

Engagement Policy Implementation Statement (“EPIS”)

Catalent UK Retirement and Death Benefit Plan (the “Plan”)

Plan Year End – 31 May 2024

The purpose of the EPIS is for us, the Trustees of the Catalent UK Retirement and Death Benefit Plan, to explain what we have done during the year ending 31 May 2024 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Plan’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Plan’s material investment managers were able to disclose good evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

During the Scheme year, we delegated the management of some of the Plan’s assets to our fiduciary manager, Aon Investments Limited (“Aon”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

How voting and engagement policies have been followed

The Plan is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Plan's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Plan year and in our view, most of the investment managers were able to disclose good evidence of voting and engagement activity. More information on the stewardship activity carried out by the Plan's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Plan's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly Environmental Social Governance ("ESG") ratings from Aon for the funds the Plan is invested in where available. Each year, we review the stewardship activity of the Fiduciary Manager to ensure the Plan's stewardship policy is being appropriately implemented in practice. We engage with our Fiduciary Manager as necessary for more information, to ensure that robust active ownership behaviours, reflective of their active ownership policies, are being actioned.

We engaged with our Fiduciary Manager, who in turn is able to engage with underlying asset managers, investee companies or other stakeholders, on matters including the performance, strategy, risks, social and environmental impact, corporate governance, capital structure, and management of actual or potential conflicts of interest, of the underlying investments made. Where a significant concern is identified, we consider, on a case-by-case basis, a range of methods by which we would monitor and engage so as to bring about the best long-term outcomes for the Plan.

The Plan's stewardship policy can be found in the SIP:

<https://cdn.catalent.com/files/locations/Catalent-UK-Retirement-and-Death-Benefit-Plan-SIP.pdf>

Our Engagement Action Plan

Following year end, the Trustee made the decision to change their fiduciary manager and will be engaging with their new fiduciary manager on engagement actions going forward.

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Our fiduciary manager's engagement activity

Over the Scheme year, we delegated the management of the Plan's defined benefit assets to our fiduciary manager, Aon. Over the year, Aon managed the Plan's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. Aon selects the underlying investment managers on our behalf.

We also delegated monitoring of ESG integration and stewardship of the underlying managers to Aon. We have reviewed Aon's latest annual Stewardship Report and we believe it shows that Aon is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, Aon held several engagement meetings with many of the underlying managers in its strategies. Aon discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. Aon provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, Aon engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

On an ongoing basis, Aon continues to work to implement its commitment to achieve net zero emissions by 2050, with a 50% reduction by 2030 for its fully delegated clients' portfolios and defined contribution default strategies (relative to baseline year of 2019).

Aon also successfully renewed its signatory status to the UK Stewardship Code, which is a voluntary code established by the Financial Reporting Council that sets high standards on stewardship for asset owners, investment managers and service providers.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Plan's investments is an important factor in deciding whether a manager remains the right choice for the Plan.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Plan's equity-owning investment managers to responsibly exercise their voting rights.

Voting statistics

The table below shows the voting statistics for each of the Plan's material funds with voting rights. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 31 March 2024 which broadly matches the Plan year.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
GQG - Global Equity Fund (Hedged & Unhedged)	828	95.7%	15.4%	1.3%
Harris - Global All Cap Equity Fund (Hedged & Unhedged)	749	97.7%	1.2%	0.0%
TT International ("TT") - Emerging Markets Unconstrained Equity Fund	942	99.3%	6.5%	8.0%
LGIM - Multi-Factor Equity Fund (Hedged & Unhedged)	12,190	99.8%	21.1%	0.2%
Mirova - Global Sustainable Equity Fund (Hedged & Unhedged)	651	100.0%	45.0%	2.0%
Nordea Investment Management ("Nordea") - Global Climate and Environmental Equity Fund (Hedged & Unhedged)	841	100.0%	10.3%	3.0%

