

# Statement of Investment Principles – Euramax UK Pension Plan

This is the Statement of Investment Principles (the “Statement”) made by the Trustee of the Euramax UK Pension Plan (“the Plan”) in accordance with the Pensions Act 1995 (as amended). The Statement, which was approved by the Trustee on 1 August 2025, is subject to periodic review at least every three years and without delay after any significant change in investment policy.

In preparing this Statement, the Trustee has consulted with the employer to the Plan (Euramax UK Limited) and has taken and considered written advice from the Investment Practice of Hymans Robertson LLP.

## Plan objective

The primary objective of the Plan is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependants, on a defined benefits basis. The Trustee’s overriding funding principles for the Plan are to set the employer contribution at a level which is sufficient:

- to ensure that there are always sufficient assets of the Plan (at their realisable value) to meet 100% of benefits as they fall due for payment to members.

For employee members, benefits are based on service completed but take account of future salary increases. The value of liabilities is calculated on the basis agreed by the Trustee and the Plan Actuary. The funding position is monitored regularly by the Trustee and formally reviewed at each triennial actuarial valuation, or more frequently as required by the Pensions Act 2004.

## Investment strategy

The Trustee has translated its objectives into a suitable strategic (asset allocation) benchmark for the Plan. The strategic benchmark is consistent with the Trustee’s view on the appropriate balance between seeking an enhanced long-term return on investments and accepting greater short-term volatility and risk.

The investment strategy takes account of the maturity profile of the Plan (in terms of the relative proportions of liabilities in respect of pensioners, deferred and active members), together with the level of disclosed surplus or deficit (relative to the funding bases used) and the Trustee’s view of the covenant of the principal employer.

The Trustee monitors the investment strategy relative to its agreed asset allocation benchmark. It is intended that the investment strategy will be reviewed at least every three years following actuarial valuations of the Plan and will normally be reviewed annually. Written advice is received as required from professional advisers.

The Trustee has delegated all day-to-day investment decisions to authorised Investment Managers.

## Choosing investments

The Trustee has appointed three Investment Managers to manage Plan investments. All Investment Managers are authorised under the Financial Services and Markets Act 2000 to undertake investment business.

The Trustee has appointed each of its Investment Managers to deliver a specific benchmark, which overall will align to deliver the broader Plan investment strategy. The Trustee ensures that all manager engagements have clearly defined benchmarks, objectives and management parameters.

The Trustee will invest in pooled funds where the objectives of the fund and the policies of the Investment Manager will be evaluated by the Trustee to ensure that they are appropriate for the needs of the Plan.

Remuneration for each mandate is determined at the inception of each mandate based on commercial considerations and typically set on an ad valorem basis. Where appropriate to the nature of the mandate, the term of the mandate and the role the mandate plays within the investment strategy, the Trustee may agree to a fee structure where the manager is incentivised to deliver outperformance relative to an agreed benchmark. The Trustee periodically reviews the fees paid to all of its managers against industry standards.

The Trustee reviews the nature of Plan investments on a regular basis, with particular reference to suitability and diversification. This review occurs after each triennial actuarial valuation or more frequently should the circumstances of the Plan change in a material way. The Trustee seeks and considers written advice from a suitably qualified person when determining the appropriateness of each manager and mandate for the Plan, particularly in relation to diversification, risk, expected return and liquidity. If, at any time, investment in a security or product not previously known to the Trustee is proposed, appropriate advice is sought and considered to ensure its suitability. The Trustee recognises the long-term nature of its liability profile and appoints its managers to invest in such a way that generates long term sustainable returns. The Trustee will carry out necessary due diligence on the underlying investment decision making process, to ensure the manager makes investment decisions over an appropriate time horizon aligned with the Plan objective.

A summary of the Plan's investment mandates, and the respective benchmarks is included in the appendix.

### **Kinds of investment to be held**

The Plan may invest in quoted securities of UK and overseas markets, including equities, fixed interest and index linked bonds, cash, property, derivatives and commodities through pooled funds.

