Government policy and anti-regulatory compliance
2. Strategic/competitive threat to business model
3. Mergers and Acquisitions strategy
4. Strategic project implementation
5. Long-term contracts and tendering
6. Health & Safety
7. Covid-19
8. Business continuity, cyber security and IT resilience
9. Availability of labour
10. Commodities market and pricing volatility
11. Economic environment

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Biffa Sustainability Report 2021

What matters to them?

- The processes we have in place to ensure the Health & Safety of our people, customers and communities.
- Support through the pandemic, maintaining service delivery, updates on Covid-secure arrangements.
- Tackling modern slavery, how Biffa is mitigating the risks.
- Financial performance and recovery and ensure continuity of services.
- Biffa’s role in a circular economy (including plastics recycling, biodegradable packaging and consumer behaviour) and how we can support customers in this area.
- Carbon emissions from operations and supply chain (including roll out of electric vehicles) to help customers reduce their emissions and environmental impact.
- Food waste, Biffa’s actions to dispose of food waste.
- Energy from waste, as a means of diverting waste from landfill.
- Digital capabilities, the ability to purchase waste services online.

How our Board engaged

- The Board received presentations from management on the acceleration of customer digitalisation to transform customer experience including the launch of the new e-commerce platform and the plans for a new electronic Customer Zone.
- The Board received updates from the CEO and management on the business which included feedback on engagement with our customers, new customer wins and customer contract extensions, and the work with customers to support them with their sustainability goals.

Customers

We care about our customers and their needs. Every day we provide essential services to thousands of households and business customers across the UK. We focus on delivering excellent service by doing what we say we will do and ensuring that we deliver as promised, every time. Our sustainable approach, responsiveness to customer needs and delivery make us the first choice for customers. Our customers range from corporate customers to SMEs and local authorities.

How we engaged across the business

- Virtual customer meetings held to update customers on business performance, progress against sustainability strategy goals and opportunities ahead.
- Website news articles, blogs and social media updates.
- E-newsletters.

Outcomes of engagement

- Supported customers throughout the pandemic ensuring continuity of essential services and helped them source additional Covid-secure supplies, such as face masks and cleaning equipment, when stocks were low.
- Launched UK’s largest fleet of electric refuse collection vehicles in Manchester.
- Launched new e-commerce platform for SME customers enabling them to purchase waste services online.
- Online training product to support our customers in how to segregate their waste, to help improve recycling rates.
- Supported customers with ambition to achieve net zero emissions (see Annual Report page 27)
Engaging our Stakeholders continued

What matters to them?
- Financial performance and recovery, the resilience we have demonstrated throughout the pandemic.
- Biffa's role in a circular economy (including plastics recycling, biodegradable packaging and consumer behaviour).
- Carbon emissions reduction, to prevent climate change impacts on the environment.
- Food waste, Biffa's actions to dispose of food waste.
- Energy from waste, as a means of delivering the most environmental, social and financial value from the resources we collect.

What matters to them?
- Support through the pandemic, mitigating risks in the supply chain and providing Covid-secure supplies.
- Tackling modern slavery throughout the supply chain, the policies we have in place to help mitigate the risks.
- Biffa's role in a circular economy (including plastics recycling and consumer behaviour), and opportunities for suppliers to collaborate.
- Carbon emission reductions in the supply chain, to prevent climate change impacts on the environment.
- Anti-corruption activities, the anti-fraud and corruption standards expected throughout the supply chain.
- Partnerships, including support of Biffa's charity partner WasteAid.
- Leadership and governance, the governance structures and policies in place to ensure effective oversight and management.
- Biodiversity, Biffa has mitigated the risk of disruption across our supply chain.

How we engaged across the business
- Full and full year tariffs virtual presentations and roadshows.
- Analytic webinars and trading updates.
- CDO and CFO regular dialogue with investors, including virtual 1:1s with holders and non-holders.
- Attended virtual conferences throughout the year.

Outcomes of engagement
- Published investor section of website in line with FTSE 250 best practice, with improved transparency of sustainability achievements.
- Invested in a new CRM database to track meeting notes and to send blast emails around key announcements to ensure investors remain up to date on our strategic activities.
- We visit organised for investors and analysts to visit our plastics recycling facilities in the North East, so they can see our investments in green economy infrastructure first-hand.

Link to our principal risk (see pages 74 – 78 of Annual Report)
1. Changes in Government policy and legal and regulatory compliance
2. Strategic/competitive threat to business model
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4. Strategic project implementation
5. Long-term contracts and tendering
6. Health & Safety
7. Covid-19
8. Finance availability/Investment
9. Economic environment
10. Environmental performance and recovery, the resilience we have demonstrated throughout the pandemic.

How we engaged across the business
- Participation in expert working groups.
- Government consultations.
- Waste sector liaison groups and councillor training.
- Regular website articles, blogs and social media updates.

Outcomes of engagement
- Input to, and member of, industry working groups.
- Continued investment in UK circular economy infrastructure.
- Significant progress made in restoring landfill sites in respect to biodiversity targets.
- Joined Science Based Targets initiative and committed to achieving net zero emissions by no later than 2050.
- Publication of Biffa Reality Check report series on website.
- Developed sustainability pages of Biffa website to increase transparency in sustainability reporting.

Link to our principal risk (see pages 74 – 78 of Annual Report)
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7. Economic environment
8. Finance availability/Investment
9. Environmental performance and recovery, the resilience we have demonstrated throughout the pandemic.

How we engaged across the business
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- Government consultations.
- Waste sector liaison groups and councillor training.
- Regular website articles, blogs and social media updates.

Outcomes of engagement
- Direct contributions through community, sponsorship and fundraising.
- Continued investment in UK circular economy infrastructure.
- Local project funding through Biffa Award scheme.
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4. Strategic project implementation
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6. Covid-19
7. Economic environment
8. Finance availability/Investment
9. Environmental performance and recovery, the resilience we have demonstrated throughout the pandemic.
## Our progress... against our sustainability strategy targets and objectives

<table>
<thead>
<tr>
<th>Pillar Topic FY19 – Baseline</th>
<th>P2Y</th>
<th>Risk Level</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building a circular economy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leading on waste plastics recycling</td>
<td>63k tonnes recycling capacity</td>
<td></td>
<td>2025 Target</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2030 Target</td>
</tr>
<tr>
<td><strong>Investing in energy from waste</strong></td>
<td></td>
<td></td>
<td>2025 Target</td>
</tr>
<tr>
<td>Growing business waste collections</td>
<td>0.5m tonnes business waste collected for recycling</td>
<td></td>
<td>2025 Target</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2030 Target</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2025 Target</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2030 Target</td>
</tr>
</tbody>
</table>

**Diverting general waste from landfill**

- Presently around 90% by weight of the waste plastics Biffa trades from our sorting and transfer facilities is sent to companies within the UK, with the remainder kept within the Intergovernmental Economic Organisation for Economic Co-operation and Development countries
- Presently around 90% by weight of the plastics traded by Biffa was sent to companies within the UK with the remainder sent to repurposes within the Intergovernmental Economic Organisation for Economic Co-operation and Development countries
- Presently around 90% by weight of the plastics traded by Biffa to companies within the UK with the remainder sent to repurposes within the Intergovernmental Economic Organisation for Economic Co-operation and Development countries

**Recyclable commodities trading**

- During the year 60% of inputs to landfill were inactive waste. This is a result of Covid-19 affecting the type of waste streams inputted to landfill sites with many construction sites shutting down during the first national lockdown. As we have come out of lockdown we have seen an increase in activity in the construction sector which has led to a steady increase in the amount of inactive, unrecyclable waste received at our landfill sites.

**Supporting customers on sustainable waste management**

- Sustainable waste management advice currently offered where requested. Additional special adviser on packaging in place for B2C
- Current service offerings dependent on customer requirements
- Over the year our Waste Strategy and Packaging Manager has provided packaging advice, site audits and recommendations, supply chain audits and procurement strategies to 17 B2C Corporate customers. Plans are in place to expand the team in FY22.

**2025 Target**

- Inactive waste increases to 80% of inputs to landfill

**2030 Target**

- All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within UK with other commodities also recycled in UK subject to commercially viable UK end markets and infrastructure availability

**2023 Target**

- Biffa trades from our sorting and transfer facilities to be recycled

**2025 Target**

- Provide all waste service customers with sustainable waste management advisory services including waste reduction and re-use

**2030 Target**

- Return sustainable waste management advisory services to all waste service customers including waste reduction and re-use

*Based on low rate landfill tax definition.*
**Progress against our Strategy – Overview continued**

<table>
<thead>
<tr>
<th>Pillar Topic</th>
<th>FY19 – Baseline</th>
<th>FY21</th>
<th>Risk level</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing our carbon footprint**</td>
<td>746,025 tonnes CO₂e</td>
<td></td>
<td></td>
<td>2025 Target 30% reduction in carbon emissions. (Scope 1 and 2 emissions)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2030 Target 50% reduction in carbon emissions. (Scope 1 and 2 emissions)</td>
</tr>
<tr>
<td>Greening the collection fleet</td>
<td>Beginning</td>
<td>There have been positive steps taken towards greening the fleet, with the introduction of the UK’s largest fleet of RCVs in Manchester. We continue to work with our supply chain to explore opportunities for alternative fuelled vehicles and continue to expand our fleet of electric vans during FY22, as well as introducing RCVs into both our B&amp;Q and Municipal businesses. In March 2021 we launched ‘EcoDrive’, a scheme that allows employees, including those who are not company car drivers, to lease fully electric or hybrid-electric cars under a salary sacrifice scheme. We have also introduced a new company car list for FY22 that includes hybrids. Our aim is to encourage employees to drive more environmentally friendly cars, helping to reduce CO₂ emissions.</td>
<td>2025 Target Introduce 10% non-fossil-fuelled collection vehicles, subject to market availability and capability.</td>
<td></td>
</tr>
<tr>
<td>Improving collection route efficiencies**</td>
<td>0.45 lifts per km*</td>
<td>During FY21 the collection route efficiency was 0.40 lifts per km. Covid-19 has required the re-routing of vehicles and the opportunity was taken to increase the number of container lifts per vehicle shift and increase the number of backlifts, however it was also impacted by suspension of recycling collections.</td>
<td>2025 Target Increase collection route efficiency by 10%.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2030 Target Increase collection route efficiency by 20%.</td>
</tr>
<tr>
<td>Transporting waste by rail</td>
<td>27% of our inputs to landfill by rail</td>
<td>During the year 21% of our inputs to landfill were by rail. This has been heavily impacted by Covid-19 and the shut down of the construction sector during early FY21; however, as we move into the recovery phase we anticipate the volumes of inert waste being moved by rail to increase. A new rail hub in Barking opened in May 2021 and this will enable 30% of inputs to be transported by rail.</td>
<td>2025 Target 50% of our inputs to landfill by rail.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2030 Target Dependent of availability of rail served landfill.</td>
</tr>
<tr>
<td>Renewable energy purchasing**</td>
<td>Investigating renewable purchasing options</td>
<td>60% of our electricity purchased during FY21 was renewable. During 2020 we moved our whole portfolio where we are responsible for the energy supplier onto a renewable tariff.</td>
<td>2025 Target Buy 100% renewable electricity.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2030 Target Maintain 100% renewable electricity.</td>
</tr>
</tbody>
</table>

*The methodology for calculating lifts per km has been redefined due to an improvement in data availability and analysis. The baseline has been recalculated as 0.45 lifts per km using this methodology.

**Limited assurance is provided by Buma Ventures. The Independent Assurance Statement is on page 77.

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**On track to meet target**

**Target not on track as a result of Covid-19**
Progress against our Strategy – Overview continued

### Caring for our people, supporting our communities

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Topic</th>
<th>FY19 – Baseline</th>
<th>FY21</th>
<th>Risk level</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engaging our employees</td>
<td>Employee Engagement score</td>
<td>58%</td>
<td>2025 Target</td>
<td>To be a top quartile business for employee engagement</td>
<td>**</td>
</tr>
<tr>
<td>Supporting the living wage</td>
<td>72% of employees currently paid at or above Living Wage Foundation rates</td>
<td>77% of employees are currently paid at or above the real Living Wage Foundation rates</td>
<td>2025 Target</td>
<td>Employees to be paid according to Living Foundation rates, where possible</td>
<td>**</td>
</tr>
<tr>
<td>Maintaining high Health &amp; Safety standards**</td>
<td>0.27 Lost Time Injury Rate in FY19</td>
<td>2025 Target</td>
<td>25% reduction to Lost Time Injury Rate</td>
<td>**</td>
<td>2025 Target</td>
</tr>
</tbody>
</table>

* 71.6% of employees across the total Group (excluding Company Shop Group and Simply Waste Services) are paid at or above the real Living Wage Foundation rate.
** Limited assurance is provided by Bureau Veritas. The Independent Assurance Statement is on page 77.
*** The LT rate is not on track due to a number of factors not specifically as a result of Covid-19.

### Promoting diversity and inclusion**

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Topic</th>
<th>FY19 – Baseline</th>
<th>FY21</th>
<th>Risk level</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting diversity and inclusion**</td>
<td>Diversity Respect and Inclusion Strategy created and communicated</td>
<td>2025 Target</td>
<td>We aspire to achieve greater gender and ethnic diversity, especially at senior level, therefore we’ve established employee resource groups, such as Women in Waste, to understand the barriers women face in the workplace and to look at how we can better attract, support and develop women at Biffa. We’re setting inclusion objectives to drive accountability and instil inclusive mindsets and plan to deliver O&amp;I training to frontline employees during 2021. This was originally planned for 2020 but was delayed due to Covid-19.</td>
<td>**</td>
<td>2025 Target</td>
</tr>
<tr>
<td>Training staff</td>
<td>Employees received 1 day of training on average in FY19*</td>
<td>2025 Target</td>
<td>As a result of Covid-19, there has been a focus on delivering training virtually and through e-learning. This has allowed us to increase the instances of training delivered to our employees. As a result, our training metric has been amended to the number of training interventions per employee. During FY21 the number of training interventions per employee was 2.02. In FY21 training has been focused on health and wellbeing, particularly coping with the pandemic, managing people remotely and recognising and supporting mental health issues.</td>
<td>**</td>
<td>2025 Target</td>
</tr>
<tr>
<td>Investing in communities**</td>
<td>£4.9 million delivered to local community and UK partnership scheme projects through Biffa Award in FY19</td>
<td>2025 Target</td>
<td>£15 million delivered to local community and UK partnership scheme projects through Biffa Award **</td>
<td>**</td>
<td>2025 Target</td>
</tr>
<tr>
<td>Supporting biodiversity</td>
<td>£13.9 million delivered to biodiversity-based land reclamation projects</td>
<td>2025 Target</td>
<td>£25 million delivered to local community and UK partnership scheme projects through Biffa Award</td>
<td>**</td>
<td>2025 Target</td>
</tr>
<tr>
<td>Supporting biodiversity</td>
<td>£13.9 million delivered to biodiversity-based land reclamation projects</td>
<td>2030 Target</td>
<td>Manage 10% of estate for biodiversity</td>
<td>**</td>
<td>2030 Target</td>
</tr>
</tbody>
</table>

* The targets have been altered to the number of training interventions per employee due to a change in focus to virtual training and e-learning as a result of Covid-19.
** Limited assurance is provided by Bureau Veritas. The Independent Assurance Statement is on page 77.
Accreditations and Ratings
At Biffa, we seek external verification of our sustainability performance to help us in our journey of continuous improvement and to demonstrate our leadership role in sustainability. What we have achieved so far.

Carbon Disclosure Project (CDP) – Rated C
What is it?
CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Why does it matter to Biffa?
CDP is a global disclosure system with an environmental focus. By responding to CDP, we are demonstrating to our key stakeholders that we are committed to managing our environmental impacts, minimising risks and maximising business opportunities.