Source: Managers. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote. GQG considers an 'abstain' vote as a 'vote against management'. To avoid double counting of votes, Aon adjusted the '% of votes against management' for GQG by subtracting the '% votes abstained from'. This was also done to ensure consistency of data received from the other investment managers.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Plan's managers use proxy voting advisers.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Managers	Description of use of proxy voting advisers (in the managers' own words)
GQG	To augment our independent research, we use Institutional Shareholder Services Inc. ("ISS") as an additional source of information to guide our voting. While we find ourselves voting with ISS on the majority of issues, we do not blindly follow their lead and will vote against their recommendations when we deem it necessary.
Harris	We use our own Harris policy that ISS implements on our behalf.
LGIM	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
Mirova	Mirova utilizes Institutional Shareholder Services, Inc. (ISS) as a voting platform for related services such as ballot collecting, vote processing and record keeping. Mirova subscribes to the ISS research, however its recommendation are not prescriptive or determinative to our voting decision.
Nordea	In general, every vote we cast is considered individually on the background of our bespoke voting policy, which we have developed in-house based on our own principles. Our proxy voting is supported by two external vendors (Institutional Shareholder Services and Nordic Investor Services – henceforth, "ISS" and "NIS") to facilitate proxy voting, execution and to provide analytic input. In 2021 these two vendors have merged.
TT	We use Institutional Shareholder Services (ISS) for our proxy voting requirements. ISS provides the research, which is then reviewed by TT. If TT does not agree with any of ISS's recommendations, we will amend the vote in their voting platform (ProxyExchange).

Source: Managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Plan's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Plan's funds. A sample of these significant votes can be found in the appendix.

Our managers' engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Plan's material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e., is not necessarily specific to the funds invested in by the Plan.

Funds	Number of engagements		Themes engaged on at a fund/ firm level
	Fund level	Firm level	
BlackRock - UK Property Fund	Not provided	3,768	Environment* - Climate & Natural Capital Social* - Company Impacts on People Governance* - Board Quality and Effectiveness Strategy, Financial & Reporting* - Strategy & Fin Resilience Other* - Incentives Value Creation
GQG - Global Equity Fund (Hedged & Unhedged)	36	68	Social - Human Capital Management; Conduct, Culture and Ethics Environment - Climate Change; Natural Resource Use/Impact Strategy, Financial & Reporting - Risk Management
Harris - Global All Cap Equity Fund (Hedged & Unhedged)	Not provided	Not provided	Not provided
TT - Emerging Markets Unconstrained Equity Fund	20	62	Environment - Climate Change Other - Listing Social - Human Capital Management; Human and Labour Rights Governance - Shareholder Rights
PIMCO - Climate Bond Strategy	186	1,355	Other - ESG Bonds and Others Strategy, Financial & Reporting - Capital Allocation; Financial Performance Governance - Board, Mgmt & Ownership Environment - Climate Change
Robeco - Sustainable Development Goals ("SDG") Credit Income Fund	17	319	Governance - Board Effectiveness - Other Other - SDG Engagement Social - Human and Labour Rights Environment - Climate Change; Natural Resource Use/Impact
LGIM - Multi-Factor Equity Fund	296	2,500	Social - Gender Diversity Governance - Remuneration; Board Composition Environment - Climate Impact Pledge; Climate Change
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	127	528	Environment - Climate Change Governance - Board Effectiveness - Diversity; Leadership - Chair/CEO; Remuneration Other - General Disclosure
M&G - Sustainable Total Return Credit Investment Fund	13	297	Environment - Net Zero/Decarbonisation; Nature and Biodiversity Governance - Board Composition Social - Diversity and Inclusion; Inequality
HSBC Sec Grade Cr.	Not provided	2,310	Strategy, Financial & Reporting* - Financial Performance; Capital Allocation; Strategy/Purpose; Reporting; Risk Management