The Plan may also make use of derivatives for the purpose of efficient portfolio management or to hedge specific risks. The Trustee considers all of these classes of investment to be suitable in the circumstances of the Plan.

### **Balance between different kinds of investments**

The Plan's Investment Managers will hold a mix of investments which reflects their views relative to their respective benchmarks or return targets. Within each major market each manager will maintain a diversified portfolio of stocks.

### **Risk**

The Plan is exposed to a number of risks which pose a threat to the Plan meeting its objectives. The principal risks affecting the Plan are:

#### **Funding risks**

- Financial mismatch – The risk that Plan assets fail to grow in line with the developing cost of meeting the liabilities.
- Changing demographics – The risk that longevity improves, and other demographic factors change, increasing the cost of the Plan benefits.
- Systemic risk – The possibility of an interlinked and simultaneous failure of several asset classes and/or investment managers, possibly compounded by financial 'contagion', resulting

in an increase in the cost of meeting the Plan's liabilities. Climate change is a particular systemic risk that has the potential to cause economic, financial, and demographic impacts.

The Trustee measures and manages financial mismatch in two ways. As indicated above, the Trustee has set a strategic asset allocation benchmark for the Plan. The Trustee assesses risk relative to that benchmark by monitoring the Plan's asset allocation and investment returns relative to the benchmark. The Trustee also assesses risk relative to liabilities by monitoring the delivery of returns relative to liabilities.

The Trustee keeps mortality and other demographic assumptions, which could influence the cost of benefits, under review. These assumptions are considered formally at triennial valuations and the Trustee may enter into insurance contracts (bulk annuities or longevity swaps) to reduce these demographic risks.

The Trustee seeks to mitigate systemic risks through a diversified portfolio, but it is not possible to make specific provision for all possible eventualities that may arise under this heading.

### Asset risks

- Concentration – The risk that a significant allocation to any single asset category and its underperformance relative to expectation would result in difficulties in achieving funding objectives.
- Illiquidity – The risk that the Plan cannot meet its immediate liabilities because it has insufficient liquid assets.
- Currency risk – The risk that the currency of the Plan's assets underperform relative to Sterling (i.e. the currency of the liabilities).
- Manager underperformance – The failure by the fund managers to achieve the rate of investment return assumed in setting their mandates.
- Environmental, Social and Governance (ESG) risks – The extent to which ESG issues are not reflected in asset prices and/or not considered in investment decision making leading to underperformance relative to expectations.
- Climate risk – The extent to which climate change causes a material deterioration in asset values as a consequence of factors including but not limited to policy change, physical impacts, and the expected transition to a low-carbon economy.

The Trustee manages asset risks as follows:

By investing across a range of assets, including quoted equities and bonds via pooled investment vehicles (and possibly in the future bulk annuity policies), the Trustee recognises the need to access funds in the short term to pay benefits.

In appointing several investment managers, the Trustee has considered the risk of underperformance by any single investment manager. The Trustee does not expect managers to take excess short-term risk and will regularly monitor the manager's performance against the benchmarks and objectives set on a short-, medium-, and long-term basis.

The Trustee's approach to the consideration of ESG risks and climate risk is set out in further detail below.

### Other provider risk

- Transition risk – The risk of incurring unexpected costs in relation to the transition of assets among managers.
- Custody risk – The risk of loss of Plan assets, when held in custody or when being traded.
- Credit default – The possibility of default of a counterparty in meeting its obligations.

The Trustee monitors and manages risks in these areas through a process of regular scrutiny of its providers, and audit of the operations it conducts for the Plan or has delegated such monitoring and

management of risk to the appointed investment managers as appropriate (e.g. custody risk in relation to pooled funds). When carrying out significant transitions, the Trustee seeks professional advice.

### **Expected return on investments**

The investment strategy aims to achieve a return on Plan assets, which taken in conjunction with contributions, is sufficient over time to match growth in the Plan's pension liabilities.