MSCI – Rated AA
What is it?
MSCI’s rating is designed to measure a company’s resilience to long-term, industry material environmental, social and governance (ESG) risks.

Why does it matter to Biffa?
MSCI are a global ESG rating agency and their evaluation of our sustainability credentials really matter to our stakeholders, particularly investors. We’re really proud of having obtained such a strong rating.

London Stock Exchange’s Green Economy Mark
What is it?
The Green Economy Mark recognises listed companies and funds which derive 50% or more of their revenues from environmental solutions.

Why does it matter to Biffa?
Biffa has been listed on the London Stock Exchange since 2006 and is a member of the FTSE-250. Being recognised as a sustainable Exchange since 2016 and is a member of the FTSE 250, Biffa has been listed on the London Stock Exchange since 2006.

Carbon Saver Gold
What is it?
The Carbon Saver Standard rewards organisations for reducing carbon emissions each year. It also provides an independent, third party verification of carbon footprint.

Why does it matter to Biffa?
Biffa has achieved Carbon Saver Gold for the last 14 years which demonstrates our achievement to date in reducing our emissions. We still have some way to go in cutting our emissions to net zero by 2050 however we’re pleased to be recognized by this government approved accreditation.

EcoVadis Silver Sustainability Rating
What is it?
EcoVadis is a trusted sustainability ratings provider to global supply chains.

Why does it matter to Biffa?
The silver award puts Biffa in the top 19% of global organisations audited by EcoVadis for our sustainability performance. An achievement we’re really proud of.

Global Reporting Initiative (GRI)
What is it?
The GRI Standards create a common language for organisations to report on their sustainability impacts.

Why does it matter to Biffa?
We’re committed to achieving best practice in everything we do. It only seems right that we report to the GRI as the most widely used sustainability reporting framework globally.

Task Force on Climate-related Financial Disclosures (TCFD)
What is it?
Climate-related disclosures that enable more informed investment decisions (mandatory for listed companies from 2022).

Why does it matter to Biffa?
A key pillar of Biffa’s sustainability strategy is ‘tackling climate change’ and we’re firmly committed to reducing our impact in this area. Reporting to TCFD allows us to inform our investors and other key stakeholders on how climate-related issues may impact our business and enables us to explain our process for identifying and responding to these challenges and opportunities. Reporting to TCFD is a key step in becoming a sustainability leader.

Sustainability Accounting Standards Board (SASB)
What is it?
SASB Standards enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors.

Why does it matter to Biffa?
As a FTSE-250 listed organisation, Biffa has a responsibility to our investors to disclose the sustainability topics they’re interested in. The SASB guidelines provide us with a framework to report this information to our investor community.

ISO 9001
What is it?
The ISO 9001 accreditation is the international standard that specifies requirements for an quality management system.

Why does it matter to Biffa?
Our ISO 9001 accreditation allows us to demonstrate our ability to provide services that meet customer and regulatory requirements.

ISO 14001
What is it?
ISO 14001 is the international standard for environmental management systems (EMS) and the most widely used EMS in the world.

Why does it matter to Biffa?
Our ISO 14001 certification allows us to demonstrate our commitment to minimising our overall environmental impacts to our stakeholders.

ISO 27001
What is it?
ISO 27001 is the international standard for information security and sets the specification for an information security management system.

Why does it matter to Biffa?
Our ISO 27001 certification demonstrates our best practice approach to information security.

ISO 45001
What is it?
The ISO 45001 is the international standard for occupational health and safety.

Why does it matter to Biffa?
Our ISO 45001 accreditation demonstrates our commitment to mitigating occupational health and safety hazards and preventing injuries within the workplace.

The United Nations (UN) Sustainable Development Goals are a collection of 17 global goals designed to be a “blueprint to achieve a better and more sustainable future for all”. Adopted by UN member states in September 2015, the SDGs will shape government, business and civil society priorities to 2030. In developing our sustainability strategy, we looked to the goals and the supporting targets to identify how Biffa can contribute to the achievement of the SDGs. Looking at the underlying targets reveals a broader number of goals that we are supporting in a more strategic way.

The Sustainable Development Goals

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The Sustainable Development Goals continued

**SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

We are providing training to develop the skills needed by waste and sustainability sectors now and in the future and have also invested in a comprehensive portfolio of e-learning modules, allowing all our employees access to relevant and timely learning content. See page 70 for more details.

<table>
<thead>
<tr>
<th>Training staff</th>
<th>2025</th>
<th>Increase the number of training interventions per employee by 30%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Double the number of training interventions per employee</td>
</tr>
</tbody>
</table>

**SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all**

Through our landfill gas capture, we generate enough low carbon electricity to power around 117,000 homes from 38 locations across the UK. We’re building two energy from waste plants which will produce enough sustainable energy to power approximately a further 170,000 homes. See page 39 for more details.

<table>
<thead>
<tr>
<th>Energy from waste facilities</th>
<th>2025</th>
<th>Completion of build and commissioning of two new low carbon energy from waste plants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Both low carbon energy from waste plants optimised and complying with all environmental permits</td>
</tr>
</tbody>
</table>

**SDG 9: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Sustainable waste management is a key driver for improving environmental, health, social and financial outcomes. We play a vital role in helping the UK to address the climate change emergency and deliver sustainable economic growth.

We are committed to treating our people well, paying them fairly, keeping them safe and providing them with opportunities to develop. See page 64 for more details.

<table>
<thead>
<tr>
<th>Recycling plastics in the UK</th>
<th>2025</th>
<th>All waste plastics which Biffa trades from our sorting and transfer facilities to be recycled within UK</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within UK with other commodities also recycled in UK subject to commercially viable UK end markets and infrastructure availability</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plastics recycling capacity</th>
<th>2025</th>
<th>Triple plastic recycling capability</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Quadruple plastic recycling capability</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase recycling collections</th>
<th>2025</th>
<th>Expand our low carbon collection business to collect 25% more business waste for recycling</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Expand our low carbon collection business to collect 50% more business waste for recycling</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Living wage foundation</th>
<th>2025</th>
<th>Employees to be paid according to living foundation rates, where possible. All new local authority tenders to encourage and propose living wage unless not supported by local authority clients for long term contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Create a living wage workplace and be a member of the living wage foundation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Diversity and inclusion</th>
<th>2025</th>
<th>Increase the diversity of the workforce including a higher percentage of women in senior management roles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>Create an inclusive culture by promoting inclusive leadership behaviours with the ambition of creating a representative workforce</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee engagement</th>
<th>2025</th>
<th>To be a top quartile business for employee engagement. To be externally recognised as an exemplary employer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2030</td>
<td>To consistently be a top quartile business for Employee Engagement</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preventing modern slavery</th>
<th>2025</th>
<th>Maintain zero tolerance on modern slavery and be an acknowledged market leader in anti-slavery practices within the UK waste sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>
SDG How Biffa makes an impact Our targets in this area

**Plastics recycling capacity**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Triple plastic recycling capability</td>
</tr>
<tr>
<td>2020</td>
<td>Quadruple plastic recycling capability</td>
</tr>
</tbody>
</table>

**Recycling plastics in the UK**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>All waste plastics which Biffa trades from our sorting and transfer facilities to be recycled within UK</td>
</tr>
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<td>2030</td>
<td>All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within UK with other commodities also recycled in UK subject to commercially viable UK end markets and infrastructure availability</td>
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**Diversity and Inclusion**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>Increase the diversity of the workforce including a higher percentage of women in senior management roles</td>
</tr>
<tr>
<td>2030</td>
<td>Create an inclusive culture by promoting inclusive leadership behaviours with the ambition of creating a representative workforce</td>
</tr>
</tbody>
</table>

**Supporting local communities**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2025</td>
<td>£15 million delivered to local community and UK partnership scheme projects through Biffa Award</td>
</tr>
<tr>
<td>2030</td>
<td>£25 million delivered to local community and UK partnership scheme projects through Biffa Award</td>
</tr>
</tbody>
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**Preventing modern slavery**

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**Increase recycling collections**

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<tr>
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<th>Target</th>
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<td>2025</td>
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**Sustainable waste management advisory services**

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<td>2025</td>
<td>Provide all waste service customers with sustainable waste management advisory services including waste reduction and re-use options</td>
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<td>Retain sustainable waste management advisory services to all waste service customers including waste reduction and re-use options</td>
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**Make cities and human settlements inclusive, safe, resilient and sustainable**

**Increase recycling collections**

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**Plastics recycling capacity**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2025</td>
<td>Triple plastic recycling capability</td>
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**Electric vehicles and alternative fuels**

<table>
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<tr>
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<tr>
<td>2025</td>
<td>Introduce 10% non-fossil-fuelled collection vehicles, subject to market availability and capability</td>
</tr>
<tr>
<td>2030</td>
<td>Cease buying fossil-fuelled collection vehicles by 2030 and have no fossil fuelled vehicles by 2040</td>
</tr>
</tbody>
</table>

**CO₂ emissions reduction**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>2025</td>
<td>30% reduction in carbon emissions</td>
</tr>
<tr>
<td>2030</td>
<td>50% reduction in carbon emissions</td>
</tr>
<tr>
<td>2050</td>
<td>Net zero emissions</td>
</tr>
</tbody>
</table>
The Sustainable Development Goals continued

<table>
<thead>
<tr>
<th>SDG</th>
<th>How Biffa makes an impact</th>
<th>Our targets in this area</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Ensure sustainable consumption and production patterns</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Take urgent action to combat climate change and its impacts</td>
<td></td>
</tr>
</tbody>
</table>

Our aim is to pioneer and operate the UK’s leading waste reduction and surplus produce redistribution services. Through our acquisition of Company Shop Group, we are enabling some of the UK’s biggest operators to unlock sustainable value from the 140,000 tonnes of quality surplus food, beverage and household products that are produced in the UK each year see page 38.

We are developing recycling solutions which strengthen the UK circular economy, and which has an important role to play in reducing plastic pollution within the UK. We are tackling climate change by eliminating fossil-fuelled vehicles from our fleet by 2040. See page 47 for more details.

Climate change is a global emergency that requires action now. Our services deliver carbon reductions for waste producers. Decarbonisation means growing our role to play in reducing plastic pollution within the UK.

Public awareness and interest in issues such as ocean plastics and single-use plastics is high fuelled by a global desire to tackle climate change. We’re doing our bit to prevent ocean acidity and protect our marine life by:

- Providing circular economy infrastructure to enable the UK to recycle more at home, reducing the dependence on export and maintaining better control over how the waste is managed.
- Cutting our emissions by 50% by 2030 and to reach net zero emissions by no later than 2050, in line with Government targets. See pages 10-11 for more details.
- Supporting Wastafel, an independent UK charity, set up by waste management professionals to share practical and low-cost waste management knowledge with communities in developing countries. See page 73 for more details.

Awareness of the importance of biodiversity to our planet has increased in recent years with high profile programmes highlighting the devastating effects of climate change to life on land, such as deforestation. Many species that are vital to our ecosystem are now in danger of extinction and there is pressure from the public for this to stop.

At Biffa, our landfill portfolio offers great opportunity to support pollinators and biodiversity. Once our landfills are full, we restore them, creating sites for recreation, nature or livestock. See page 75 for more details.

Partnerships drive improvements, in our industry and beyond. We work with others in the UK and internationally to build good waste management infrastructure, support a circular economy and support our communities. See page 74 for more details.

UK Biffa Awards is a multi-million-pound environment fund managed by Royal Society of Wildlife Trusts (RSWT), which utilises landfill tax credits donated by Biffa. The aim of Biffa Awards to support projects that will be of a lasting environmental benefit, improve quality of life and foster vibrant communities.

Developing countries

Waste management is often taken for granted in the developed world, however, it is not the case in developing countries where one in three people globally do not have access to a basic waste management service. Biffa supports Wastafel, an independent UK charity, set up by waste management professionals to share practical and low-cost waste management knowledge with communities in developing countries.

Plastics recycling capacity

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Electric vehicles and alternative fuels

| 2025 | Introduce 10% non-fossil-fuelled collection vehicles, subject to market availability and capability |
| 2030 | Cease buying fossil-fuelled collection vehicles by 2030 and have no fossil fuelled vehicles by 2040 |

Purchase renewable energy

| 2025 | Buy 100% renewable electricity |
| 2030 | Maintain 100% renewable electricity purchasing |

Sustainable waste management advisory services

| 2025 | Provide all waste service customers with sustainable waste management advisory services including waste reduction and re-use options |
| 2030 | Maintain sustainable waste management advisory services to all waste service customers including waste reduction and re-use options |

CO2 emissions reduction

| 2025 | 50% reduction in carbon emissions |
| 2030 | 50% reduction in carbon emissions |
| 2050 | Net-zero emissions |

Transport inert waste to landfill by rail, instead of road

| 2025 | 50% of our inputs to landfill by rail |
| 2030 | Dependant on availability of rail served landfill |

Electric vehicles and alternative fuels

| 2025 | Introduce 10% non-fossil-fuelled collection vehicles, subject to market availability and capability |
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Purchase renewable energy

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Solar Power

| 2025 | Develop 50MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals |
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We are contributing to a sustainable future built around a circular economy; educating our customers, Government and the wider public to use materials responsibly and re-using as much as possible.

We are making significant investments in our recycling capabilities as well as collaborating in partnership with established, expert operators, to build the low carbon energy from waste (EfW) infrastructure that the UK needs to manage waste sustainably. We’ve also invested in surplus produce redistribution through the acquisition of Company Shop Group (CSG) enabling us to deliver a unique circular economy proposition for the UK.

What is a circular economy?

“The circular economy offers opportunities for better growth, through an economic model that is resilient, distributed, diverse, and inclusive. It tackles the root causes of global challenges such as climate change, biodiversity loss, and pollution, creating an economy in which nothing becomes waste, and which is regenerative by design.”

2020 highlights

Disabled plastics recycling capacity to 120kt

91% plastic waste recycled in the UK

Achieved London Stock Exchange Green Economy Mark as...

50% of revenues support the green economy.

Progress on commitments

<table>
<thead>
<tr>
<th>Topic</th>
<th>FY21 data</th>
<th>2025 target</th>
<th>2030 target</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading on waste plastics recycling</td>
<td>Doubled plastic recycling capacity to 120kt</td>
<td>Triple plastic recycling capability</td>
<td>Quadruple recycling capability</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Investing in Energy from Waste</td>
<td>Construction underway for Newhurst, financial close reached on Protos</td>
<td>Completion of build and commissioning of two new low carbon EfWs</td>
<td>Both EfW plants optimised and complying with all environmental permits</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Growing business waste recycling collections</td>
<td>900k+</td>
<td>Expand our low carbon collection businesses to collect 2.5% more business waste for recycling</td>
<td>Aim to collect 5% more business waste for recycling</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Diverting general waste from landfill</td>
<td>80%</td>
<td>Inactive waste increases to 80% of inputs to landfill</td>
<td>Inactive waste increases to 90% of inputs to landfill</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Recyclable commodities trading</td>
<td>91.4%</td>
<td>All waste plastics which Biffa trades from our sorting and transfer facilities to be recycled within the UK</td>
<td>All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within the UK with other commodities also recycled in the UK subject to commercially viable UK end markets and infrastructure availability</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Supporting customers on sustainable waste management</td>
<td>175 corporate customers with sustainable waste management consultancy services including waste reduction and reuse</td>
<td>Provide all waste service customers with sustainable waste management consultancy services, including waste reduction and re-use</td>
<td>Provide all waste service customers with sustainable waste management advisory services, including waste reduction and re-use</td>
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What is a circular economy?

“The circular economy offers opportunities for better growth, through an economic model that is resilient, distributed, diverse, and inclusive. It tackles the root causes of global challenges such as climate change, biodiversity loss, and pollution, creating an economy in which nothing becomes waste, and which is regenerative by design.”

Achieved London Stock Exchange Green Economy Mark as...

