# United Glass Pension Plan

## Statement of Investment Principles

**Barnett Waddingham LLP**

September 2026

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# 1. Introduction

1.1. This is the Statement of Investment Principles prepared by the Trustee of the United Glass Pension Plan (the Plan). This statement sets down the principles which govern the decisions about investments that enable the Plan to meet the requirements of:

- the Pensions Act 1995, as amended by the Pensions Act 2004;
- the Occupational Pension Schemes (Investment) Regulations 2005 as amended by the Occupational Pension Schemes (Investment) (Amendment) Regulations 2010, the Occupational Pension Schemes (Charges and Governance) Regulations 2015, the Occupational Pension Schemes (Investment and Disclosure) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

1.2. In preparing this statement the Trustee has consulted O-I Glass Limited, the Company, and obtained advice from Barnett Waddingham LLP, the Trustee's investment consultants. Barnett Waddingham is authorised and regulated by the Financial Conduct Authority for a range of investment business activities.

1.3. This statement has been prepared with regard to the 2001 Myners review of institutional investment (including subsequent updates), and Plan Funding legislation.

1.4. The Trustee will review this statement at least every three years or if there is a significant change in any of the areas covered by the statement.

1.5. The investment powers of the Trustee are set out in Clause 7 of the Sixth Definitive Trust Deeds and Rules dated 20 April 2016. This statement is consistent with those powers.

1.6. The Trustee completed a bulk annuity insurance transaction with Legal and General Assurance Society Limited (the "Insurer") in the contract dated 26 June 2026 to secure the benefits under the Plan.

# 2. Choosing investments

2.1. The Trustee's policy is to set the overall investment target and then monitor the performance of the manager against that target. In doing so, the Trustee considers the advice of its professional advisers, who they consider to be suitably qualified and experienced for this role.

2.2. In June 2026, the Trustee entered into a bulk annuity insurance contract with the Insurer, which is expected to match all defined benefits due to members of the Plan.

2.3. The Insurer is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

2.4. The day-to-day management of the Plan's residual assets is delegated to one investment manager. The Plan's investment manager is detailed in Appendix 1 to this Statement. The investment manager is authorised and regulated by the Financial Conduct Authority, and is responsible for stock selection and the exercise of voting rights.

2.5. The Trustee reviews the appropriateness of the Plan's investment strategy on an ongoing basis. This review includes consideration of the continued competence of the investment manager with respect to performance within any guidelines set. The Trustee will also consult the Employer before amending the investment strategy.

2.6. The Trustee will consult the Employer before amending the investment strategy.

# 3. Investment objectives

3.1. The Trustee has discussed key investment objectives in light of an analysis of the Plan's liability profile as well as the constraints the Trustee faces in achieving these objectives. As a result, the Trustee's main investment objectives are:

- to hold assets that provide a high likelihood that members' entitlements under the Trust Deed and Rules will be met in full as they fall due;
- to invest in assets of appropriate liquidity to meet potential remaining liabilities that are not covered by the bulk annuity policy; and
- to reduce the risk of the assets failing to meet the liabilities over the long term;
- to minimise the long-term costs of the Plan by maximising the return on the assets whilst having regard to the above objectives.

3.2. The Trustee is aware of the relationship that exists between the particular investment portfolio that is held and the level of funding of the Plan's liabilities. The Trustee has obtained exposure to investments that they expect will meet the Plan's objectives as best as possible.

# 4. Kinds of investments to be held

4.1. The Plan is permitted to invest in a wide range of assets including equities, bonds, cash, property, alternatives and annuity policies. The Plan's current investment strategy involves holding the majority of the Plan's assets in a bulk annuity insurance contract, with a small holding in bonds and cash.

4.2. Given the Plan's investment strategy, it is not expected that the Plan will hold any employer-related investments. However, the Trustee monitors from time-to-time the employer-related investment content of their portfolio as a whole and will take steps to alter this should they discover this to be more than 5% of the portfolio. Typically, this check is carried out annually by the Plan's auditors.

# 5. The balance between different kinds of investments

5.1. The Plan invests in assets that are expected to achieve the Plan's objectives. The allocation between different asset classes is contained within Appendix 1 to this Statement.

5.2. The Trustee considers the merits of both active and passive management for the various elements of the portfolio and may select different approaches for different asset classes. The current arrangements are set out in Appendix 1 to this Statement.

5.3. From time to time the Plan may hold cash and therefore deviate from its strategic or tactical asset allocation in order to accommodate any short-term cashflow requirements or any other unexpected items.

5.4. The Plan holds a bulk annuity policy expected to produce cashflows that exactly match the benefit entitlements of each of the Plan's members. The remainder of the Plan's assets are held in the Trustee bank account, and in gilts, index-linked gilts and a liquidity fund.

