DANAPAK FLEXIBLES RETIREMENT BENEFITS SCHEME

Engagement Policy Implementation Statement

Financial Year Ending 31 March 2026

Introduction

This statement sets out how, and the extent to which, the stewardship policy and related policies on environmental, social and governance ("ESG") factors and climate change set out in the Trustee's Statement of Investment Principles ("SIP") have been followed during the year to 31 March 2026 (the "Scheme year"). This Statement has been produced in accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 and subsequent amendments; and the statutory and non-statutory guidance from the Department of Work and Pensions.

Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the investment objectives it has set. The objectives of the Scheme included in the SIP are as follows:

To achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due. In doing so, the Trustee also aims to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Scheme.

Policy on ESG, Stewardship and Climate Change

The Scheme's SIP includes the Trustee's policies on ESG factors, stewardship and climate change and the processes followed by the Trustee in relation to voting rights and stewardship.

The Trustee keeps its policies under regular review, with the SIP subject to review at least triennially.

The SIP was not updated over the Scheme Year and the SIP dated 18 March 2025 remains in place. It is available online at the following link:

https://pipartnershipgroup.co.uk/wp-content/uploads/2025/03/Danapak-Flexibles-Statement-of-Investment-Principles-March-2025_approved.pdf

The Trustee recognises that ESG factors, such as climate change, can influence the investment performance of the Scheme's portfolio and it is therefore in members' and the Scheme's best interests that these factors are taken into account within the investment process.

The Scheme's assets are invested in pooled funds and therefore the Trustee accepts that it has very limited ability to influence the ESG policies and practices of the companies in which its managers invest. The Trustee has therefore invested in funds which it is satisfied have appropriate ESG policies and practices.

In the process of setting a suitable investment strategy for the Scheme, the Trustee has taken the decision to invest a proportion of the Scheme's assets in funds which directly exhibit and express ESG focussed views in the selection of securities and by actively integrating climate change within their investment processes. At 31 March 2026, approximately 33% of the Scheme's investments were held in such funds which aim to invest in long-term themes and opportunities, to have a positive influence and impact on climate change or socially responsible investment.

Scheme's Investment Structure

The Scheme's only investment is a Trustee Investment Policy with Mobius Life Limited ('Mobius'). Mobius provides an investment platform and enables the Scheme to invest in pooled funds managed by third party investment managers. As such, the Trustee has no direct relationship with the Scheme's underlying investment managers.

Trustee Engagement

The Trustee considers how ESG, climate change and stewardship are integrated within investment processes when appointing new investment managers, implementing investment strategy decisions, and monitoring the existing investment managers.

Mercer's quarterly performance reports include Mercer's ESG assessment for the funds in which the Scheme is invested. These reflect Mercer's view on whether ESG factors are appropriately taken into consideration in the decision-making process, and helps the Trustee to determine whether further action should be taken in respect of specific funds.

The Trustee monitors the development of these assessments over time, and also considers Mercer's ESG assessments when undertaking an investment strategy review and considering new investment funds. The Trustee has not undertaken an investment strategy review, or considered new funds over the Scheme Year.

The Trustee is satisfied that Mercer's ESG assessments for the funds invested in are satisfactory in the context of the mandates of the funds.

As the Trustee has no direct relationship with the Scheme's underlying investment managers the engagement initiatives are driven by investment managers, mainly through regular engagement meetings with the companies in which they invest or by voting on key resolutions at companies' Annual General Meetings.

The information in the Appendix shows that the Scheme's managers engaged with a number of investee companies, including in relation to the Trustee's stewardship priority.

Further information on the investment managers' approach to responsible investment, voting (including significant votes) and engagement with the investee companies is available at the following websites:

Nordea:

https://www.nordeaassetmanagement.com/responsible-investment

Columbia Threadneedle:

https://www.columbiathreadneedle.co.uk/en/inst/about-us/responsible-investment/

Baillie Gifford:

https://www.baillliegifford.com/en/uk/about-us/esg/

Legal and General:

https://am.landg.com/en-uk/institutional/responsible-investing/investment-stewardship/

M&G:

https://www.mandg.com/who-we-are/mandg-investments/responsible-investing-at-mandg-investments

Ninety One:

https://ninetyone.com/en/sustainability

Stewardship:

All the Scheme's investment managers are signatories of the UK Stewardship Code as follows:

Manager	Signatory since
Baillie Gifford	2021
Columbia Threadneedle	2022
LGIM	2021
M&G	2021
Nordea	2022
Ninety One	2021

Source: FRC website

Taking all the above into consideration, the Trustee is satisfied that Responsible Investment is embedded appropriately in the investment managers' approaches to investing.