50% of revenues support the green economy.
Building a Circular Economy continued

Actions for FY22:
- Continue to consolidate Biffa’s leadership position in food grade, closed loop plastic recycling.
- Complete commissioning of Seaham and Washington recycling facilities.
- Continue to work with customers to help improve recyclability of their plastic packaging.
- Integrate commercial offering across waste, recycling, and redistribution.
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- Continue to consolidate Biffa’s leadership position in food grade, closed loop plastic recycling.
- Continue to work with customers to help improve recyclability of their plastic packaging.
- Integrate commercial offering across waste, recycling, and redistribution.

Topic and descriptions: Page

1. **Material Topic: Recycling**
   - p34
   - The recycling activity of Biffa and its role in providing a sustainable waste management solution, in particular for materials other than plastics.

2. **Plastics Recycling**
   - p35
   - Activity of Biffa to accommodate plastic refuse in the UK, including production of new products from plastic waste.

3. **Biodegradable Packaging**
   - p36
   - Biffa’s actions to process biodegradable packaging and divert it away from landfill where appropriate.

4. **Food Waste**
   - p38
   - Biffa’s actions to process food waste, diverting from landfill where appropriate.

5. **Energy from Waste**
   - p39
   - Biffa’s two energy from waste facilities, which are under construction in Leicestershire and Cheshire.

6. **Consumer Behaviour**
   - p40
   - Biffa’s actions to shape and respond to consumer behaviour regarding waste disposal.

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Biffa’s two Material Recycling Facilities (MRFs) process around 470,000 tonnes of dry mixed recyclable waste every year.

MRFs are essential in providing quality raw materials to the production industry, as they are designed to separate co-mingled recyclables into their individual material streams and prepare them for sale in the commodity markets, where they are then turned into new products and packaging. Our MRFs segregate, process and decontaminate single stream and mixed recyclable materials, including:

- Paper and cardboard recycling
- Plastic bottles and containers
- Aluminium and steel cans

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**Building a Circular Economy continued**

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**Biffa Nestlé Waters**

Biffa is working with our customer, Nestlé Waters UK, to help the company achieve its commitment of making every BUXTON® bottle from 100% recycled PET by collecting recyclable PET bottles and reprocessing them here in the UK and PET. The partnership will enable Nestlé Waters UK to significantly reduce the amount of virgin plastic in circulation and lead the shift to using high-quality food grade PET in the UK, which today is sourced from Europe. Plastic is a lightweight, durable and low-energy-intensity packaging material that when recycled properly can play a sustainable role in modern life, helping to shape a waste-free, lower carbon future.

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Building a Circular Economy

Sustainability targets:

Plastics recycling capacity
- 2025: Triple plastic recycling capacity
2030: Doubled plastic recycling capacity

Recycling plastics in the UK
- 2025: All waste plastic, which Biffa trades from our sorting and transfer facilities to be recycled within the UK.
- 2030: All waste plastic which Biffa trades from our sorting and transfer facilities continues being recycled within the UK with other commodities also recycled in UK subject to commercially-viable UK end markets and infrastructure availability.

Increase recycling collections
- 2025: Expand our low carbon collection business to collect 20% more business waste for recycling.
- 2030: Expand our low carbon collection business to collect 50% more business waste for recycling.

SDG alignment:

Material Topic: Bioplastic Packaging (includes Biodegradable Packaging)

At Biffa, we understand that packaging for businesses, though necessary, can be challenging, complicated and confusing when it comes to recyclability and how to reduce waste.

A key service we offer our customers is our “Packaging Surgery”, where we tackle the common recycling issues our customers face.

One of the important areas within this is “Bioplastics” – i.e. plastics that are biobased, compostable or biodegradable by bacteria, fungi or microbes in the ground. We advise on what compostable, biodegradable, and biobased materials should or should not be used to facilitate their most sustainable route for disposal.

Biffa agrees with the Recycling Association and with many major retailers, environmental groups and the UK Government that materials, such as Bioplastics, need thorough consideration, caution and control. Switching from a widely-recycled conventional plastic to a single-use, non-recyclable bioplastic that could be harmful, instead of helpful to the environment is not always the most sustainable solution.

To support our customers in their assessment of Bioplastic packaging, we have developed the following criteria:

1. Evaluate each example of Bioplastic explaining its typical end of life

- Bioplastic is a very generic term, given the different types of plant-based plastics available and their propensity to react differently in various environments.
- This, along with the inability to distinguish Bioplastic from oil-based formats, the lack of a nationally agreed standard for composting and the absence of any mandatory labelling, causes confusion for businesses and customers alike.
- There is the added risk that allowing Bioplastics into traditional organic recycling processes could cause cross-contamination by unintentionally meeting other conventional plastics.

2. Explain the various accreditations and labelling that are used on packaging

- There are many marks and accreditations currently being printed on packaging, each example needing to be explained and/or debunked accordingly.
- Any claims offered on the various properties of a Bioplastic or non-industrial settings are being made in the absence of a UK recognised accreditation, with nothing in place for so-called compostable packaging (including paper) within anaerobic digestion (AD) facilities, land or in the marine environment.
- Whilst many of these claims are made in good faith, we should take every opportunity to remind people of this, to avoid any dishonest or unintentional greenwashing.

3. Risk rate the opportunities for waste management in the real world

- All rigid and flexible materials that in theory can compost or biodegrade carry their own inherent risks and opportunities.
- The risk of cross-contamination of materials in MRWs will be problematic, given the challenge to differentiate between oil or plant-based formats.
- However, there may be solutions to this in certain environments, e.g. where natural degradation occurs quickly.

4. The waste hierarchy and where Bioplastics sit in the context of the RWS in England

- A key factor in the growth of Bioplastics is to understand where they sit within the waste hierarchy as infrastructure develops.
- Given campaign groups and NGOs have similar concerns to us and welcome the positive impact of a plastic tax in promoting recycling over composting.
- If a Bioplastic has carbon neutral and low fossil intensive characteristics, these might be a compelling case to use it.

5. An international perspective on the use of Bioplastics

- We should contrast UK waste management with other nations, given that offshore infrastructures can be very different – some more advanced like in northern Europe and many more in urgent need of investment.
- We should question the efficacy of certain types of packaging in a developed country, with long established collection systems vs those of developing countries, where the same solution might be a major source of pollution.
- Demonstrating a global perspective on Bioplastics will be important for the international brands and retailers Biffa works with.

Management approach

It is Biffa’s objective to take part in debates regarding Bioplastics as often as possible, in order to influence their development and explore new business opportunities.

Sustainable packaging and plastics recycling is managed by Biffa’s R&M division and we have a dedicated Waste Strategy and Packaging Manager, who is responsible for providing both the business and our customers with expertise and insight into emerging opportunities, including supply chain audits and procurement strategies, to maximise circular economy solutions.

Sustainability targets:

Sustainable waste management advisory services
- 2025: Provide all waste service customers with sustainable waste management advisory services including waste reduction and re-use options.
- 2030: Retain sustainable waste management advisory services to all waste service customers including waste reduction and re-use options.

SDG alignment:

GRI indicator:
GRI 203: Indirect Economic Impacts

Building a Circular Economy
Building a Circular Economy continued

Material Topic: Food Waste

According to WRAP, the UK generates around 9.5 million tonnes of food waste per year, with the food production sector accounting for just under half of this. Much of this waste food is currently sent to landfill, where it is slowly broken down into methane and carbon dioxide, which are both potent greenhouse gases. One alternative to this is anaerobic digestion (AD), where waste food matter is converted into biogas—a form of renewable energy.

What is anaerobic digestion? AD is the breakdown of organic matter in the absence of oxygen by micro-organisms called methanogens. The process of AD provides a source of renewable energy, as the waste breaks down into biogas (a mixture of methane and carbon dioxide).

Pioneering waste reduction Biffa actively promotes waste reduction. Through our work with commercial customers, we help them to reduce waste, identify opportunities for re-use and ensure that recycling opportunities are maximised. Our acquisition of Company Shop Group establishes us as the leading enabler in the UK circular economy, with genuine alignment to our customers’ objectives to reduce waste.

Management approach Biffa operates a number of food waste treatment facilities in the UK, recycling or using up to 315,000 tonnes of food waste per year. We currently have three AD facilities, located in Leicestershire, Staffordshire, and West Sussex, which form part of our R&E division.

Biffa’s Anaerobic Digestion (AD) facilities can process up to 315MT of food waste per year and operate 24/7.

A by-product of the AD process is bio-fertiliser (the digestate from the process), which is rich in nutrients such as nitrogen, potassium and other elements required for healthy plant growth and fertility. Biffa supplies bio-fertiliser for agricultural land where it meets the PAS 1109 standard.

SDG alignment:


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The UK’s leading waste redistributor

In February 2021, Biffa acquired Company Shop Group (CSG) – the UK’s leading and largest redistributor of surplus food and household products to help unlock circular economy innovation.

Biffa’s leading expertise in waste management and recycling, coupled with CSG’s unparalleled capabilities in redistributing surplus produce, will deliver a unique circular economy proposition for the food manufacturing, retail and fast-moving consumer goods (FMCG) e-commerce sectors.

Preventing waste by identifying surplus To reduce the amount of food destined to become waste, CSG prevents waste by identifying surplus products and then collecting, processing and redistributing it for sale through its unique network of membership-based outlets, whilst ensuring compliance with stringent food safety standards.

Surplus products include:
- Production overruns.
- Trial products.
- Produce that has been incorrectly labelled or packaged, unless intervention would be destined to become waste.

The membership base of CSG stores comprises employees working in the FMCG supply chain, and key workers such as those in healthcare and the emergency services who can buy surplus products at material discounts to total prices.

Award-winning social enterprise CSG also operates an award-winning social enterprise, Community Shop, a not-for-profit community interest company with a network of six community hubs supporting some of the most deprived areas of the UK, supported by donations from supplier partners. Community Shop provides its members with vital access to deeply discounted food, as well as life-changing learning and development programmes.

7 PAS 1190 was developed by WRAP to help create a market for the use of anaerobic digestate as a renewable fertilizer. Source: WRAP Biffa PAS 1190 Producing Quality Anaerobic Digestate | WRAP

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Material Topic: Energy from Waste

Our commitment to waste reduction and recycling should be in no doubt. We do however recognise that we are still many years away from realising the long-term vision for all waste to be recycled, and in the meantime it is clear to us that energy recovery will play a vital role in tackling this waste challenge.

What is energy from waste? “Energy from waste is about taking waste and turning it into a usable form of energy. This can include electricity, heat and transport fuels (e.g. diesel). This can be done in a range of ways. Incineration is the most well-known.”

Biffa is the largest supplier of refuse derived fuels into EfW facilities in the UK. Each year, we divert around 500,000 tonnes of our customers’ waste, which cannot be recycled, away from landfill, helping to provide low carbon energy for the UK grid.

Investing in UK energy from waste infrastructure As the UK’s largest waste collector, having access to domestic, low carbon energy recovery is essential. Currently methane emissions from our landfill sites contribute c.75% of our carbon footprint and is a potent greenhouse gas, some 25 times more potent than carbon dioxide. In order to reduce the waste inputs to landfill, we need a suitable alternative and EPR technology is what currently meets the UK’s needs.

We’ve got the power

In the last 18 months, Biffa has invested in two energy from waste (EfW) facilities – Newhurst in Leicestershire and Protos in Cheshire.

The two facilities, which have a combined capacity of 750,000 tonnes per year, support the Government’s drive to both reduce reliance on landfill and boost more non-recyclable waste at home, decoupling the UK’s dependency on import.

Newhurst
- We started construction at Newhurst in June 2020 following financial close in February 2020.
- Biffa has a 50% equity stake in the project and is investing c.£40m over a three-year period.
- We will supply 10% of the feedstock, further underpinning Biffa’s leading expertise in waste management and recycling, coupled with CSG’s unrivalled capabilities in redistributing surplus produce, will deliver a unique circular economy proposition for the food manufacturing, retail and fast-moving consumer goods (FMCG) e-commerce sectors.

The new facilities will contribute 90MW of renewable and low carbon energy to the UK’s electricity grid, enough to power approximately 170,000 homes.

Biffa’s AD facilities can process up to 315Mt of food waste per year and generate up to 120MW per hour of renewable energy.

Prospects
- Our second EfW project. Protos, in which Biffa has a 25% equity stake, reached financial close in December 2020.
- Biffa is investing c.£60m over a three-year period into the project, and will supply 60% of the feedstock, further underpinning Biffa’s leading expertise in waste management and recycling, coupled with CSG’s unrivalled capabilities in redistributing surplus produce, will deliver a unique circular economy proposition for the food manufacturing, retail and fast-moving consumer goods (FMCG) e-commerce sectors.

**Building a Circular Economy continued**

**Management approach**
Biffa’s two EfW facilities are managed through a joint venture with Covanta Holding Corporation and Macquarie’s Green Investment Group (GIG). Biffa, the primary waste supplier for the facilities, has a 50% equity stake in Newhurst and a 25% equity stake in Protos. Covanta will operate the facilities under a long-term operations and maintenance agreement.

Biffa’s portion of the EfW facilities will be managed through our M&E division.

**Sustainability targets:**
- Energy from waste facilities
  - 2020: Completion of build and commissioning of two new low carbon energy from waste plants.
  - 2020: Both low carbon energy from waste plants optimised and complying with all environmental permits.

**GRI indicators:**
- GRI 201: Economic Performance
  - www.biffa.co.uk/-/media/files/sustainability/biffa-plc-gri-content-index-fy21.ashx
- GRI 203: Indirect Economic Impacts
  - www.biffa.co.uk/-/media/files/sustainability/biffa-plc-gri-content-index-fy21.ashx

**Breaking down barriers in recycling**
Biffa is supporting Surhury Beverage and Food GIG and is involved in developing a new, more sustainable design of its classic 500ml Ribena bottle, which will mean it becomes much easier to recycle.

**Material Topic: Consumer Behaviour**

The Covid-19 pandemic has brought about rapid change, particularly in how consumers behave. McKinsey reports that new consumer behaviours have formed, which “spat a lot of life” and “these rapid shifts have important implications for retailers and consumer-packaged-goods companies.”

Where Biffa sees consumer behaviours driving change:
- Call for companies to produce fully recyclable products in support of a circular economy and to produce less waste.
- Consumers to recycle more at home, with the increase in home ‘shopping’ maintaining momentum.
- Demand for clearer labelling on packaging to understand recyclability of products.
- Biffa is recognising this shift in behaviour and we’re supporting our customers to make their products more recyclable.

**Increasing recyclability of Ribena bottles**

Biffa is supporting Suntory Beverage and Food GIG and is involved in developing a new, more sustainable design of its classic 500ml Ribena bottle, which will mean it becomes much easier to recycle.

**Smart and sustainable plastics**

As well as supporting our customers, Biffa is working directly with industry and research institutions to collaborate on smart and sustainable plastic packaging.

In 2020, we joined ‘One bin to rule them all’ – a collaborative venture led by The University of Manchester and funded by the UK Government, which aims to establish a portfolio of academic-led research and development to address known problems and knowledge gaps in relation to plastic packaging.

We also joined the On-Pack Recycling Label (OPRL) scheme to apply our experience and expertise in recycling and waste management and to advise other OPRL members on the development of sustainable packaging. OPRL’s research to date demonstrates that most people recycle in order to do the right thing and protect the planet. It suggests that “information on packaging is the most effective way to guide consumers on how to recycle” and that “like road signs, recycling labels need to be consistent and unequivocal.”

OPRL labels have also been given the highest rating of global best practice by the UN Environment Programme and Consumers International.

**Digital campaign providing accessibility and inclusivity in Haringey**

Haringey will take a digital campaign focusing on what can and cannot go into mixed recycling bins, and will relay a strong message that recyclables need to be clean and empty.

Haringey will also translate messages into the six languages most spoken amongst households in the Borough, where English is a second language.