Robeco - Short Dated Credit Fund	28	319	Environment - Climate Change; Natural Resource Use/Impact Governance - Board Effectiveness - Other Social - Human and Labour Rights Other - SDG Engagement
Boussard And Gavaudan – BG Fund	19	19	Governance - Shareholder Rights; Remuneration Social - Human Capital Management Environment - Climate Change Strategy, Financial & Reporting - Reporting
Man Group - Alternative Risk Premia Fund	Not provided	81	Environment* - Climate Change; Natural Resource Use/Impact Social* - Human and Labour Rights; Public Health Governance* - Remuneration
Marshall Wace ESG TOPS	Not provided	Not provided	Not provided
Mirova - Global Sustainable Equity Fund	42	122	Governance - Remuneration Social - Human and Labour Rights; Human Capital Management Environment - Natural Resource Use/Impact; Climate Change
Nordea - Global Climate and Environmental Equity Fund	42	1,214	Social - Human and Labour Rights Strategy, Financial & Reporting - Reporting Governance - Board Effectiveness - Diversity Environment - Pollution, Waste; Climate Change
Taconic - Euro Credit Dislocation Fd	Not provided	Not provided	Not provided

Source: Managers. Board Effectiveness refers to Board effectiveness.

*BlackRock, Man Group and Marshall Wace did not provide fund-level themes; themes provided are at a firm-level.

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- GQG did not provide sufficient detail in the significant voting examples provided.
- Harris did not provide the engagement data requested, with the manager commenting that it does not track the engagement metrics requested.
- LGIM did provide fund-level engagement information, but not in the industry standard ICSWG template.
- BlackRock, HSBC & Man Group did not provide fund-level engagement data.
- Marshall Wace provided limited engagement information, including detailed illustrative examples of its engagement activity at the firm-level.
- As the fund managed by CVC is a private markets fund, the availability of engagement information is limited. This is an industry-wide challenge. We have included some commentary within the table above, to highlight the stewardship activities of the investment manager.
- Taconic did not provide any engagement data.

This report does not include commentary on certain asset classes such as liability driven investments, gilts or cash because of the limited materiality of stewardship to these asset classes.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Plan's managers. We consider a significant vote as one which the voting manager deems to be significant or a vote where more than 15% of votes were cast against management. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

GQG - Global Equity Fund	Company name	Exxon Mobil Corporation
	Date of vote	31 May 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	Not provided
	Summary of the resolution	Commission Audited Report on Reduced Plastics Demand
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	Not provided
	Rationale for the voting decision	A vote FOR this proposal is warranted, as shareholders would benefit from additional information on how the company is managing risks related to the creation of plastic waste.
	Outcome of the vote	Not provided
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	Not provided
	On which criteria have you assessed this vote to be most significant?	Not provided
Harris - Global All Cap Equity Fund	Company name	Alphabet Inc.
	Date of vote	02 June 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	5.5
	Summary of the resolution	Advisory Vote on Say on Pay Frequency
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	We believe that a yearly say on pay vote is most appropriate.
	Outcome of the vote	Pass
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We will continue to monitor executive compensation at the company, and will engage with management on this issue if necessary.
	On which criteria have you assessed this vote to be most significant?	Voted against management