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# 6. Risks

6.1. The various types of investment risk which may affect the Plan's liabilities are covered under the bulk annuity purchase with the Insurer. Therefore, the vast majority of the risks set out below are covered by the insurance policy, and are therefore judged to have minimal impact on the Plan's ability to meet the liabilities of the Plan as they fall due. However, the Trustee has considered the following risks for the Plan with regard to its investment policy and the Plan's liabilities:

| | |
|---|---|
| **Risk versus the liabilities** | The Trustee notes that by securing the Plan's benefits with an insurer, the risk of benefits not being met is now very low. |
| **Covenant risk** | The Plan is less reliant on the strength of the Employer's covenant as the Plan's benefits have wholly been secured with an insurer. |
| **Insurer counter party risk** | The risk of the insurer defaulting has been managed through the selection of a reputable UK regulated insurer and potentially supported by the insurance compensation regime in place should an insurer fail. |
| **Asset allocation risk** | The asset allocation is detailed in Appendix 1 to this Statement and is monitored on a regular basis by the Trustee. |
| **Investment manager risk** | The Trustee monitors the performance of the Plan's investment manager on a regular basis via quarterly reporting from the investment consultant in addition to having meetings with the manager from time to time as necessary, on a regular basis. The Trustee has a written agreement with the investment manager, which contains a number of restrictions on how they may operate. |
| **Governance risk** | The investment manager of the residual assets is expected to undertake good stewardship and positive engagement in relation to the assets held. The Trustee monitors these and will report on the practices in their annual Implementation Statement where possible. |
| **Concentration risk** | The investment manager and the Insurer are expected to manage broadly diversified portfolios and to spread assets across a number of individual shares and securities. |
| **Liquidity risk** | The Plan invests in assets, including cash, such that there is a sufficient allocation to liquid investments to meet the Plan's remaining cashflow requirements that are not covered by the bulk annuity insurance contract. The Plan's Pensions Manager monitors the level of cash available in the Plan's bank account. |
| **Currency risk** | The Plan's liabilities and the income produced by the bulk annuity contract are both denominated in sterling. |
| **Loss of investment** | In the event of the Insurer becoming insolvent, the Plan could suffer losses on the contract, but would still retain the liability to pay members' benefits. This risk is mitigated by the regulatory regime and capital requirements in place for UK insurers. The risk of loss of investment by the investment manager is assessed by the Trustee. This includes losses beyond those caused by market movements (e.g. default risk, operational errors or fraud). |

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# 7. Expected return on investments

7.1. The Trustee has chosen to invest the vast majority of assets in a bulk annuity policy to match the Plan's projected benefit payments with income from the policy. The remaining assets are held bearing in mind the nature of the potential additional liabilities that may fall due on the Plan that are not covered by the policy, and ongoing expenses.

7.2. The Trustee has not set an expected return on the bulk annuity policy, given that its primary purpose is as an insurance contract rather than a return-seeking investment.

# 8. Realisation of investments

8.1. The annuity policy with the Insurer is not readily realisable and the Trustee does not expect to need to surrender or realise the contact given its nature and purpose. The income from the bulk annuity policy will be used to pay benefits covered by the policy.

8.2. The remaining assets of the Plan are held in assets that can be realised at short notice.

# 9. Environmental, Social and Governance factors, voting and engagement

9.1. Since the majority of the Plan's assets are held in an insurance policy, these matters are primarily an issue for the Insurer to manage. This is reflected in the Trustee's own policies, as summarised in Appendix 2.

# 10. Agreement

10.1. This statement was agreed by the Trustee, and replaces any previous statements. Copies of this statement and any subsequent amendments will be made available to the Company, the investment manager, the actuary and the Plan auditor upon request.

**Prepared by the Trustee of the United Glass Pension Plan**
**September 2026**

# Appendix 1: Investment policy of the Plan as at September 2026

## 1. Choosing investments

The Trustee has appointed Legal and General Assurance Society and Legal and General Assurance (Pensions Management) Limited ("L&G") to carry out the day-to-day investment on behalf of the Plan.

The Trustee also has a contract with L&G for the investment of members' Additional Voluntary Contributions (AVCs). The arrangement is reviewed from time to time.

The investment managers and AVC providers are authorised and regulated by the Financial Conduct Authority.

The Trustee has appointed Barnett Waddingham LLP to advise on investment matters.

## 2. The balance between different kinds of investment

Most of the Plan's assets are held in a bulk annuity policy. The remaining assets are held in the Plan's bank account and with L&G in the Sterling Liquidity Fund and single stock gilt and index-linked gilt funds. The holdings with L&G were designed bearing in mind the nature of the additional liabilities that may fall due on the Plan that are not covered by the policy.