**Training recycling champions in Waltham Forest**

Waltham Forest’s project will focus on training faith and community leaders to become recycling champions, who will then be able to communicate to their congregations and community about the importance of recycling and the best ways to recycle effectively.

**Source:** OPRL: What consumers want, page 4

**Source:** OPRL: What consumers want, page 5
Latest Resources and Waste Strategy (RWS) update

In March 2021, the Government announced that it will seek further input from business on its RWS, which will focus on key measures such as the ‘Extended Producer Responsibility’ scheme, which sets out plans for manufacturers to pay the full cost of dealing with their packaging once it has been used. We believe this would encourage waste producers to rethink packaging design in order to introduce more refillable and reusable formats and help to ensure that products which go in the bin are widely recyclable to begin with.

The talks will also include the possible introduction of a Deposit Return Scheme (DRS) which could be successful in reducing ‘on-the-go waste’, but the system would need to be easy both to use and access.

Additionally, within our Municipal business, we are working with local authorities to increase recycling rates, where there is a huge focus both at a local and national level.

In 2021, Biffa announced an £8m three-year contract extension with the City of Edinburgh, to help Scotland’s capital recycle more.

The partnership will see Biffa using its knowledge and expertise in recycling to support the City of Edinburgh achieve its target of a 75% recycling rate. The most crucial way we plan to do this is to help Edinburgh to reduce contamination in kerbside recycling bins throughout the city.

We’ve also seen a significant increase in our Green Waste Club membership this year by around 15%. This growth has been driven by more people working from home and the reduction in household waste recycling centre availability during the pandemic. The Green Waste Club is a subscription-based club providing the customer with a weekly bin that is collected fortnightly from the edge of their property. Working in partnership with the local authority, Biffa transports the garden waste to a local facility where it is composted. (www.greenwasteclub.co.uk)

Management approach

Consumer behaviour in regard to sustainable packaging and plastics recycling is managed by Biffa’s R&E division. Biffa has a dedicated Waste Strategy and Packaging Manager, who is responsible for providing both the business and our customers with expertise and insight into changing behaviours and how collectively we should respond to the increased demand for sustainable packaging solutions. This also includes supply chain audits and procurement strategies.

Household recycling is managed through Biffa’s Municipal business, which forms part of our Collections division.

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Household recycling is managed through Biffa’s Municipal business, which forms part of our Collections division.

Reducing the climate change impact of landfill

Disposal to landfill is declining, primarily because resources are being kept in use for longer. However, landfill retains a vital role in modern day waste management.

It is necessary for some specialist and inert-type waste (e.g. concrete, sand which cannot be recycled or incinerated).

Inert-type waste is inactive and will not decompose.

It helps bridge the current UK capacity gaps.

It provides a contingency disposal route during waste treatment plant downtimes.

Over the last decade waste sent to landfill has reduced significantly, which is demonstrated in the chart on the previous page.

Since 2006, Biffa has developed more recycling and recovery capability to move the management of waste further up the waste hierarchy.

The amount of customer waste we dispose of to landfill has reduced by 65%.

Building a Circular Economy continued

WP5. Residual waste

Total waste (excluding major mineral wastes) landfilled or incinerated, England 2010 to 2018 inclusive, million tonnes (WP5a)

Sustainability targets:

Sustainable waste management advisory services

- 2025: Provide all waste service customers with sustainable waste management advisory services including waste reduction and re-use options.

- 2030: Retain sustainable waste management advisory services to all waste service customers including waste reduction and re-use options.

Increase recycling collections

- 2025: Expand our low carbon collection business to collect 15% more business waste for recycling.

- 2030: Expand our low carbon collection business to collect 25% more business waste for recycling.

SDG alignment:

GRI indicator:

GRI 209: Indirect Economic Impacts


13 Source: UK Government: Our waste, our resources: a strategy for England (publishing.service.gov.uk)
Tackling Climate Change

Climate change is a global emergency that requires action now. Our services deliver carbon reductions for waste producers. Decarbonisation means growing our services, whilst reducing our carbon footprint and maximising carbon savings wherever we can, for our customers and our business.

We recognise that we have a critical decade ahead of us. We have just nine years left to halve global emissions if we are going to meet the 2015 Paris Agreement objective to substantially reduce global greenhouse gas emissions and to limit the global temperature increase in this century to 2 degrees Celsius, while pursuing means to limit the increase even further to 1.5 degrees. The Covid-19 pandemic has reduced global CO2 emissions by around 7% which demonstrates the level of change required to make a meaningful step towards climate change prevention.

Over the past two decades, Biffa has made huge strides in our sustainability journey by investing in green economy infrastructure and low carbon collections that have reduced our carbon emissions by 70%. Our aim is to cut our emissions by a further 50% by 2030 and to reach net zero emissions no later than 2050, in line with UK Government targets.

Progress on commitments:

<table>
<thead>
<tr>
<th>Topic</th>
<th>FY21 data</th>
<th>2025 target</th>
<th>2030 target</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing our carbon footprint</td>
<td>17%</td>
<td>30% reduction in carbon emissions</td>
<td>50% reduction in carbon emissions</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Greening the collection fleet</td>
<td>Launched UK’s largest fleet of eRCVs</td>
<td>Introduce 10% non-fossil-fuelled collection vehicles, subject to market availability and capability</td>
<td>Cease buying fossil-fuelled RCVs by 2030 and have no fossil-fuelled vehicles by 2040</td>
<td>Target not on track as a result of Covid-19</td>
</tr>
<tr>
<td>Improving collection route efficiencies</td>
<td>0.40 lifts per km</td>
<td>Increase collection route efficiency by 10%</td>
<td>Increase collection route efficiency by 20%</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Moving waste by rail</td>
<td>21%</td>
<td>50% of our inputs to landfill by rail</td>
<td>Dependent on availability of rail served landfill</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Renewable energy purchasing</td>
<td>0%</td>
<td>Buy 100% renewable electricity</td>
<td>Maintain 100% renewable electricity</td>
<td>On track to meet target</td>
</tr>
<tr>
<td>Investing in solar power development</td>
<td>It was identified for pre-application planning discussions</td>
<td>Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals</td>
<td>Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals</td>
<td>On track to meet target</td>
</tr>
</tbody>
</table>

14 Source: https://www.un.org/en/climatechange/paris-agreement
15 Source: ESSD Global Carbon Budget 2020: https://essd.copernicus.org/articles/12/3269/2020/#section3

In March 2021, Biffa launched the UK’s largest fleet of electric refuse collection vehicles (eRCVs) designed to reduce air pollution levels in the City of Manchester.

Manchester City Council is one of the first local authorities in the UK to transform its fleet with eRCVs following two years of successful trials with Biffa. Using Biffa’s electric fleet will allow the Council to make significant progress against its zero-carbon action plan.

27 brand-new zero emissions eRCVs were rolled out, in partnership with Manchester City Council, which has invested £10 million.
Tackling Climate Change continued

**Biffa’s benefits get an eco-addition**

Earlier this year, we launched a new benefit open to all employees called Eco Drive. Our aim is to encourage our employees to drive more environmentally friendly cars, helping to reduce CO₂ emissions, which is an important part of our sustainability strategy. Eco Drive enables eligible employees to purchase new electric or hybrid electric cars under a salary sacrifice scheme.

Employees can choose from a wide range of different manufacturers and models, and all the cars available are classed as Ultra-Low Emission Vehicles which means they emit less than 75g CO₂ per kilometre travelled, compared to the higher emissions emitted by the conventional petrol or diesel car. Their increased adoption ultimately also contributes towards the Government’s target of phasing out petrol and diesel cars and vans sold by 2030 as emissions free, leading the way to net zero CO₂ emissions by no later than 2050.

Letting the train take the strain with new rail hub launch

Rail hubs form an important part of our sustainability strategy by helping to reduce our reliance on road haulage and therefore CO₂ emissions. Since 2018 we have moved over 50,000 tonnes of CO₂ emissions by switching rail to transport our waste to 1 million tonnes of inert waste.

We opened our third rail hub in Barking in May 2021, which sits alongside our hubs in Manchester and Leeds. Our target is to transport 50% of inert waste to landfill by rail by 2025 and with the opening of Barking, we will be in a position to move 30% of landfill inputs by rail over the next year.

Transporting over one million tonnes of waste

In addition to Barking, we are also upgrading our rail site at Roxby Landfill. It’s our 3rd rail hub and will play an important role in reducing CO₂ emissions and removing vehicles from the road.

As the volume of landfill gas from our sites declines, so does the volume of electricity generated. We are exploring alternative ways to utilise the grid connections that exist at our sites including solar power.

Energy generation

We use landfill gas to generate electricity, which is supplied to the national grid as renewable energy. As the volume of landfill gas from our sites declines, so does the volume of electricity generated. We are exploring alternative ways to utilise the grid connections that exist at our sites including solar power.

**Electricity use and generation**

<table>
<thead>
<tr>
<th>Year</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total electricity generated kWh</td>
<td>471,688,000</td>
<td>440,886,000</td>
<td>423,12,168</td>
<td>396,035,051</td>
</tr>
<tr>
<td>Total electricity used for self-supply (inc. third parties) kWh</td>
<td>36,846,474</td>
<td>36,692,163</td>
<td>37,460,319</td>
<td>34,155,151</td>
</tr>
<tr>
<td>Purchased electricity use kWh</td>
<td>70,683,346</td>
<td>73,134,935</td>
<td>76,381,312</td>
<td>81,490,688</td>
</tr>
</tbody>
</table>

**Methane**

Methane makes up c.75% of our carbon footprint as a result of our landfill operations. It is a potent greenhouse gas, being 2516 times more harmful to the atmosphere than CO₂ when measured over an 100-year timeframe. Methane is a powerful greenhouse gas with a 100-year global warming potential 25 times that of CO₂. Measured over a 20-year period, methane is 84 times more potent than 75g CO₂ per kilometre travelled.

**Sustainability targets:**

- **2025:** Net zero emissions
- **2030:** 50% reduction in carbon emissions
- **2030:** Dependent on availability of rail served landfill
- **2050:** Net zero emissions

**Management approach**

Biffa has a stringent approach to managing our CO₂ emissions. Sustainability Champions provide data to our Group Sustainability Team twice a year. The Champions are accountable for providing accurate and timely data in accordance with our reporting requirements. Our Group Sustainability Team provides rigorous testing of our sustainability data to ensure that the data provided is accurate and to ensure that any anomalies in performance are investigated quickly to find resolution.

**GRI indicator:**

GRI 305: Emissions

**Electric vehicles and alternative fuels**

- **2020:** Introduce 10% non-fossil fuelled collection vehicles, subject to market availability and capability
- **2030:** Introduce 50% non-fossil fuelled collection vehicles by 2030 and have no fossil-fuelled vehicles by 2040
- **2025:** Maintain 100% renewable electricity purchasing

**Solar power**

- **2025:** Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals
- **2030:** Develop 1000MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals

**Electricity use and generation**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions from combustion of fuel (scope 1) tCO2e</td>
<td>715,780</td>
<td>617,525</td>
<td>506,228</td>
</tr>
<tr>
<td>Emissions from electricity, heat, steam and cooling (scope 2 – location based) tCO2e</td>
<td>31,145</td>
<td>29,150</td>
<td>26,959</td>
</tr>
<tr>
<td>Total emissions intensity (tCO2e/£) per employee</td>
<td>95.76</td>
<td>80.12</td>
<td>65.25</td>
</tr>
<tr>
<td>Generation (GWh)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generation (GWh)</td>
<td>441</td>
<td>423</td>
<td>356</td>
</tr>
<tr>
<td>Carbon benefit CO₂e (kt)</td>
<td>125</td>
<td>108</td>
<td>92</td>
</tr>
</tbody>
</table>

**Dolan power**

- **2025:** Buy 100% renewable electricity

**Electric vehicles and alternative fuels**

- **2020:** Introduce 10% non-fossil fuelled collection vehicles, subject to market availability and capability
- **2030:** Introduce 50% non-fossil fuelled collection vehicles by 2030 and have no fossil-fuelled vehicles by 2040
- **2025:** Maintain 100% renewable electricity purchasing

**Solar power**

- **2025:** Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals
- **2030:** Develop 1000MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approval
Tackling Climate Change continued


Biffa generates renewable energy via:

- Methane capture from landfill operations, which is exported to the national grid
  Although methane is a potent greenhouse gas, it is also a valuable renewable energy source. We line and cap our landfill sites progressively, in order to manage contaminated water (leachate) and landfill gas, which mainly comprises methane. When landfill gas arises in sufficient volumes it is channelled via main networks to on-site gas utilisation plants. There we use it to generate electricity, which is supplied to the national grid as renewable energy.
- Methane captured from AD plants
  Methane, in the form of biogas, is also generated and captured at our AD plants, which recycle and process food and other organic waste.

Renewable energy opportunities on the horizon

Solar
- As part of our innovation funnel, we are continuing to investigate the viability of solar energy generation on closed or restored landfill sites and are currently in planning consultation on a number of viable sites. Biffa’s low-cost access to the grid and large land holdings make this a worthwhile investment opportunity.

Hydrogen
- There is a direction of travel from the UK Government to use hydrogen as an alternative fuel. It is possible to use renewable electricity, such as solar or landfill gas, to generate hydrogen to produce a truly clean fuel. We are in planning discussions on a new green hydrogen electrolysis plant in West Sussex. Once viable, hydrogen will play an important role in helping Biffa to achieve our goal of net zero emissions by 2030.

Management approach

The responsibility for current and future generation of renewable energy lies with our R&E division.

Sustainability targets:

Energy from waste facilities:

- 2025: Completion of build and commissioning of two new low carbon energy from waste plants
- 2030: Both low carbon energy from waste plants optimised and complying with all environmental permits.

Solar power

- 2025: Develop 50MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.
- 2030: Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.

SDG alignment:

GRI indicator: GRI 302: Energy
www.biffa.co.uk/-/media/files/sustainability/bifa-plc-gri-content-index-fy21-addx

SDG indicator:
GRI indicator: GRI 102: Environment
www.biffa.co.uk/-/media/files/sustainability/bifa-plc-gri-content-index-fy21-addx

The Covid-19 pandemic has “accelerated the growing relevance of ESG considerations to investors”. Along with environmental considerations, investors are now focusing on “corporate management issues such as human rights, employee wellbeing and community relations.” At Biffa, sustainability is right at the heart of our strategy as we evolve our role as a key enabler of the UK circular economy. We have strong ESG credentials, including AA awarded from MSCI and the Green Economy Mark from the London Stock Exchange to reflect that we derive 50% of our revenues from environmental solutions. (See page 24 for more details.)

Deploying capital in a responsible and sustainable way

We have committed to unlocking £1.2bn in UK green economy infrastructure, of which Ellen has already been unlocked. This will help support the UK’s post-pandemic recovery and ensure our future sustainability.

Biffa will consider various funding instruments, including but not limited to sustainable bonds, private placements, bank facilities and leases.

The proceeds of Biffa’s sustainability-linked loans or bonds will be linked to the performance of our sustainability targets. If the targets are not met this will trigger an increase in the margin and if the targets are met this may lead to a decrease in the margin.

Our strategy is structured around three pillars where our impact can create the most value:

- Building a circular economy
- Tackling climate change
- Caring for our people, supporting our communities

With a focus on four specific investment areas in line with the waste hierarchy:
- Reduce – To pioneer and operate the UK’s leading waste reduction and surplus produce redistribution services.
- Recycle – To develop recycling solutions which strengthen the UK circular economy.
- Recover – To invest in energy from waste infrastructure as a low-carbon alternative to landfill for our customers’ waste that cannot be recycled.
- Collect – To build the UK’s largest, most efficient, low carbon waste and recycling waste collection operation.

You can read more about these specific areas in our Annual Report and on our website: www.biffa.co.uk/investors.