Returns achieved by the fund managers are assessed against performance benchmarks set by the Trustee in consultation with its advisors and fund managers.

### **Consideration of financially material factors in investment arrangements**

The Trustee recognises that the consideration of financially material factors over the appropriate time horizon of the investments, including ESG factors, is relevant at different stages of the investment process. The Trustee further recognises that the financial materiality of any factor, including ESG factors, is context specific and that whilst some factors may be relevant to certain stocks/assets, they may not be relevant to others.

The Trustee will consider such factors in the development and implementation of its investment arrangements, for the purposes of determining the selection, retention and realisation of investments, where there is sufficient data or evidence to allow them to systematically do so. The Trustee has explicitly acknowledged the relevance of climate change and/or ESG factors in framing its investment beliefs, and these beliefs are reflected in the principles set out below and the broader implementation of strategy.

#### *Strategic considerations*

The strategic benchmark has been determined using appropriate [long-term] economic and financial assumptions from which expected risk/return profiles for different asset classes have been derived. These assumptions apply at a broad market level and are considered to implicitly reflect all financially material factors.

#### *Selecting investment managers*

Within active mandates, the Trustee has delegated responsibility for the consideration of stock specific issues to its individual Investment Managers.

In passive mandates, if utilised, the Trustee recognises that the choice of benchmark dictates the assets held by the investment manager and that the manager has minimal freedom to take account of factors that may be deemed to be financially material.

In selecting new investment managers for the Plan, where relevant to the investment mandate, the Trustee explicitly considers potential managers' approach to responsible investment and the extent to which managers integrate ESG issues in the investment process as a factor in its decision making.

The Trustee meets with the Plan's Investment Managers regularly, and the managers are expected to address manager performance and company engagement. Managers will be challenged on their approach where this is not aligned to the Trustee's policies.

The Trustee expects its Investment Consultant to provide input and analysis to assist the Trustee in assessing its managers' performance. Where necessary, the Trustee will highlight any areas of concern identified during such reviews to the manager as part of its engagement process and request that the manager takes appropriate action. This may include concerns over performance, risk management, stewardship practices, investment process and operational issues and, where such concerns are raised, the Trustee will require the manager to demonstrate levels of improvement. Failure to achieve the desired improvements will result in the mandate being reduced or terminated.

## Stewardship

The Trustee recognises that stewardship encompasses the exercise of voting rights, engagement by and with Investment Managers and the monitoring of compliance with agreed policies.

### *Voting and engagement*

The Trustee has adopted a policy of delegating voting decisions on stocks to its Investment Managers on the basis that voting power will be exercised by them with the objective of preserving and enhancing long term shareholder value.

Where relevant, the Trustee has reviewed the voting policies of their Investment Managers and determined that these policies are appropriate.

Where appropriate, the Trustee will engage with and may seek further information from their Investment Managers on how portfolios may be affected by a particular issue.

The Trustee does not engage directly but believes it is appropriate for its Investment Managers to engage with key stakeholders which may include corporate management, regulators and governance bodies, relating to their investments in order to consider the management of conflicts of interest and improve corporate behaviours, improve performance and mitigate financial risks. Where necessary, Investment Managers are expected to notify the Trustee of any issue on which it may be beneficial for the Trustee to undertake further engagement. The Trustee will review engagement activity undertaken by its Investment Managers as part of its broader monitoring activity.

Responsibility for investment decisions has been delegated to the Investment Managers which includes consideration of the capital structure of investments and the appropriateness of any investment made. Where managers are responsible for investing in new issuance, the Trustee expects the manager to engage with the issuer about the terms on which capital is issued and the potential impact on the rights of new and existing investors.

The Trustee separately considers any conflicts of interest arising in the management of the Plan and its investments and has ensured that each manager has an appropriate conflicts of interest policy in place.