TT - Emerging Markets Unconstrained Equity Fund	Company name	Sendas Distribuidora SA
	Date of vote	14 July 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.9
	Summary of the resolution	Re-Ratify Remuneration of Company's Management for 2022
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	This proposal came in front of us a second time after it got defeated in April (when we voted against as well). We voted against the company retrospectively seeking approval the amendment for 2022 vs. what they were approved for (BRL 95.5 vs BRL 72.3m). In response to the 74% shareholder dissent, the company reduced the quantum for 2023 payment from BRL 105.1m to 70.6m and they have also removed the discounted stock options for 2023; however, they have not meaningfully changed the amended 2022 global remuneration cap (approved for 72.3m in 2022, and amended to 95.5m in the second vote). The company's rationale for exceeding the limit in 2022 was that it exceeded targets established by the board regarding the number of stores opened in the year. We voted against the amended 2022 global remuneration cap because we did not believe that the rationale was compelling enough.
	Outcome of the vote	Pass
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	The company made important changes to the 2023 remuneration plan but seeking to retrospectively change the 2022 cap was still unwarranted. In such a situation in the future, we will speak to the company to not put this kind of defeated resolution back in front of shareholders.
	On which criteria have you assessed this vote to be most significant?	Vote in response to significant shareholder dissent; we had 2.2% of the voting stake. Notwithstanding the positive changes to remuneration going forward, 10% of shareholders still voted against this retrospective change for 2022.
LGIM - Multi-Factor Equity Fund	Company name	The Toronto-Dominion Bank
	Date of vote	20 April 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.0
	Summary of the resolution	Resolution 9 - Disclose Transition Plan Towards 2030 Emission Reduction Goals
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was sent to the company ahead of the meeting.
	Rationale for the voting decision	We generally support resolutions that seek additional disclosures on how they aim to manage their financing activities in line with their published targets. We believe detailed information on how a company intends to achieve the 2030 targets they have set and published to the market (the 'how' rather than the 'what', including activities and timelines) can further focus the board's attention on the steps and timeframe involved and provides assurance to stakeholders. The onus remains on the board to determine the activities and policies required to fulfil their own ambitions, rather than investors imposing restrictions on the company.
	Outcome of the vote	Fail
	Implications of the outcome eg were there any lessons learned	LGIM will continue to engage with the company and monitor progress.

	and what likely future steps will you take in response to the outcome?	
	On which criteria have you assessed this vote to be most significant?	Pre-declaration and Thematic – Climate: LGIM considers this vote to be significant as we pre-declared our intention to support. We continue to consider that decarbonisation of the banking sector and its clients is key to ensuring that the goals of the Paris Agreement are met.
Mirova - Global Sustainable Equity Fund	Company name	American Water Works
	Date of vote	10 May 2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.4
	Summary of the resolution	Shareholder Proposal on Racial Equity Audit
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	The proponent is requesting that American Water Works Company oversee and report on a racial justice audit analyzing how the company's policies and operations affect systemic racism. While the company has significantly improved its diversity and inclusion disclosures over the past few years, it is far from having reached its diversity targets, which are not publicly disclosed. This proposal would allow the company to further better its transitioning to a more inclusive and diverse workforce and to a higher level of transparency. Additional information on a general scope would be welcome, as well as recommendations to better assess the effectiveness of the company's efforts to address these issues and racial inequity.
	Outcome of the vote	Fail
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	It should be noted that while Mirova, as a French-based asset manager, is not specifically in favor of ethnic statistics, we understand that it is considered a positive and encouraged advancement in the US market, promoted by associations that strive to tackle discrimination and inequality. As a result, and since this shareholder proposal aims to improve transparency, Mirova will vote in favor of item 5. We intend to contact the company to inform of our voting intention and rational.
	On which criteria have you assessed this vote to be most significant?	Relevant to engagement strategy
Nordea - Global Climate and Environmental Equity Fund	Company name	Deere & Company
	Date of vote	28 February 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	1.5
	Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' Compensation
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	Share-based long-term incentive plan for executives was 64% time-based. In our view, properly devised remuneration systems should, in an uncomplicated, clear and transparent manner, aim to achieve a better performance and increase value for shareholders. Ideally, the incentive programs would incentivize the participant to achieve something out of the ordinary and thus, they should have clear and sufficiently challenging performance conditions.
	Outcome of the vote	Pass
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	We see less and less support at many AGMs for remuneration packages, and we will continue to be critical of badly structured remuneration programs with large proportions of time based variable compensation.

On which criteria have you assessed this vote to be most significant?

Significant votes are those that are severely against our principles, and where we feel we need to enact change in the company.

Source: Managers