Management approach

Attracting and maintaining sources of sustainable financing for Biffa and deploying capital in a responsible and sustainable way is part of our strategic plan. Our Investor Relations Team works alongside management and our Corporate Brokers, to create strong relationships with our investor community, ensuring they remain informed of our strategic investment priorities. We also work hard to attract new investors and target specific ESG funds, positioning Biffa as a sustainable prospect generating strong returns. You can read more about Biffa’s investment case on our website: biffa.co.uk/investors.

Sustainability targets:

Recycling plastics in the UK:

- 2025: All waste plastics which Biffa trades from our sorting and transfer facilities to be recycled within the UK
- 2030: All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within the UK with other commodities also recycled in the UK subject to commercially viable UK end markets and infrastructure availability.

Increasing recycling capacity:

- 2025: Expand our low-carbon collection business to collect 27% more business waste for recycling.
- 2030: Expand our low-carbon collection business to collect 50% more business waste for recycling.

Energy from Waste facilities:

- 2025: Completion of build and commissioning of two new low carbon energy from waste plants.
- 2030: Both low carbon energy from waste plants optimised and complying with all environmental permits.

Solar Power

- 2025: Develop 50MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.
- 2030: Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.

GRI indicator: GRI 102: Environment
www.biffa.co.uk/-/media/files/sustainability/bifa-plc-gri-content-index-fy21-addx

5. Material Topic: Sustainable Investment

Sustainable investment actively selects companies that have a positive impact on the world. This could be anything from green technology to social initiatives in developing countries/regions.20

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- Recycle – To develop recycling solutions which strengthen the UK circular economy.
- Recover – To invest in energy from waste infrastructure as a low-carbon alternative to landfill for our customers’ waste that cannot be recycled.
- Collect – To build the UK’s largest, most efficient, low carbon waste and recycling waste collection operation.

You can read more about these specific areas in our Annual Report and on our website: www.biffa.co.uk/investors.

Sustainability-Linked Finance Framework

In order to align our funding strategy with our sustainability strategy, we have established a Sustainability-Linked Finance Framework which will be launched in early FY22.

Biffa will consider various funding instruments, including but not limited to sustainable bonds, private placements, bank facilities and leases.

The proceeds of Biffa’s sustainability-linked loans or bonds will be linked to the performance of our sustainability performance targets. If the targets are not met this will trigger an increase in the margin and if the targets are met this may lead to a decrease in the margin.

Management approach

Attracting and maintaining sources of sustainable financing for Biffa and deploying capital in a responsible and sustainable way is part of our strategic plan. Our Investor Relations Team works alongside management and our Corporate Brokers, to create strong relationships with our investor community, ensuring they remain informed of our strategic investment priorities. We also work hard to attract new investors and target specific ESG funds, positioning Biffa as a sustainable prospect generating strong returns. You can read more about Biffa’s investment case on our website: biffa.co.uk/investors.

Sustainability targets:

Recycling plastics in the UK:

- 2025: All waste plastics which Biffa trades from our sorting and transfer facilities to be recycled within the UK
- 2030: All waste plastics which Biffa trades from our sorting and transfer facilities continue being recycled within the UK with other commodities also recycled in the UK subject to commercially viable UK end markets and infrastructure availability.

Increasing recycling capacity:

- 2025: Expand our low-carbon collection business to collect 27% more business waste for recycling.
- 2030: Expand our low-carbon collection business to collect 50% more business waste for recycling.

Energy from Waste facilities:

- 2025: Completion of build and commissioning of two new low carbon energy from waste plants.
- 2030: Both low carbon energy from waste plants optimised and complying with all environmental permits.

Solar Power

- 2025: Develop 50MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.
- 2030: Develop 100MW of renewable energy capacity through installation of solar farms on our landfill estate subject to feasibility assessments and approvals.

GRI indicator: GRI 102: Environment
www.biffa.co.uk/-/media/files/sustainability/bifa-plc-gri-content-index-fy21-addx

20 Source: HSBC ESG Investing (Biffa’s Sustainable Investing) https://www.hsbc.co.uk/world/commitments/sustainable-investing/.

Biffa Sustainability Report 2021
Biffa Sustainability Report 2021

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Material Topic: Carbon Pricing

The World Bank reports that “the phrase put a price on carbon has now become well known with momentum growing among countries and businesses to put a price on carbon pollution as a means of bringing down emissions and drive investment into cleaner options.”

Tackling Climate Change continued

The financial sector has a critical role in managing climate-related risks and opportunities, and there is a growing expectation for companies to disclose their climate-related information. This is because the financial sector is a key player in enabling the UK’s transition to a zero emissions future. As a leading business in our sector, we are well placed to support our customers with their own sustainability journeys which in turn support our own journey to net zero. We will also further accelerate the reduction of our emissions by anticipating and taking advantage of opportunities presented by emerging technology and process innovations.

Governance

The Board has overall accountability for the management of all risks and opportunities, including climate change. We have processes in place to ensure our employees and other stakeholders are aware of our focus in this area.

Strategy

Climate change is a global emergency and we recognize that the waste sector is a key player in enabling the UK’s transition to a zero emissions future. As a leading business in our sector, we are well placed to support our customers with their own sustainability journeys which in turn support our own journey to net zero. We will also further accelerate the reduction of our emissions by anticipating and taking advantage of opportunities presented by emerging technology and process innovations.

Risk management

Biffa’s process for assessing and managing climate-related risks continues to incorporate climate change issues into our robust risk management and planning processes. When assessing climate-related risks we consider both our existing business model and opportunities.

Metrics and targets

Our aim is to cut our Scope 1 and Scope 2 emissions by a further 50% by 2030 and to reach net zero emissions across our direct operations (Scope 1 and 2) by at least 2050, inline with UK Government targets.

Governance: How climate-related risks and opportunities are managed

The Board provides oversight of our strategic commitments, which dovetail with our sustainability strategy and ensure climate-related risk management and opportunities are integral to our business strategy, including capital expenditure, acquisitions and performance. This is demonstrated through our four areas of capital allocation (page 6) and our recent acquisition of CSG, which has a focus on allowing us to unlock circular economy innovation and expand our capabilities to support customers with new business models and new markets. Following the acquisition, CSG’s existing low carbon collection initiatives are bringing additional commercial opportunities.

The Board Sustainability Committee, which met for the first time in January 2021, oversees, on behalf of the Board, the Company’s sustainability strategy and includes a core focus on tackling climate change. Below Board level, the Executive Sustainability Committee also met for the first time in January 2021, and is responsible for overseeing the Company’s sustainability strategy at a business level.

The Board Sustainability Committee and Executive Sustainability Committee plan to meet three times a year (page 12).

As part of the overall risk management process, we have a dedicated sustainability team, reporting to the CEO, Group Executive Team and Sustainability Committee. The team ensures that we have a sustainable approach to our day-to-day implementation, monitoring and management of our performance relating to the environment, including climate-related risks and opportunities.

Alighting our reporting to the TCFD recommendations informs our investors and other key stakeholders of the climate-related issues that may impact Biffa. Using this format enables us to explain our process for responding to these challenges in a purposeful and comparable context.
Tackling Climate Change continued

In May 2021, we set up our sustainability dashboard to track performance against the targets set out in our sustainability strategy. The dashboard allows the Group Executive Team to monitor progress between quarterly updates and allows greater transparency and visibility of performance data amongst management teams.

Our Corporate Affairs team, which includes the sustainability team, works closely with management teams and employees across the business, to ensure that any new sustainability risks and opportunities are identified and reported to the Corporate Affairs Director and Group Executive Team. The Corporate Affairs Team drives awareness of our targets and commitments across the business and where relevant, sustainability targets are incorporated into our divisional Business Plans. The Corporate Affairs Team, along with other subject matter experts, participate in industry working groups and monitor best practice. The sustainability team also ensures that performance monitoring and reporting is completed and rigorously audited, through both internal audit and external verification to ensure that accurate information is communicated across the business.

In addition, our Audit Committee reviews financial and non-financial risks outlined in the Group Risk Register, which includes climate change.

Strategy: Climate-related risks and opportunities

Biffa’s strong position as an enabler of the UK circular economy is helping to guide changes to Government policy towards progressive long-term benefits for the environment, the economy and the communities we serve.

The four areas of our sustainable business model reflect the outcomes and value creation delivered by our operational capabilities and our capital allocation:

- Reduce: redistribution of surplus produce.
- Recycle: food grade closed loop plastic recycling.
- Recover: energy recovery from waste which cannot be recycled.
- Collect: efficient and low carbon waste and recycling operation.

2020 was a challenging year for society and many businesses, but we have delivered a resilient performance and continued to grow. The Group is increasingly well placed for a strong post-pandemic future with established leadership across waste reduction, surplus produce redistribution, recycling, collections and energy recovery. Significant growth opportunities are ahead, and we will continue to invest to build a resilient, sustainable business.

As the UK’s leading sustainable waste management company our business strategy is to make sure we contribute fully to enabling the UK circular economy while taking actions to address climate-related risks and identify opportunities to deliver improved environmental and social benefits. This guides the services we offer, our operations, our supply chain management and our investment in research and development.

To further align our funding strategy with our sustainability strategy and the climate-related risks and opportunities identified, we have established a Sustainability-Linked Finance Framework which will be published in early FY22.

Our sustainability strategy, ‘Resourceful, Responsible’, was published in March 2020 and identifies 20 clearly defined targets which mitigate against climate-related risks and capitalise on climate-related opportunities. The strategy, including climate-related risks and opportunities, will be reviewed annually and will rate on board changes in regulations, societal demand, technology availability and the development of climate science. Where required the strategy will be adapted.

Our ambition is to reach net zero across our direct operations (Scope 1 and 2 emissions) by 2050 and our Scope 1 and 2 targets will be published in early FY22. The strategy will be reviewed annually and will adapt as our business model evolves.

Assumptions

- Consumption oriented towards low carbon products
- Rapid technology development

Scenario analysis

Understanding scenario analysis and stress testing is critical to ensure our long-term business strategy remains resilient to a range of potential future outcomes in 2050 and beyond. To determine the resilience of our existing business model and sustainability strategy to 2050, we have evaluated it against two extremes:

- ‘The sustainable’ scenario – enables us to assess the risks and opportunities arising from a successful transition to a low carbon world, aligned with the Paris Agreement. To prevent the worst effects of climate change, the average global temperature increase must be limited to no more than 2°C above pre-industrial levels by the year 2050.
- ‘The business as usual’ scenario – enables us to assess the risks where the Paris Agreement is not met and we must face the acute risk of severe weather events and chronic impacts of temperature and precipitation changes.

This scenario allows for global average temperatures rising to above 4°C by the end of the century.

Both scenarios considered were informed by the International Panel on Climate Change (IPCC) and the Representative Concentration Pathways. Data from the UK Met Office was used in the ‘business as usual’ scenario to allow us to consider the UK physical impacts of climate change, as these are most applicable to our business which is based solely in the UK.

The risks and opportunities identified

The key transition risks to our business under the ‘sustainable’ scenario are due to policy and legislation changes, technology requirements and market and societal shifts. Our existing business model and sustainability strategy to 2050 addresses the risks identified. Whilst there are waste and resource specific elements to these risks, those that relate to transport and emissions impact all sectors that use transport and its associated emissions.

Our current business strategy and sustainability strategy to 2050 allow us to realise a significant number of opportunities that arise from shift to a low carbon economy. These opportunities include changes in resource efficiency, societal shifts resulting in increased demand for recycling services and lower carbon materials. These opportunities are enhanced by England’s Resources and Waste Strategy, which supports the circular economy and green consumerism (see page 42 for further information).

We have considered the physical risks we face under a ‘business as usual’ scenario and consider there to be low to medium residual risk to our workforce, operations and facilities should this scenario eventuate. We recognise that due to the amount of carbon already in the atmosphere, that some increase in extreme weather events and long-term changes in temperature and rainfall patterns will impact our business even if the ‘sustainable’ scenario occurs. It is anticipated that these impacts will be of a lesser magnitude compared to the ‘business as usual’ scenario and would have a low impact on our workforce, operations and facilities.

To ensure that we remain resilient to any extreme weather our business continuity planning covers business disruption from extreme weather events and is informed by both past and simulated events. Business critical operations that are at a higher risk can be assessed for adaptation if requested.

This assessment reviewed the climate-related risks and opportunities for our organisation with a focus on the UK waste industry. The assessment was completed through climate-related workshops across the business divisions and central functions. Our materiality assessment (see page 48) which covered our priority stakeholder groups, including external stakeholders, was used to ensure that no material risks or opportunities were overlooked.

We assessed the financial impacts of the climate-related risks and opportunities, identified the material risks or opportunities in the business through our risk management system. We considered both the inherent risk, before any mitigating actions, and the residual risk, after considering the mitigating actions and controls.

The dashboard to track performance allows the Group Executive Team to monitor progress between quarterly updates and allows greater transparency and visibility of performance data amongst management teams.
### Tackling Climate Change continued

#### Scenario analysis detail: Transition risk under a sustainable scenario (2°C)

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Description</th>
<th>Financial impact</th>
<th>Residual financial impact of risk</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short</td>
<td>1 to 3 years</td>
<td>Low</td>
<td>Managed as part of existing processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>3 to 10 years</td>
<td>Medium</td>
<td>Additional mitigation or investment required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long</td>
<td>10+ years</td>
<td>High</td>
<td>Significant investment required and considered material risk to the business</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Policy and legal

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions pricing of greenhouse gas emissions</td>
<td>Low</td>
<td>Short/Medium/Long</td>
</tr>
</tbody>
</table>

We have committed to science-based carbon reductions of 50% by 2030 and have outlined our road map to net zero by no later than 2050. Our sustainability strategy, Resourceful, Responsible, outlines our actions to ensure this carbon reduction is achieved, including:

- the introduction of a fully electric fleet by 2040 and the cessation of buying fossil-fuelled collection vehicles by 2030;
- increasing collection route efficiency by 20%;
- purchasing renewable electricity.

Our target on alternative-fuelled vehicles takes into account the life expectancy of our existing fleet and allows vehicles to be replaced with non fossil-fuelled alternatives when they have come to the end of their life expectancy. The collection route efficiency focuses on using our assets more efficiently and utilising existing routing software further.

#### Renewable energy legislation

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on revenue due to change in initiatives available</td>
<td>Low</td>
<td>Medium</td>
</tr>
</tbody>
</table>

The reduction in revenue from the renewable obligation schemes for landfill gas is known and has been built into our five year business plans. We are mitigating this through new strategic projects including our investment into two EfW facilities which will partially replace the existing landfill gas net income. We are exploring the use of biogas in areas other than power generation, which could have a higher financial and sustainability value to the Group than current operations. We are also exploring other sources of renewable energy, including solar and hydrogen that will allow us to utilise our large landholding and grid infrastructure.

#### Waste legislation

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on revenue and operating costs due to change in service demand and materials</td>
<td>Low</td>
<td>Short/Medium</td>
</tr>
</tbody>
</table>

We continue to engage productively and transparently with regulators to ensure that we have foresight of legislation. This insight ensures that we can develop solutions to changing waste inputs, output type and quality demands. Short-term impacts come from the EPR and DBS schemes with the impacts of these being modelled on the current business model. This material still requires to be processed and recycled into new product. A shift in market trends to a greater demand for recycled material as a result of these legislation changes presents an opportunity for Biffa and aligns with our current business model and the targets outlined in our sustainability strategy.

#### Funding legislation

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in capital costs to meet new requirements</td>
<td>Low</td>
<td>Short</td>
</tr>
</tbody>
</table>

We continue to engage productively and transparently with regulators including planning authorities and incorporate flooding and climate change actions into project budgets.