Voting Activity

If the Trustee is specifically invited to vote on a matter relating to the corporate policy, it would exercise its right in accordance with what it believes to be the best interests of the majority of the Scheme's members.

The Trustee has not been asked to vote on any specific matters over the Scheme Year.

As noted earlier, the Scheme has no direct relationship with the pooled funds it is invested in, and therefore the Trustee has no voting rights in relation to the Scheme's investments and no direct ability to influence the managers of the pooled funds. As a result, the Trustee does not directly use the services of a proxy voter as this is not relevant.

In accordance with the regulatory requirements, the Trustee has considered what it deems to be a 'significant vote' and determined that climate change and carbon neutrality is the most important stewardship priority. Therefore, the significant votes shown in this statement relate to this.

The Appendix sets out a summary of the key voting activity of the pooled funds in which the Scheme's assets are ultimately invested for which voting is possible (i.e. all funds which include equity holdings).

This includes information on what the fund managers consider to be a significant vote. The Trustee has no influence on the managers' definitions of significant votes but has noted these and are satisfied that they are reasonable and appropriate.

The Appendix shows those significant votes supplied by the investment manager which the Trustee determines to be a significant vote – ie those that are in relation to climate change and carbon neutrality. The Trustee has applied a size filter on grounds of materiality and only considered votes to be significant if in relation to a company that constitutes 0.25% or more of the specific fund.

Assessment of how the Engagement and Voting Policies in the SIP have been followed for the year to 31 March 2026

The Trustee is satisfied that the policies on engagement, voting, ESG and climate change set out in the SIP which was in place over the year have been followed.

Appendix – Voting and Engagement Activity

This Appendix sets out a summary of the key voting and engagement activity of the pooled funds in which the Scheme's assets are ultimately invested.

Engagement:

Fund	Total Engagements	Substantial Engagements	Climate Engagements
L&G Future World Equity Fund – GBP Hedged	1,060	Not provided	775
L&G Future World Multi-Asset Fund	2,969	Not provided	2,324
Threadneedle Multi Asset Fund[1]	534	1,226	227
Nordea Diversified Return Fund	108	41	44
Baillie Gifford Positive Change Fund[1]	33	33	13
M&G Total Return Credit Fund	3	3	2
Ninety One Global Total Return Credit Fund	10	10	3
Columbia Threadneedle LDI[2]	15	Not provided	1

Sourced from the investment managers and covers 12 months to 31 March 2026.
1. For Baillie Gifford, and Columbia Threadneedle, a single engagement may cover multiple themes.
2. LDI counterparty engagement over 2025

Voting:

Manager / Fund	Proxy voter used?	Voting information	Investment Manager significant votes (description)	Trustee Significant votes*
L&G Future World Equity Fund – GBP Hedged	Votes are cast according to L&G's instructions, guided by their granular custom voting policy and effected through an electronic voting platform called 'ProxyExchange', which is managed by Institutional Shareholder Services (ISS). L&G use the voting information services of ISS and receive research reports for all companies in equity portfolios. They undertake quarterly performance management reviews with ISS which discuss issues such as timeliness, the quality of their research, the application of the	**Total votes:** 21,023 resolutions eligible for (100.00% cast) **Votes against management:** 19.62% of votes cast **Abstentions:** 0.37% of votes cast	"In determining significant votes, we take into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance for asset managers (https://www.plsa.co.uk/Portals/0/Documents/Policy-Documents/2020/IS-Asset-Managers-Template.pdf). This includes but is not limited to: • High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny; • Significant client interest for a vote; • Vote as a result of a direct or collaborative engagement; • Vote linked to an engagement campaign, in line with our global stewardship themes. We provide information on significant votes in the format of detailed case studies in our quarterly engagement reports and annual active ownership publications. Additionally, we publicly disclose all vote	There are no votes in relation to Climate Change and Carbon Neutrality for any of the fund's holdings where investment size is above 0.25%.