## 3. Fee agreements

The fee arrangements with the investment manager are set out in the Trustees' Investment Manager Arrangement Summary document.

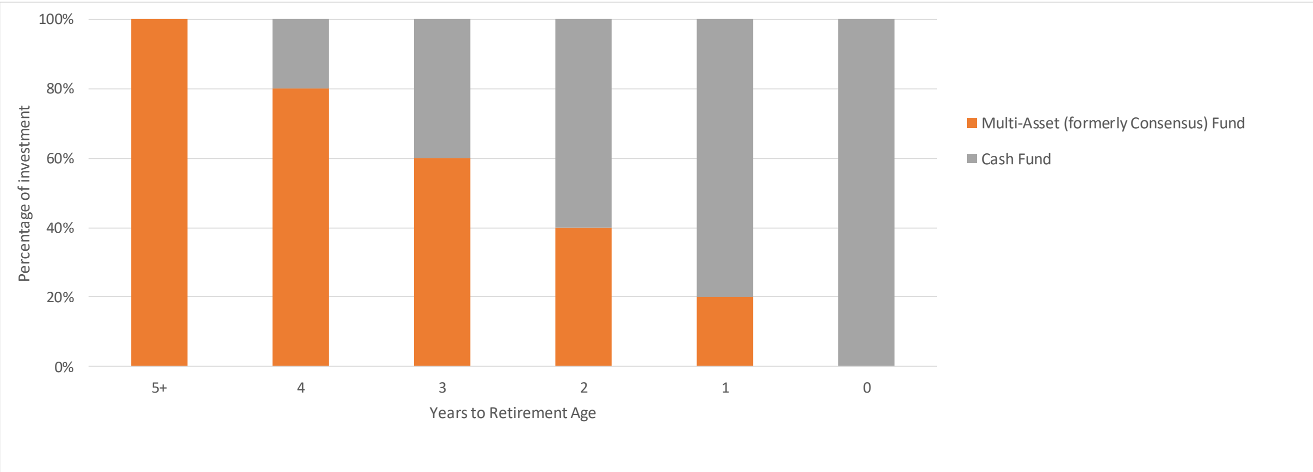
## 4. Investments and disinvestments

The Plan's cashflow requirements are expected to be met by the Plan's remaining cash holdings and the annuity policy.

# 5. Investment benchmarks and objectives

The investment benchmarks and objectives for the AVC provider are given below.

| AVC Fund | Benchmark | Objective |
|---|---|---|
| L&G Multi-Asset (formerly Consensus) Fund | N/A | Provide long-term growth |
| L&G Over 15 Year Gilts Index Fund | FTSE A Government (Over 15 Year) Index | Track the benchmark for two years out of three within +/- 0.25% p.a. |
| L&G Global Equity Market Weights (30:70) Index Fund – 75% hedged | Composite of 30/70 distribution between UK and overseas, 75% GBP Hedged | Track the asset distribution of the benchmark, investing on a passive basis |
| L&G Cash Fund | 7 day GBP LIBID | Perform in line with the benchmark |
| Lifestyle Strategy | N/A | Designed to invest in the L&G Multi-Asset (formerly Consensus) Fund until the member approaches five years from retirement, when there is a gradual reduction in risk, with quarterly switches into L&G Cash Fund (as highlighted in the chart below) |




The performance of the investment manager will be monitored as frequently as the Trustee considers appropriate in light of the prevailing circumstances. The monitoring takes into account both short-term and long-term performance.

The AVC arrangement is reviewed from time to time.

# Appendix 2: Note on financially material considerations, the exercise of rights and engagement activities, and non-financial matters

The Trustee believes that Environmental, Social and Governance ("ESG") factors are financially material – that is, they have the potential to impact the value of the Plan's investments from time-to-time. The Trustee appreciates that the method of incorporating ESG in the investment strategy and process will differ between asset classes.

However, as the Trustee has completed a purchase of a bulk annuity policy intended to match the majority of the Plan's liabilities, the Trustee is not directly exposed to these risks. The remaining assets are held bearing in mind the nature of the potential additional liabilities that may fall due on the Plan and are not covered by the policy. The management of ESG and climate change by insurers was considered as part of the decision to purchase the buy-in policy.

The Trustee has an expectation that the Insurer will consider ESG-related issues in selecting securities and other investments, or will otherwise engage with the issuers of their underlying holdings on such matters in a way that is appropriate for the nature of the assets under consideration.

## Policy on the exercise of voting rights and engagement activities

The Trustee notes that by securing the Plan's benefits with an insurer, they have limited ability to influence the voting and engagement activities undertaken on behalf of the Insurer. Responsibility for engagement with the issuers of investments underlying the bulk annuity policy, including voting policy (where applicable), is the responsibility of the Insurer.