### Scenario analysis detail: Transition risk under a sustainable scenario (1.5°C)

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Description</th>
<th>Financial impact</th>
<th>Residual financial impact of risk</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short</td>
<td>1 to 3 years</td>
<td>Low</td>
<td>Managed as part of existing processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>3 to 10 years</td>
<td>Medium</td>
<td>Additional mitigation or investment required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long</td>
<td>10+ years</td>
<td>High</td>
<td>Significant investment required and considered material risk to the business</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Technology

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost to transition to low carbon technology</td>
<td>Low</td>
<td>Short/Medium</td>
</tr>
</tbody>
</table>

As part of our sustainability strategy we have targeted to introduce 10% non fossil-fuelled collection vehicles by 2025, subject to market availability and capability and will cease buying fossil-fuel collection vehicles by 2030.

We procure renewable energy for our operations and therefore this cost to sourcing low-carbon energy is already budgeted and planned for.

We collaborate with suppliers to seek technology advances enabling efficiency gains in the use of resources and operational processes. We have committed to the Science Based Target Initiative (SBTI) and as part of this will be setting a Scope 3, value chain, emissions target. Our desire to reduce our value chain emissions will encourage our suppliers to also set ambitious carbon reduction targets.

#### Market

<table>
<thead>
<tr>
<th>Description</th>
<th>Timescale</th>
<th>Biffa mitigating action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in demand for services</td>
<td>Low</td>
<td>Short/Medium/Long</td>
</tr>
</tbody>
</table>

We offer sustainable waste solutions and the shift in market trends reflects increasing customer awareness of sustainability issues which offers further opportunity for Biffa. We already offer a range of innovative solutions, including two of the most technically advanced plastic recycling facilities in the world, aggregate recycling, food waste recycling at an anaerobic digestion facilities and soil treatment. While we invest in innovative solutions we also continue to maintain our current assets so they can continue to be utilised and reach their life expectancy.

As the leader in UK sustainable waste management, we continue to drive growth in our recycling services and to unlock circular economy innovation. Our recent acquisition of Company Shop Group, which aims to prevent waste by identifying surplus produce and then collecting, processing, and redistributing it for sale through its unique network of membership-based outlets, demonstrate our commitment to maintain our position in the market and the ability to match changes in demand for services.
### Tackling Climate Change

#### Scenario analysis detail: Opportunities under a sustainable scenario (2°C)

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Short</th>
<th>Medium</th>
<th>Long</th>
<th>Impact on workforce</th>
<th>Description</th>
<th>Financial impact of opportunity</th>
<th>Timescale</th>
<th>Biffs mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced exposure to carbon emissions pricing and low emission zones.</td>
<td>Medium</td>
<td>Short/ Medium</td>
<td>Managed as part of existing processes</td>
<td>Low</td>
<td>A high emissions scenario could result in the requirement of additional personal protective equipment and a change in work patterns during periods of extreme weather to reduce any impact on employee health and wellbeing. Increased training to ensure that employees are trained for appropriate conditions would also be implemented. Whilst the frequency and extent of extreme weather is hard to predict, we continue to monitor changing weather patterns on a short-term basis and take action to mitigate any negative effects.</td>
<td>1 to 3 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced and avoided operating costs for facilities and collection fleet.</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
<td>Financial impacts due to impacts on health and wellbeing.</td>
<td></td>
<td></td>
<td>10+ years</td>
<td></td>
</tr>
<tr>
<td>Increased revenue due to the continued development of reduced carbon services.</td>
<td>High</td>
<td>High</td>
<td>Long</td>
<td>Acute physical impacts (increase in severity of extreme weather) and chronic physical impacts (long-term climate shifts)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased revenue from continued development of services through R&amp;D and innovation.</td>
<td>High</td>
<td>Short</td>
<td>Medium/ Long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased revenue through access to growing markets.</td>
<td>Medium</td>
<td>Short/ Medium</td>
<td>Managed as part of existing processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased market value and revenue due to reputational benefits.</td>
<td>Low</td>
<td>Short</td>
<td>Medium</td>
<td>Operational disruption</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced operating costs due to increased efficiency of operations and increase in revenue due to expanding capabilities and providing new solutions.</td>
<td>Medium</td>
<td>Short</td>
<td>Medium</td>
<td>Damage to property/infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Scenario analysis detail: Physical risk under a business as usual scenario (4°C)

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Short</th>
<th>Medium</th>
<th>Long</th>
<th>Description</th>
<th>Residual financial impact of risk</th>
<th>Timescale</th>
<th>Biffs mitigating actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased indirect costs due to impacts on health and wellbeing.</td>
<td>Low</td>
<td>Short/ Medium/ Long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased in operational costs for heating and cooling due to shifting temperatures.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased capital to costs for resiliency measures.</td>
<td>Low</td>
<td>Medium/ Long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased costs due to physical damage.</td>
<td>Medium</td>
<td>Medium/ Long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased insurance premiums and reduced insurance availability for high risk areas.</td>
<td>Medium</td>
<td>Medium/ Long</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Our people are the driving force of our business, delivering an essential service to our customers and making sure our business runs safely and efficiently. We strive to create a consistently inclusive environment where differences are valued, and all colleagues can thrive.

We want to ensure our people and the public are kept safe and therefore safety is firmly embedded within our culture and championed at all levels through our Safe Together pact. We care about employee wellbeing and work-life balance and have taken steps, over what has been a difficult year for so many, to support our people’s wellbeing.

We are aware of the risks that being in the waste industry poses and we have a robust risk management framework to mitigate this. A risk for the sector is modern slavery for which we take a zero-tolerance approach. We are committed to tackling this appalling crime with regular review and audit procedures and protocols to ensure best practice is followed throughout the business and our supply chain.

At Biffa we feel it is important to ‘give something back’ to the community, and we are proud to do so through our biodiversity programmes, our Biffa Award funding programme and our charity partnership with WasteAid.

Progress on commitments:

<table>
<thead>
<tr>
<th>Topic</th>
<th>FY21 data</th>
<th>2025 target</th>
<th>2030 target</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engaging our employees</td>
<td>We have improved our engagement score to 59%, which is 3% above the UK average score and 8% below the top quartile. See page 65</td>
<td>To be a top-quartile business for employee engagement</td>
<td>Maintain status as consistent top-quartile business for EE</td>
<td>[ ]</td>
</tr>
<tr>
<td>Supporting the Living Wage</td>
<td>The percentage of employees currently paid on or above Living Wage Foundation rates has increased at all levels within Biffa. See page 64</td>
<td>Employees to be paid according to Living Wage Foundation rates, where possible*</td>
<td>Create a Living Wage workplace and be a member of the Living Wage Foundation</td>
<td>[ ]</td>
</tr>
<tr>
<td>Maintaining high health and safety standards</td>
<td>The Lost Time Injury rate for FY21 was 0.41%</td>
<td>25% reduction to Lost Time Injury rate.</td>
<td>50% reduction to Lost Time Injury rate.</td>
<td>[ ]</td>
</tr>
<tr>
<td>Tackling modern slavery</td>
<td>See page 67</td>
<td>Maintain zero tolerance on modern slavery and an acknowledged market leader in anti-slavery practices within the UK waste sector</td>
<td>Maintain zero tolerance on modern slavery and an acknowledged market leader in anti-slavery practices within the UK waste sector</td>
<td>[ ]</td>
</tr>
<tr>
<td>Promoting diversity and inclusion</td>
<td>The percentage of females has increased at all levels within Biffa. A Board level has improved by 24% and 13% in the Group Executive Team. Overall, the proportion of women in management positions has increased by 21%</td>
<td>Increase the diversity of the workforce including a higher percentage of women in senior management roles</td>
<td>Create an inclusive culture by promoting inclusive leadership behaviours with the ambition of creating a representative workforce</td>
<td>[ ]</td>
</tr>
<tr>
<td>Training staff</td>
<td>2 training interventions per employee.</td>
<td>Increase the number of training interventions per employee by 10%</td>
<td>Double the number of training interventions per employee</td>
<td>[ ]</td>
</tr>
<tr>
<td>Investing in communities</td>
<td>£15 million delivered to local communities and UK partnership scheme projects through Biffa Award</td>
<td>£15 million delivered to local community and UK partnership scheme projects</td>
<td>£25 million delivered to local community and UK partnership scheme projects through Biffa Award</td>
<td>[ ]</td>
</tr>
<tr>
<td>Supporting biodiversity</td>
<td>3% of waste managed for biodiversity</td>
<td>Manage 10% of waste for biodiversity</td>
<td>Minimise 30% of waste for biodiversity</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

2020 highlights

Caring for our People, Supporting our Communities

Employee engagement increased to 59%
3% above the UK average.

Women in Waste

Launched to look at how we can better attract, support and develop women at Biffa

- £13.9m spent on local community activities through Biffa Award in the last three years.
- £75,000 raised for WasteAid in the last three years via employee fundraising.

On track to meet target
Target not on track

* 71% including Company Shop Group and Simply Waste
* Unless not supported by local authority clients for long term contracts.
* As 2020 target has already been achieved, we will be re-evaluating this target over the next year.
Actions for FY22:
- Improve and return LTI rate to at least prior year levels with focus on reducing slips, trips and falls, road traffic accidents and continue to roll out ‘Safer Together’ training for managers (see page 68).
- Continue to raise awareness of modern slavery both with our employees and across our supply chains and to implement a further training plan to further promote awareness (see page 62).
- Promote diversity and inclusion activities across the business (see page 68).
- Further improve employee engagement levels.
- Continue to invest in local community activities and support biodiversity initiatives.

Our essential services are delivered by a team of more than 9,000 colleagues across Biffa.

We work hard to create a culture and an environment that enables everyone to thrive, working together effectively and safely to contribute to the growth of the organisation.

Our People Strategy guides our priorities with a focus on attraction, leadership, engagement, development and performance. Our policies underpin this to ensure that our positions on key topics are clearly defined and communicated to our employees and that we take consistent and appropriate action.

Our top priority this year has been to ensure that our employees remain safe and well, whilst continuing to provide the essential services on which society depends. Difficult economic conditions brought about by the Covid–19 pandemic have meant we had to make some tough decisions and sacrifices during the year, including furloughing a proportion of our employees, temporary pay reductions for our Board, Executive and Leadership teams, the suspension of our bonus schemes, as well as a pay freeze for all of our colleagues.

We were determined to support employees throughout the pandemic and put in place financial support packages for all those that required to take time off as a result of Covid–19, including those that contracted the virus and needed to self-isolate or shield. We also encouraged all vulnerable colleagues to remain at home with appropriate financial support in place. Although we unfortunately needed to furlough colleagues in our I&C business and a number of staff roles, we did not apply the CJRS cap and rotated colleagues on furlough as much as possible. As a thank you to all of our colleagues for the sacrifices they made and the support they continue to provide the Company, we issued a free share award of £300 to all eligible colleagues in November 2020.

We've continued to progress Safer Together, by working together to ensure the safety of our employees, contractors, customers, and members of the public. A key highlight during this difficult year was our Resources & Energy division achieving 5 stars (the highest standard) in an Occupational Health & Safety Audit conducted by the British Safety Council, who commended our strong focus on ensuring safe, compliant and efficient operations.

Despite our strong focus on safety this year, we did unfortunately see an increase in the number of Lost Time Injuries. This was due to a rise in slips, trips and falls at work, both on and off site.\n
<table>
<thead>
<tr>
<th>Year</th>
<th>LTI Rate</th>
<th>RIDDOR Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019/20</td>
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<td>0.20</td>
</tr>
<tr>
<td>2018/19</td>
<td>0.39</td>
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</tr>
<tr>
<td>2020/21</td>
<td>0.41</td>
<td>0.26</td>
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</tbody>
</table>

Our long-term commitment is to create a zero harm environment, with no injuries or work-related illness across our teams. We have been making steady progress in our safety performance over the last few years, despite the increase in LTI’s this year. Our aim is to achieve a further 40% reduction in our LTI rate by 2028.

We’ve continued to support our Safes Together initiative, by linking it to our Covid secure guidance to ensure it remained at the forefront of our employees’ minds. We also provided online training to our supervisors within our Municipal business on all aspects of Safer Together, including leadership, communications skills and how to promote our Safer Together Pact (see visual below). We will continue training supervisors from the rest of the business in FY22.

To support us on this journey, we continued the following initiatives in the year:

- Safer Together - Our ‘Safer Together’ programme, which launched in February 2020, is centred on collective responsibility by working together to ensure the safety of our people and those we work with, including contractors, customers, and members of the public.
- We’ve continued to progress Safer Together, by linking it to our Covid secure guidance to ensure it remained at the forefront of our employees’ minds.
- We also provided online training to our supervisors within our Municipal business on all aspects of Safer Together, including leadership, communications skills and how to promote our Safer Together Pact.

Caring for our People, Supporting our Communities continued
People in and around bins

People taking shelter or sleeping in or around waste containers is a serious nationwide issue that Biffa wants to raise awareness of, both with our customers and with members of the public. We aim to be doing our bit to help make sure others stay safe, which is why we started our people in and around bins initiative.

Biffa has recorded over 1,400 incidents relating to people being found in and around bins in the last seven years. A report compiled by The Open University and sponsored by Biffa, alongside the Chartered Institute of Waste Management, St Mungo’s and Stonewall, has shown a rise in reported incidents of people sleeping in and around bins between 2014 and 2019. This is coupled with a 50% increase in the number of people reported to be sleeping rough in the same timeframe.

In the last year however, we saw a notable decrease in encounters of people in or around bins, with approximately 35 recorded in FY21 compared to over 1000 FY20. A key reason being that most of the major cities have had Covid-secure protocols in place which we were offering, as well as how our business was performing. Our channel include regular employee and leadership video calls with our Executive Team, CEO vlogs, podcasts, Q&A opportunities in real time, virtual conferences, and events including our first virtual Diamond employee awards ceremony and, importantly, news updates via our intranet and employee app, Biffa Beat.

Biffa Beat really came into its own this year, providing an easy way for employees, particularly our colleagues on the front line, to openly ask questions and voice their opinions at the touch of a button.

Driving Recklessly on Pavements (DRPoS)

Our Collections crews continue to face the threat of reckless and aggressive drivers who do not have the courtesy or patience to allow them to perform their duties safely. Biffa is committed to raising awareness of the social unacceptable of DRPoS to help protect the safety of our crews and the public and, in FY22 we are planning to create a new campaign to raise awareness of this important topic.

Management approach

Our H&S policy outlines our approach to health, safety and wellbeing across the Group. Last year we reviewed and consolidated our management standards into 20 Group standards which cover key areas of H&S, such as waste handling, processing and traffic management. These apply to all of Biffa’s operations. Despite the management of the Covid-19 pandemic, ultimately taking priority this year, these standards were successfully embedded and training was provided to employees, including contractors, to ensure compliance. In the year we also successfully transitioned to ISO 45001, the international standard for health and safety at work, first introduced in March 2018 to replace the previous standard BS OHSAS 18001. Our Group Health & Safety Director is responsible for overseeing the H&S performance of the organisation and reports directly to the Chief Executive Officer. The Board has overall responsibility for H&S, including setting policy and reviewing performance.

Sustainability targets:

Lost Time Injury rate

• 2025: 25% reduction to Lost Time Injury rate
• 2030: 50% reduction to Lost Time Injury rate

SDG alignment

GRI indicator

GRI 403: Occupational Health and Safety

Material Topic: Fair Employment and Wellbeing

At Biffa we are committed to paying our people fairly and ensuring our employees are valued and treated well. To support pay parity, we have a robust structured approach to pay.

Our hourly paid employees, comprising 75% of the overall workforce, have pay rates which are predominantly set for specific job roles through collective bargaining with Trade Unions. Salaried colleagues, who comprise the remaining 25% of the overall workforce, are in job roles which are determined by the methodology. This ensures the same salary range is applied for all roles that are determined as equivalent through the methodology.

We have a stated ambition to progress towards Living Wage Foundation rates for our lower paid workers and are making steps towards that with the introduction of a threshold across the business to ensure that all our employees are paid above the National Living Wage.