Manager / Fund	Proxy voter used?	Voting information	Investment Manager significant votes (description)	Trustee Significant votes*
	voting policy, and consider specific instances where L&G's expectations were not met and review possible solutions to avoid future repetition, escalating issues to senior individuals at ISS where necessary. They also have regular meetings with ISS to discuss the implementation and evolution of policies, to ensure that voting decisions remain aligned to market best practices and evolving regulations.		decisions made on behalf of our clients. This information is updated on a daily basis and with a lag of one day after a shareholder meeting is held. We also provide the rationale for all votes cast against management, including votes of support to shareholder resolutions. This information can be found at: https://vds.issgovernance.com/vds/"	
L&G Future World Multi-Asset Fund	As above	**Total votes:** 100,087 resolutions eligible for (99.90% cast) **Votes against management:** 23.68% of votes cast **Abstentions:** 0.82% of votes cast	As above	There are no votes in relation to Climate Change and Carbon Neutrality for any of the fund's holdings where investment size is above 0.25%.
Columbia Threadneedle Multi-Asset Fund	Proxy voting decisions are made in accordance with the principles established in the Columbia Threadneedle Investments Corporate Governance and Proxy Voting Principles (Principles) document, and proxy voting practices are implemented through their Proxy Voting Policy. ISS Proxy Exchange used for voting execution. Threadneedle's final vote decisions take account of, but are not determinatively informed by, research issued by proxy advisory organisations, such as ISS, IVIS and Glass Lewis. To supplement internal research and proxy advisor research, they may also use additional research from NGOs, industry associations, academic institutions, or brokers.	**Total votes:** 6,638 resolutions eligible for (99.83% cast) **Votes against management:** 5.71% of votes cast **Abstentions:** 0.74% of votes cast	Threadneedle consider a significant vote to be any dissenting vote i.e. where a vote is cast against (or where they abstain/withhold from voting) a management-tabled proposal, or where they support a shareholder-tabled proposal not endorsed by management. A specific focus on certain environmental and social proposals is also emphasised in the prioritisation of these significant votes.	There are no votes in relation to Climate Change and Carbon Neutrality which are considered 'significant' by the manager

Manager / Fund	Proxy voter used?	Voting information	Investment Manager significant votes (description)	Trustee Significant votes*
Nordea Diversified Return Fund	Every vote cast is considered individually on the background of Nordea's bespoke voting policy, which is developed in-house based on their principles. Nordea use ISS as proxy voting advisers to provide research and deliver their proxy votes. Glass Lewis is also used, but mainly for analytic input.	**Total votes:** 2,705 resolutions eligible for (100.00% cast) **Votes against management:** 14.82% of votes cast **Abstentions:** 0.48% of votes cast **Withheld:** 0.18% of votes cast	Significant votes are those that are severely against Nordea's principles, and where they feel they need to enact change in the company. The process stems from first identifying the most important holdings, based on size of ownership, size of holding, ESG reasons, or any other special reason. From there, Nordea benchmark the proposals versus their policy.	There are no votes in relation to Climate Change and Carbon Neutrality which are considered 'significant' by the manager
Baillie Gifford Positive Change Fund	ISS, Glass Lewis for research and recommendations only. They also have specialist proxy advisors in the Chinese and Indian markets to provide more nuanced market specific information. Baillie Gifford makes its own voting decisions and does not delegate or outsource any stewardship activities or follow or rely upon proxy adviser recommendations when deciding how to vote.	**Total votes:** 427 resolutions eligible for (100% cast) **Votes against management:** 5.39% of votes cast **Abstentions:** 0.94% of votes cast	The list below exemplifies potentially significant voting situations: • Baillie Gifford's holding had a material impact on the outcome of the meeting; • Management resolutions that receive 20 per cent or more opposition in the prior year; • Egregious remuneration; • Controversial equity issuance; • Shareholder resolutions that Baillie Gifford supported and received 20% or more support from shareholders; • Where there has been a significant audit failing; • Mergers and acquisitions; • Where they have opposed the financial statements/annual report; • Where they have opposed the election of directors and executives; • Where they have identified material 'E' 'S' or 'G' issues that result in Baillie Gifford opposing management	No significant votes supplied by Baillie Gifford in relation to climate change and carbon neutrality.

Notes: ISS = Institutional Shareholder Services

Sourced from the investment managers and relate to year ending 31 March 2026.

* Votes are considered significant if they relate to climate change and carbon neutrality and are in relation to a company that constitutes 0.25% or more of the specific fund