The Plan retains bonds, cash and liquidity holdings but the Trustee notes, due to a number of controls at both the asset manager and counterparties, the impact of engagement on the risk/return of the cash and bond holdings is limited. The Trustee has therefore not set stewardship priorities.

The Plan's investment consultants, Barnett Waddingham, are independent and no arm of their business provides asset management services. This, and their FCA regulated status, makes the Trustee confident that the investment manager recommendations they make are free from conflicts of interest in this area.

The Trustee expects the investment managers to have a conflict of interest policy in relation to their engagement and ongoing operations. In doing so the Trustee believes they have managed the potential for conflicts of interest in the appointment of the investment manager and conflicts of interest between the Trustee/investment manager and the investee companies.

## Policy for taking into account non-financial matters

The Trustee does not consider any non-financial matters, such as members' ethical views, when constructing the investment strategy and/or when selecting or reviewing fund managers. Given the bulk annuity purchase, the Trustee has limited ability to address non-financial matters.

# Policy on arrangements with asset managers

## Alignment of investment strategies with investment policies

Arrangements for incentivising the investment managers of the assets underlying the bulk annuity policy are an issue for the Insurer.

In relation to the management of residual assets and prior to appointing an investment manager, the Trustee discusses the investment manager's benchmark and approach to the management of ESG and climate related risks with the Plan's investment consultant, and how they are aligned with the Trustee's own investment aims, beliefs and constraints.

When appointing an investment manager, in addition to considering the investment manager's investment philosophy, process and policies to establish how the manager intends to make the required investment returns, the Trustee also considers how ESG and climate risk are integrated into these. If the Trustee deems any aspect of these policies to be out of line with their own investment objectives for the part of the portfolio being considered, they will use another manager for the mandate.

In the event that the investment manager ceases to meet the Trustee's desired aims, including the management of ESG and climate related risks, using the approach expected of them, their appointment will be terminated. The investment manager has been informed of this by the Trustee.

Investment manager ESG policies are reviewed in the context of best industry practice and feedback will be provided to the investment manager.

## Time horizon for making decisions and engagement

The Trustee is mindful that the impact of ESG and climate change may have a long-term nature. The Trustee recognises that the potential for change in value as a result of ESG and climate risk, may occur over a much shorter term than climate change itself. The Trustee has acknowledged this in their investment management arrangements.

When considering the management of objectives for an investment manager (including ESG and climate risk objectives), and then assessing their effectiveness and performance, the Trustee assesses these over an agreed predetermined rolling timeframe. The Trustee believes the use of rolling timeframes, typically three to five years, is consistent with ensuring the investment manager makes decisions based on an appropriate time horizon. Where a fund may have an absolute return or shorter term target, this is generally supplementary to a longer term performance target. In the case of assets that are actively managed, the Trustee expects this to be sufficient to ensure an appropriate alignment of interests.

The Trustee expects investment managers to be voting and engaging on behalf of the fund's holdings and the Plan monitors this activity within the Implementation Statement in the Plan's Annual Report and Accounts. The Trustee does not expect ESG considerations to be disregarded by the investment manager in an effort to achieve any short term targets.

## Manager performance and remuneration

The Trustee monitors the performance of their investment manager over the medium to long time periods that are predetermined and consistent with the Trustee's investment aims, beliefs and constraints.

The Plan invests in a liquidity fund, single stock gilt and index-linked gilt funds and a bulk annuity policy. The investment manager is remunerated by the Trustee based on the assets they manage on behalf of the Trustee. As the fund grows, due to successful investment by the investment manager, they receive more and as the value falls they receive less. Details of the fee structures for the Plan's investment manager are contained in the Trustees' Investment Manager Arrangement Summary document.

The Trustee asks the Plan's investment consultant to assess if the asset management fee is in line with the market when the manager is selected, and the appropriateness of the annual management charges are considered as frequently as the Trustee considers appropriate in light of the prevailing circumstances.

## Portfolio turnover costs and duration of arrangements

The Trustee acknowledges that portfolio turnover costs can impact on the performance of their investments. Overall performance is assessed as part of the regular investment monitoring process. However, given the bulk annuity policy and residual holdings of the Plan, the Trustee notes that the impact of portfolio turnover costs and the duration of arrangement with the investment manager are expected to have zero impact.

For the open-ended pooled funds in which the Plan invests, there are no predetermined terms of agreement with the investment manager.

The suitability of the Plan's asset allocation and its ongoing alignment with the Trustee's investment aims, beliefs and constraints is assessed every three years, or when changes deem it appropriate to do so more frequently. As part of this review the ongoing appropriateness of the investment manager, and the specific funds used, is assessed.

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