Health and wellbeing

The health, safety and wellbeing of our employees has been one key priority this year. We quickly adapted to the new ways of working brought about by the pandemic and put in place new policies and programmes to support our people. This included the launch of our new E.N.E.R.G.Y initiative (see case study to support employee wellbeing, including a real focus on mental health. We recognised the impact of the pandemic on our people and were keen to support them in managing this, whether they were working in an operational role, adjusting to working from home, or spending a period of time on furlough.

We also introduced our Smarter Working + programme (see case study) which supports flexible working and a shift in work/life balance. Our confidential Employee Assistance Programme, which has a 24-hour helpline, received a record number of calls in the year supporting our people with a range of situations from mental health struggles to financial advice.

We believe that these new programmes represent the Biffa of the future and we enter a new post-pandemic digital-era.

Management approach

Biffa’s Human Resources HRTeam leads fair employment and the wellbeing programme at Biffa. We have a people strategy in place to support the attraction and retention of people to our business as well as to ensure our practices are fair and equitable. Biffa also has a dedicated Head of Health and Wellbeing, who is responsible for creating the wellbeing agenda for Biffa, including campaign ideas and health challenges.

Sustainability targets:

Lost Time Injury rate

• 2025: 25% reduction to Lost Time Injury rate
• 2030: 50% reduction to Lost Time Injury rate

Working smarter, not harder, with Smarter Working +

In 2020, we introduced Smarter Working + which encompasses our principles of working flexibly, working smarter rather than harder and using technology effectively. The principles of Smarter Working have existed at Biffa for several years. However, the pandemic shone a spotlight on them, forcing an accelerated shift to home working.

We are keen to build on the positives that more flexible working has given our people and to transform our way of working in a post-Covid world.

Supporting our people, our business and our planet

Smarter Working + not only supports our people, but our business too, by encouraging employees to utilise technology for meetings rather than clicking business miles. This is reflected in Biffa’s strategy to reduce our environmental impact and the use of fossil fuels.

Guidelines to support employee wellbeing

As part of the programme we introduced a series of guidelines for those employees working continuously at home, to support productivity as well as wellbeing and mental health. The guidelines, which include creating meeting free zones, taking regular breaks, and promoting email-free environments, are designed to embed sensible and responsible ways of working into our culture. Alongside this, we have also worked hard to ensure our employees can comfortably and effectively work from home. In addition to sending office equipment directly to our employees’ home addresses from the outset of the pandemic, including screens, chairs and docking stations, we have also provided tips and tricks to help our employees thrive and perform in a virtual world.
Making Biffa Buzz

Over the summer of 2020, there was a cross-business review of our employee engagement strategy and approach, including a reflection on our current practices and the consideration of new approaches that might help improve employee engagement.

The outcome of this review focused not only on making our employee survey more accessible by following a digital approach, but also on how we strengthen our engagement brand to create an identity that is easily distinctive to employees.

This result was Biffa Buzz – a unique identity which doesn’t just represent a new image for Biffa, but a change in our approach to our annual engagement survey.

Biffa Buzz:

- Is 100% online.
- Focuses on the issues that employees rated as being most important to them.
- Results are much quicker.
- Provides managers with more actionable insights.
- Focuses on the issues that employees raised as being most important to them.
- Is 100% online.
- Provides managers with more actionable insights.

We were delighted to get a 76% response rate to our annual employee engagement survey, which we are now only eight percentage points away from achieving.

Caring for our People, Supporting our Communities continued

■ Provides managers with more actionable insights.
■ Focuses on the issues that employees raised as being most important to them.
■ Is 100% online.
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“Modern slavery is a serious crime that violates human rights. Victims are forced, threatened, or deceived into situations of subjugation, degradation and control which undermine their personal identity and sense of self.”

The appalling impact of modern day slavery practices on its victims is fully appreciated and Biffa takes a zero tolerance approach to modern slavery of any kind. We are vigilant in our practices and policies to identify and proactively deal with any suspected issues and we are not complacent to the realities of guarding against it.

As Biffa we are proud of the efforts we have made to raise awareness of human trafficking and pleased to be a founding member of the Slavery-Free Alliance (SFA). We also work closely with Hope for Justice, the international anti-human trafficking charity, promoting awareness of this important global issue across our business, supply chains and wider industry.

Partnering with Hope for Justice

In October 2020, we launched a campaign in partnership with charity Hope for Justice, with whom we have a long-standing relationship with and have been supporting for many years. The campaign raised awareness of modern slavery in the waste sector in the run-up to National Anti-Slavery Day in October 2020.

Trucks re-branded with anti-slavery message

Ten waste collection trucks were re-branded with the ‘anti-slavery’ message in locations where the risk of modern slavery is particularly prevalent, namely London, Birmingham, Newcastle, Manchester and Peterborough.

Material Topic: Modern Slavery

Modern slavery is a hidden crime and a growing world-wide issue exacerbated by the rapid rise in global migration.

Sustainability targets:

- 2025: Maintain zero tolerance on modern slavery and be an acknowledged market leader in anti-slavery practices within the UK waste sector.

Biffa has also partnered with Ride for Freedom, the social enterprise that aims to increase awareness of modern slavery, raises funds to support survivors and deliver the Freedom Mobile pilot programme which empowers survivors of exploitation to cycle, in partnership with Unseen.

Ride for freedom

Biffa has also partnered with Ride for Freedom, the social enterprise that aims to increase awareness of modern slavery, raises funds to support survivors and deliver the Freedom Mobile pilot programme which empowers survivors of exploitation to cycle, in partnership with Unseen.

Employee training

Modern slavery exists in many different industries and places, and Biffa’s training and guidance to its employees and managed service providers includes the need to be vigilant in spotting the signs of slavery and to speak up for those who can’t. We have a guidebook available to employees about the signs of the different types of slavery and exploitation, and how to report concerns.

Management approach

We have a modern slavery and human trafficking Policy in place to minimise the opportunity for modern slavery and human trafficking taking place within the organisation and within our supply chain. We also make an annual Modern Slavery and Human Trafficking Statement in accordance with legislative requirements.

All Biffa plc Group companies regularly review and audit procedures and protocols to ensure best practice is followed throughout the supply chain.

For more than five years we have taken consistent action including but not limited to a full mapping and assessment of risk across the supply chain, a repeated multilingual awareness campaign outlining how employees can report concerns, ongoing monitoring, training and toolkits for managers and a Group-wide threat risk assessment by the Slave-Free Alliance. The feedback from this assessment was very positive and the assessor commented that Biffa “has made year on year improvement and adopted a proactive strategy to mitigate risks. There is strong commitment and engagement from key stakeholders in the business and a desire to be a market leader in the modern slavery agenda.”

All Biffa colleagues and managed service providers have regular meetings with on-site account managers where we discuss their actions regarding the prevention of modern day slavery. It is a standing item on monthly business meeting agendas and quarterly business reviews. Labour providers also give us weekly updates on any activity of concern.

There is more information in the Policy section of the Biffa website along with the Group’s modern slavery statements from 2017 through to 2020 and a case study with the SFA that we published last year. These can be found at www.biffa.co.uk/about-us/policies.

GRI indicator:

GRI 409: Forced or Compulsory Labour

www.biffa.co.uk/media/files/sustainability/biffa-plc-gri-content-index-67-01.pdf

Sustainability targets:

- 2025: Maintain zero tolerance on modern slavery and be an acknowledged market leader in anti-slavery practices within the UK waste sector.

Biffa Sustainability Report 2021

Biffa Sustainability Report 2021


Biffa Sustainability Report 2021

BDG alignment:

- 2025: Maintain zero tolerance on modern slavery and be an acknowledged market leader in anti-slavery practices within the UK waste sector.

Biffa Sustainability Report 2021

Biffa Sustainability Report 2021


Biffa Sustainability Report 2021

Biffa Sustainability Report 2021


Biffa Sustainability Report 2021

Biffa Sustainability Report 2021


Biffa Sustainability Report 2021

Biffa Sustainability Report 2021

We believe inclusion is key to creating an environment where employees can thrive.
Caring for our People, Supporting our Communities continued

Material Topic: Training and Development

We continue to invest in the personal development of our colleagues and this year we had to adapt to find alternative ways of offering our programmes online, via our e-learning platform 'Know How' as well as virtual training sessions.

The focus of our training this year was employee wellbeing, whilst also supporting line managers to manage in a virtual world, offering a suite of training and support across the business.

We continue to provide regular line management sessions to support our employees with their mental health and training for line managers to help spot the signs of anxiety, so they are better equipped to support their teams. Online training was also provided to our drivers and we continued to broaden our comprehensive portfolio of e-learning modules, allowing all our employees access to relevant and timely learning content.

We also continued our Advanced Leadership Programme to help accelerate the development of some of our brightest talent across the organisation and our apprenticeship programmes, which range from engineering apprenticeships up to master’s in business administration.

We continue our Learning and Organisational Development (L&OD) Team, which sits within the HR Function. The role of the L&OD Team is to support Health & Safety compliance, keep managers and employees up to date on key competence training and policy compliance and help managers to assess the learning and development needs of employees, support the development of effective management skills and inform and advise employees on appropriate learning and development opportunities.

Managers are responsible for the performance of their staff and for ensuring they receive appropriate training to support them in their current role and, where appropriate, to develop them for a potential future role. This begins with induction training, which is provided to all employees (including agency staff) newly taking up a position in the company. Together with L&OD managers are also responsible for updating records of training and qualifications into our Know How system.

Training is provided on various topics throughout the year to both office-based and frontline employees. Biffa has a dedicated online learning platform ‘Know How’ which includes training on a variety of topics, which is free to all Biffa employees. Training content is reviewed regularly in line with regulatory standards and the requirements of the business.

Material Topic: Anti-Corruption

Our Anti-Fraud, Bribery and Corruption policy and procedure sets out the standards that are expected of employees and the systems and procedures which Biffa employs to minimise the opportunity for fraudulent or corrupt behaviour and how it will deal with any instance of such behaviour.

Corrupt conduct can have significant legal consequences, not only for our business, but also for the individual(s) implicated in the conduct. Fraudulent or otherwise corrupt behaviour constitutes gross misconduct which ordinarily will lead to summary dismissal under the Biffa Disciplinary Policy and Procedure. Furthermore, individuals convicted of an offence under the Bribery Act or other relevant legislation may be subject to imprisonment and/or a fine.

Biffa enforces a strict prohibition against the giving, receiving, offer, acceptance, payment or authorisation of any bribes, and also against any other form of corruption. We also demand transparency and integrity in all of our business dealings, to avoid any improper advantage, or the appearance of questionable conduct by our employees or third parties with whom we do business.

SDG alignment:

GRI indicator:

Whistleblowing

The Group has a long-established whistleblowing policy and procedure by which all employees (or other stakeholder) may, in confidence, report any concerns where the interests of the Company or others are at risk. Employees are encouraged in the first instance to talk to their manager, a higher level of management or a member of the HR team where the matter is of a more personal employment matter. However, in circumstances where this is not possible or, if inappropriate, the Group has provided an independent, external whistleblowing hotline, via SafeCall, for the reporting of such matters on a named or anonymous basis.

All reports are entered in the Group Whistleblowing Register and are treated in the strictest confidence. The output of an investigation is typically reviewed by a review body, which confirms the outcome and any action to be taken, comprising the Group HR Director, General Counsel & Company Secretary and other senior leaders as appropriate, dependent on the nature of the complaint. The policy is reviewed annually to ensure it is fit for purpose and continues to reflect best practice.

During the year the case was upheld resulting in disciplinary action, 2 resulting in system or process change and 8 resulting in other action (being taken, for example training for staff). In 20 instances the investigation concluded that the case was not upheld, and the remaining case is currently under investigation.

Material Topic: Leadership and Governance

As a FTSE 250 listed organisation, Biffa takes a robust approach to leadership and governance, ensuring we have the right balance of knowledge and skills at the very top of the organisation.

We have seven Board members, 14% of which are female. The average tenure is three years.

The role of the Board is to promote the long-term success of the Company, generating value for shareholders and contributing to wider society by providing effective leadership and direction to the business as a whole. It sets the Group’s strategic and sustainability strategy, having regard to stakeholders, while maintaining a balanced approach to risk within a framework of effective controls. It has also established our purpose and values and monitor culture to ensure alignment.

It sets the tone and approach to corporate governance and is responsible for the overall financial performance of the Group.

The Group Executive Team is responsible for the day-to-day running of the business. It meets monthly and receives regular reports on financial and business matters, Health & Safety and has periodic reports on corporate affairs, procurement, internal audit and risk, human resources, IT, legal and property and insurance.

Management approach

At Biffa we have a clear corporate governance framework which was established to provide clear lines of accountability and responsibility.

This comprises the Board reserved matters, various Committees with their Terms of Reference and the Group Delegated Authorities Policy and matrix to ensure effective decision making at appropriate levels within the organisation.

For more information on leadership and governance at Biffa please read our corporate governance report in our Annual Report and Accounts.

SDG alignment:

GRI indicator:

The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long-term unemployment: www.gov.uk/government/collections/kickstart-scheme

The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long-term unemployment: www.gov.uk/government/collections/kickstart-scheme
Today’s technological revolution is transforming consultants, contractors and casual and agency staff. It raises new challenges for us to ensure that all employees and contractors are aware of the suspected or actual breach. Our Group IT Policy, our Data Protection Policy and Data Security Policy (the “Policies”) provide employees with a clear guide to their responsibilities concerning data protection legislation.

**Management approach**

Our Group Counsel (GC) has overall responsibility for the Data Protection Policy and Information Security Policy. Our Legal and Compliance Team, led by our GC, manages the day-to-day enforcement of the Policies, with the support of the Legal Team. The Legal Team provides the overall strategic direction and policy framework for the implementation and compliance (including reporting) of the Policies. Our GC and our Legal and Compliance Team monitor the data breach email inbox for suspected or actual breach notifications. The Legal Team provides the overall management and coordination of our response to a confirmed breach and engages other colleagues. Employees are all responsible for complying with data protection legislation.

**SDG alignment:**

**GRI Indicator:**

GRI 418: Customer Privacy

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**Material Topic: Transparency and Sustainability Reporting**

Biffa is committed to providing our stakeholders with transparent and reliable reporting on our progress and the financial performance of our business to the highest standards. We believe this is key to ensuring we are trusted by our stakeholders and are confident in our ability to deliver value to all our stakeholders.

**SDG alignment:**

GRI Indicator:

GRI 102-41: Customer Privacy

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Biffa recognises the value and importance of electronic communications in achieving our business goals. It also provides many employees with access to a variety of IT systems and electronic communication media for Company business purposes.

Biffa has an IT Security Policy in place, which covers the types of electronic applications employees use on a day-to-day basis and how they should be used appropriately to avoid security breaches. This includes guidance on how to set up robust security settings, including choosing passwords that are not predictable.

Biffa holds personal information about our employees and customers. All the information is confidential and is governed by data protection legislation.

**Management approach**

Our Group Counsel (GC) has overall responsibility for the Data Protection Policy (its definition, update, implementation and compliance). Our GC and our Legal and Compliance Team monitor the data breach email inbox for suspected or actual breach notifications. The Legal Team provides the overall management and coordination of our response to a confirmed breach and engages other colleagues. Employees are all responsible for complying with data protection legislation.

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**Material Topic: Community Engagement**

Our Biffa team has worked hard this year to deliver our essential services and received much deserved recognition for their role as key workers. We launched our Hi-Vis Heroes campaign to celebrate our workforce who were thanked across the country for their continued work throughout the pandemic. In the war we continued to support local communities through fundraising activities, such as contributing to food banks and biodiversity initiatives. We also remain a proud partner to the charity WasteAid, which shares practical and low-cost waste management knowledge with communities in developing countries.