### *Monitoring*

Investment Managers report on voting activity to the Trustee on a periodic basis. The Trustee will monitor Investment Managers voting activity and may periodically review managers voting patterns. The Trustee may also monitor Investment Managers' voting on particular companies or issues affecting more than one company.

The Trustee reviews manager voting activity on an annual basis in conjunction with the Plan's Implementation Statement and use this information as a basis for discussion with its Investment Managers. Where the Trustee deems it appropriate, any issues of concern will be raised with Investment Managers for further explanation.

## Additional Voluntary Contributions (AVCs)

The Trustee gives members the opportunity to pay AVCs to the plan. The liabilities in respect of these AVCs are equal to the value of the investments bought by the contributions.

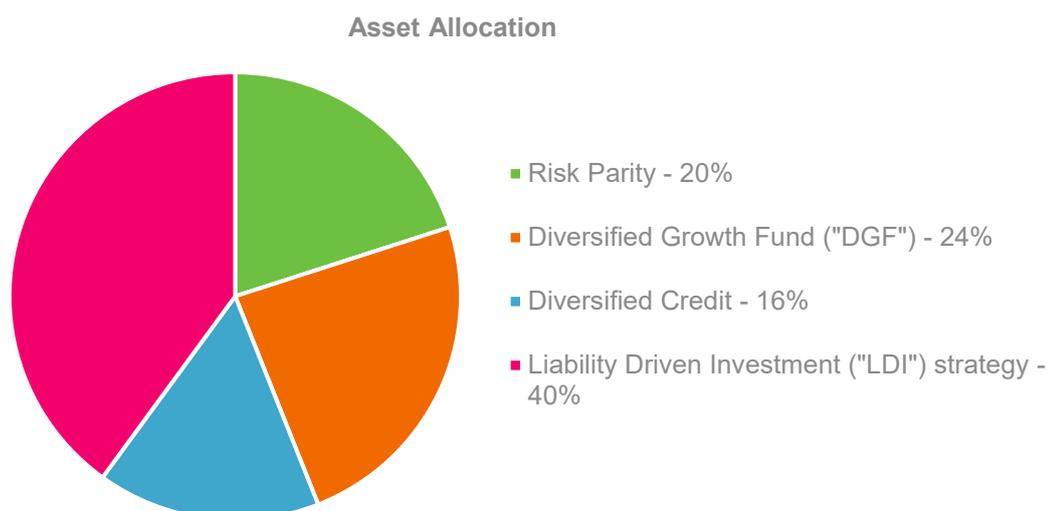
**On Behalf of the Trustee of the Euramax UK Pension Plan.**

## Appendix 1 – Manager Arrangements

The Trustee has agreed to the asset allocation outlined below.

The Trustee acknowledges that the actual weights of different asset classes and the investment managers chosen to implement the strategy will vary over time and may occasionally deviate from the strategic asset allocation weights.

The Trustee seeks professional advice regarding any investment rebalancing and the implementation of short-term tactical investment views.



## Appendix 2 – Mandates, benchmark and fees

The current Investment Managers and their mandates, benchmarks and fees are outlined below:

Manager	Mandate	Quoted Benchmark	Fees
Ruffer	Absolute Return	SONIA	1.20% p.a.
MAN	AHL Target Risk	SONIA + 5% p.a.	Standard AMC: 0.75% Negotiated AMC: 0.4818% Plus c.0.15% expenses for GBP share class
Legal and General Investment Management	Match Core Funds	Liability benchmark	Match Core Funds: 0.180% p.a. Sterling Liquidity Fund: 0.125% p.a. Global Unconstrained Bond Fund: 0.250% p.a. Plus LGIM Flat Fee: £1,500 p.a.
	Sterling Liquidity Fund	SONIA	
	Global Unconstrained Bond Fund	ICE Bank of America SONIA 3-Month Constant Maturity Total Return Index	

Source: Investment Managers. Note: Fees reported above are annual management charges. Additional charges may also be applicable.