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**WasteAid - A world with equal access to waste services for all**

WasteAid is the world’s first global charity focused on waste and climate change. Through its partnership with communities in the Global South, WasteAid has introduced new technologies and secure waste management solutions to millions of people around the world.

WasteAid has chosen Wasteaid as our charity partner and donates funds annually to support the charity’s internal infrastructure to enable it to support more projects worldwide.

In addition in the last three years we have raised over £15,000 for WasteAid through employee fundraising activities and also supported the charity with our own expertise including sending two Biffa employees out to support projects in developing nations, including The Gambia and Kenya.

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**Projects continued to be funded during the pandemic**

In early 2021, Biffa Award awarded over £60,000 to Devon Wildlife Trust for ‘Helping Habitats,’ which aims to improve habitats for insects, including butterflies, damselflies and bumblebees, whose populations have declined in recent years. Restoring lands for biodiversity is an important part of Biffa’s sustainability strategy and will continue to support projects that pave the way for nature’s recovery.

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Although the Covid-19 pandemic has prevented us from physically supporting WasteAid this past year, we invited the management from WasteAid to present an online seminar to all employees on their activities to date, which included images that really brought the story to life. Employees were able to ask questions and could see the positive intervention that their fundraising had made to those living without access to waste services.

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Since 1997, Biffa Award has awarded grants totalling more than £179m to thousands of worthwhile community and environmental projects across the UK.

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**Think before you share and take care**

In 2020, we launched an internal campaign designed to remind employees of the principles of GDPR (including updated policies and procedures) to ensure we remain compliant with the legislation.

The key themes of the campaign were:

- Data breaches, including a step-by-step process of what to do in the event of a breach
- Data privacy, including advice on how to share files securely
- Signing contracts and subject access requests
- Data retention

A variety of communications channels were utilised, including ‘My bucket’ posters and email reminders. This gives us an essential guide to GDPR and awareness articles.
Caring for our people, supporting our communities continued

In FY21, £5m was spent in total on 63 projects. We are committed to providing an additional £25m to local communities by 2030.

Management approach
Our Environment and External Affairs Team works alongside our site managers to create a working relationship with local communities, ensuring they are kept informed of our business activities.

Biffa considers that environmental compliance, protection, carbon and energy management is an essential part of the business. We are committed to complying with our permits as well as promoting high standards on all of our sites and premises, and in all of our activities.

Sustainability targets:
- 2025: £15m delivered to local community and UK partnership scheme projects through Biffa Award
- 2030: £25m delivered to local community and UK partnership scheme projects through Biffa Award

SDG alignment:

GRI indicator: GRI 413 Local Communities
www.biffa.co.uk/media/files/sustainability/biffa-plc-goi-content-index-fy21.xlsx

Material Topic: Partnerships

Partnerships drive improvements, in our industry and beyond. We work with others in the UK and internationally to build good waste management infrastructure, support a circular economy, and support our communities.

Biffa has the following partnership activities in place:
- In 2020 we joined:
  - One to one to rule them all, a collaborative venture led by The University of Manchester and funded by the UK Government, which aims to establish a portfolio of academic-led research and development to address known problems and knowledge gaps in relation to plastic packaging.
  - The On-Pack Recycling Label (OPRL) scheme to apply our expertise and expertise in recycling and waste management and to advise other OPRL members on the development of sustainable packaging.
  - We also continue Biffa’s Award, a multi-million-pound environment fund managed by Royal Society of Wildlife Trusts (RSWT), which utilises landfill tax credits donated by Biffa. The aim of Biffa Award is to support projects that will be of a lasting environmental benefit, improve quality of life and foster vibrant communities. See page 73.

Developing countries
Waste management is often taken for granted in the developed world; however, this is not the case in developing countries where one in three people globally do not have access to a basic waste management service. Biffa supports Waste4All, an independent UK charity, set up by waste management professionals to share practical and low-cost waste management knowledge with communities in developing countries. See page 73.

Management approach
Partnerships are strategically important to Biffa and therefore we have a cross-division approach to managing them. Our plastics innovation partnerships are managed through our Resources & Energy division, supported by our Environment and External Affairs Team, as is Biffa Award. Our relationship with Waste4All is managed across the business, with the R&E business supporting recycling and waste management implementation in third world countries and our HRT Team taking responsibility for fundraising initiatives back in the UK.

Sustainability targets:
Supporting local communities:
- 2025: £15m delivered to local community and UK partnership scheme projects through Biffa Award
- 2030: £25m delivered to local community and UK partnership scheme projects through Biffa Award

SDG alignment:

GRI indicator: GRI 413 Local Communities
www.biffa.co.uk/media/files/sustainability/biffa-plc-goi-content-index-fy21.xlsx

Material Topic: Biodiversity

Biodiversity is the foundation on which the vast array of life on earth exists. It is the variety of species and the difference between species which together form all the ecosystems, on land and at sea.

Awareness of the importance of biodiversity to our planet has increased in recent years with high-profile programmes highlighting the devastating effects of climate change to life on land, such as deforestation. Many species that are vital to our ecosystem are now in danger of extinction and there is pressure from the public for this to stop.

At Biffa, our landfill portfolio offers great opportunity to support pollinators and biodiversity. Once our landfills are full, we restore them, creating sites for recreation, nature or livestock.

Biffa’s butterflies
In partnership with the national charity Butterfly Conservation, we have developed a scheme which will provide biodiversity enhancements over and above the pre-existing approved restoration scheme at Brookhurst Wood Landfill Site, a closed landfill in West Sussex.

Permission was granted in early 2020 for the 14-hectare wildlife habitat, which will support a vast range of species including the Gable White butterfly. The site will provide much needed shelter and nesting sites for many of the various species of solitary bee, many of which have since become occupied with bees.

Pollinators like solitary bees play an important role in our ecosystems; they pollinate crops and ensure that plants are healthy and productive for mammals (including humans) and birds to eat. Due to the decline in the solitary bee’s natural habitat their numbers are in decline. Wildflowers provide essential pollen and nectar for these bees as well as ensuring place-specific species of bee, such as the hedgebitch carpenter, are so dependent on bell flowers they cannot survive without them.

Biffa Bees remains a huge passion of our employees who have been instrumental to the success of this campaign.

Management approach
Biffa Resources & Energy division is responsible for our biodiversity projects at Biffa, with the support of the Environment and External Affairs Team. Our biodiversity target was calculated by carrying out habitat surveys, which were then mapped onto the site plans. We then used the areas considered ‘biodiverse’ (certain habitat classifications) divided by the total landfill portfolio size to give the overall percentage.

Sustainability targets:
- 2025: Manage 30% of estate for biodiversity
- 2030: Manage 50% of estate for biodiversity

SDG alignment:

GRI indicator: 11.3 Habitats Protected or Restored
www.biffa.co.uk/media/files/sustainability/biffa-plc-goi-content-index-fy21.xlsx

They have transformed Community Shop to offer takeaway hot food at low prices, which has been a vital service during this extremely tough time. They’ve also been there to provide a friendly face and a socially distanced chat to members, which has provided some much-needed comfort.

Community Shop is a winner of the prestigious Queen’s Award for Enterprise, in the Promoting Opportunity category.
About this Report

Reporting period and cycle
This Sustainability Report covers our sustainability activities for the Biffa Group for the 2020/21 financial year. This is our first annual sustainability report following the publication of our sustainability strategy ‘Resourceful, Responsible’ in March 2020.

This report has been prepared in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Global Reporting Initiative (GRI) Standards: Core option and the Sustainability Accounting Standards Board (SASB).

You can find links to our disclosures here:
- TCFD – see pages 53-59.

This report includes data that we have collated across Biffa in line with relevant reporting guidelines. Data for sustainability KPIs is monitored throughout the year. The External Affairs function is responsible for all data gathering and reports progress to the Group Executive Team, who report against targets internally to the Board. Any data restated in the period is shown on the relevant page and an explanation is provided.

United Nations Global Compact and Sustainable Development Goals
Biffa supports the UN’s Global Compact and its mission to encourage businesses worldwide to adopt sustainable and socially responsible policies. Our sustainability strategy, which we launched in 2020, has in place firm targets on key topics including the environment and labour which we believe supports the UN’s ambition to advance societal goals.

We are also firmly committed the UN’s Sustainable Development Goals (SDGs). In developing our sustainability strategy, we looked to the goals and the supporting targets to identify how the Biffa Group can contribute to the achievement of the SDGs. Looking at the underlying targets reveals a broader number of goals that we are supporting in a more strategic way. You can read more about our role in achieving the SDGs on pages 25-31.

Defining report content
In line with GRI guidelines, in 2021 we undertook a materiality assessment of our operations to understand the key issues that are important to our stakeholders and which could impact business performance.

Our materiality analysis also involved establishing thresholds to help us ascertain which material issues are a priority (priority topics), and which need to be monitored (monitor topics). You can read more on the outcomes of our materiality assessment on page 14.

Feedback
We would welcome feedback on our activities and approach, please email sustainability@biffa.co.uk.

Independent Assurance Statement

Data Assurance Statement – Sustainability Report 2021
Bureau Veritas UK Limited has been engaged by Biffa plc to provide limited assurance over selected sustainability performance indicators for inclusion in its Sustainability Report 2021. This Assurance Statement applies to the related information included within the scope of work described below for the period 1 April 2020 to 31 March 2021:
- Scope 1 and 2 greenhouse gas (GHG) emissions
- Renewable vs. non-renewable energy purchased (%)
- Improving collection route efficiencies (lifts per km)
- Lost Time Injury rate
- Percentage of women on the board, in the group executive team, who are direct reports to the Group Executive team and amongst all employees
- Total amount donated through the Biffa Award (£)

On the basis of the methodology and activities described above, Bureau Veritas concludes that there is no evidence to suggest that the data presented here is not materially correct and a fair representation of Biffa’s sustainability performance. A full verification statement including methodology, limitations and exclusions and the reporting criteria can be found on the Group’s website: https://www.biffa.co.uk/sustainability.

London, June 2021
### Operational/Service Data

<table>
<thead>
<tr>
<th>Category</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Specialist Services customers</td>
<td>&lt;900</td>
<td>&lt;2,500</td>
<td>&lt;2,500</td>
</tr>
<tr>
<td>No. of Resource &amp; Energy customers</td>
<td>&lt;640</td>
<td>&lt;630</td>
<td>790</td>
</tr>
<tr>
<td>Vehicle fleet size</td>
<td>&lt;2,900</td>
<td>&lt;2,700</td>
<td>&lt;2,800</td>
</tr>
<tr>
<td>% of alternative fuelled RCVs</td>
<td>&lt;1</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>% of alternative fuelled vehicles in the fleet</td>
<td>&lt;1</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total no. of operational sites</td>
<td>187</td>
<td>197</td>
<td>195</td>
</tr>
<tr>
<td>No. of operational landfill</td>
<td>9</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>No. of transfer stations</td>
<td>42</td>
<td>35</td>
<td>44</td>
</tr>
<tr>
<td>No. of recycling facilities</td>
<td>9</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>No. of MRF / PRF / Polymer facilities</td>
<td>8</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>No. of composting facilities / AD</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>No. of formal complaints about customer privacy</td>
<td>0</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

### Environmental Data

<table>
<thead>
<tr>
<th>Category</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total scope 1 and 2 emissions (tCO2e – market based)⁴</td>
<td>526,583</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total scope 1 and 2 emissions (tCO2e – location based)</td>
<td>531,671</td>
<td>646,777</td>
<td>749,025</td>
</tr>
<tr>
<td>Total scope 1 emissions (tCO2e)</td>
<td>508,229</td>
<td>617,527</td>
<td>715,780</td>
</tr>
<tr>
<td>Total scope 2 emissions (tCO2e – market based)⁴</td>
<td>20,335</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total scope 2 emissions (tCO2e – location based)</td>
<td>26,959</td>
<td>29,150</td>
<td>31,145</td>
</tr>
<tr>
<td>Total scope 1 and 2 emissions intensity ratio per FTE (tCO2e – market based)⁴</td>
<td>505</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total scope 1 and 2 emissions intensity ratio per FTE (tCO2e – location based)</td>
<td>65,66</td>
<td>80,32</td>
<td>95,78</td>
</tr>
<tr>
<td>Total scope 3 emissions (tCO2e)</td>
<td>484,588</td>
<td>524,12</td>
<td>–</td>
</tr>
<tr>
<td>Total scope 3 biogenic emissions (tCO2e)</td>
<td>15,072</td>
<td>17,095</td>
<td>–</td>
</tr>
<tr>
<td>Total energy consumption (MWh)</td>
<td>3.04,696,926</td>
<td>3.05,10,051</td>
<td>3,08,444,119</td>
</tr>
<tr>
<td>Purchased electricity (MWh)</td>
<td>21,459,688</td>
<td>24,058,813</td>
<td>27,354,097</td>
</tr>
<tr>
<td>Purchased renewable energy consumption (MWh)</td>
<td>9,258,061</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Self-supplied renewable electricity (MWh)</td>
<td>34,155,151</td>
<td>34,760,192</td>
<td>36,652,183</td>
</tr>
<tr>
<td>Total generation (SWM)</td>
<td>396</td>
<td>424</td>
<td>441</td>
</tr>
<tr>
<td>Emissions intensity ratio per FTE (tCO2e)</td>
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<td>95,78</td>
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</tbody>
</table>

### Community Data

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<tr>
<th>Category</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount donated through Biffa Award (£m)</td>
<td>4.1</td>
<td>4.9</td>
<td>4.9</td>
</tr>
<tr>
<td>Total amount donated to Waste Aid (£1,000)</td>
<td>75</td>
<td>100</td>
<td>5</td>
</tr>
<tr>
<td>Total hours of volunteering⁵</td>
<td>0</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total charitable donation through I&amp;C LTI accumulator (£)</td>
<td>73,575</td>
<td>60,540</td>
<td>69,577</td>
</tr>
</tbody>
</table>
gases. The increase in temperatures results in more infrared radiation being trapped, causing surface warming. Increasing concentrations of greenhouse gases, such as carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF6), are contributing to global warming.

Physical risk - Climate change means we may face more frequent or severe weather events like flooding, droughts, and storms, and change in long-term climatic conditions. These events bring physical risks that impact our society directly and have the potential to affect the economy.

PP – Polypropylene plastic.
PRF – Plastics Recycling Facility.
RDF – Refuse-derived fuel, produced by processing solid waste to segregate largely combustible components, for incineration or use as a fuel in a waste-to-energy facility.
Recyclate – Raw material sent to, and processed in, a waste recycling plant or materials recycling facility.
Residual risk – Residual risk is the amount of risk remaining after mitigating actions.
RWS – Resources and Waste Strategy.
SASB – Sustainability Accounting Standards Board.
Science-based targets – A carbon emissions target in line with the scale of reductions required to keep global temperature increase below 2°C compared to pre-industrial temperatures.
Science Based Target initiative – The Science Based Targets initiative (SBTi) is a partnership between CDP, World Resources Institute (WRI), the World Business Council for Sustainable Development, and Global Reporting Initiative (GRI). The SBTi defines and promotes best practice in science-based target setting. Offering a range of target-setting resources and guidance, the SBTi independently assesses and approves companies’ targets in line with its strict criteria.
Scope 1 Emissions – Greenhouse gas emissions from sources that are owned or controlled by Biffa (described as direct emissions).
Scope 2 Emissions – Greenhouse gas emissions from the generation of energy purchased for use by Biffa’s operations.
Scope 3 Emissions – Greenhouse gas emissions arising from Biffa’s activities but from sources not owned or controlled by Biffa, e.g., employee travel.
SDGs Sustainable Development Goals – A collection of 17 global goals (set by the UN) designed to be a ‘blueprint to achieve a better and more sustainable future for all’.

Taskforce on Climate-related Financial Disclosures (TCFD) – The goal of TCFD is to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system’s exposures to climate-related risks.

Transition risk – A transition risk is the climate risk resulting from mitigation challenges as societies decarbonize.