GE Energy Pension Scheme
Statement of Investment Principles

September 2026

1. INTRODUCTION

1.1. GE Vernova Pension Trust Limited ("the Trustee") of the GE Energy Pension Scheme ("the Scheme") has prepared this Statement of Investment Principles ("**SIP**") to govern the investment decisions of the Scheme in order to meet its investment objective.

1.2. In preparing the SIP the Trustee has obtained and considered appropriate written advice from BlackRock (the "**Manager**"), and the Trustee will obtain and consider such advice before revising the SIP in the future.

1.3. In preparing the SIP, the Trustee has consulted the participating employer in the Scheme (the "**Employer**"). The Trustee will consult the Employer before revising the SIP in the future. However, the ultimate power and responsibility for determining the investment policy of the Scheme lies solely with the Trustee.

1.4. It is the Trustee's policy to review the SIP every three years and without delay after any significant change in investment policy. As a minimum, the Trustee will review the SIP every three years. The Trustee will notify the Manager of any material changes to the Scheme's circumstances. Furthermore, any material changes to the employer covenant or Scheme will trigger a strategy review, at which point the Trustee will notify the Manager.

1.5. The SIP has been prepared in accordance with Section 35 of the Pensions Act 1995, as amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005.

1.6. The SIP will be made available on a publicly accessible website.

2. SCHEME DETAILS

2.1. The Scheme operates for the sole purpose of providing retirement benefits and death benefits to eligible participants and beneficiaries.

2.2. It is a defined benefit pension scheme which is closed to future accruals and to new members.

3. GOVERNANCE

3.1. The Trustee is responsible for setting the general investment policy and ensuring that it is consistent with the Scheme's funding objectives and its assessment of the employer covenant.

3.2. The Trustee has appointed the Manager to manage the Scheme's assets in line with the Investment Management Agreement between the Trustee and the Manager (the "**IMA**").

3.3. The Trustee delegates the day-to-day investment decisions and management of the Scheme to the Manager. In particular, the selection of particular investments is left to the Manager.

3.4. The Manager will be responsible for having regard to the need for diversification of investments so far as appropriate and to the suitability of investments, and for giving effect to the principles contained in the SIP as far as reasonably practicable.

3.5. The Manager will also be responsible for participating with the Trustee in reviews of this SIP in consultation with the Employer.

4. OBJECTIVES

4.1. The objective of the Scheme is to invest the assets prudently with the intention that the benefits promised to members are provided.

The primary long-term objectives of the Trustee can be summarised as follows:

- the acquisition of secure assets of appropriate liquidity which will generate income and capital growth to meet, together with any new contributions from members and the Employer, the cost of current and future benefits which the Scheme provides, as set out in the Trust Deed and Rules;
- to limit the risks of the assets failing to meet the liabilities over the long-term the Trustee aims to target an overall investment return of gilts + 0.6% p.a. and be invested in line with the control ranges set out in Appendix 1; and

- to minimise the long-term costs of the Scheme by maximising the return on the assets whilst having regard to the objective under the second bullet point above. What the Trustee determines to be an appropriate level of risk is set out in Section 6.

5. INVESTMENT STRATEGY

5.1. The Trustee has agreed its investment strategy and investment objective with the Manager whereby, within certain permitted ranges, the Manager determines an appropriate asset allocation which seeks to achieve such investment objective. In doing so, the Manager takes into account the restrictions contained within the IMA, which outlines the parameters the Manager must operate within. The IMA is subject to change over time as the strategy evolves.

5.2. The Trustee seeks to achieve the Scheme's investment objective through investing in a diversified mix of assets that balances investment return against volatility, and to balance the investments held against the current and future needs of the Scheme.

5.3. Further details of the investment strategy are set out in Appendix 1 to the SIP.

6. RISK MANAGEMENT

6.1. The Trustee recognises that the key risk to the Scheme is that it has insufficient assets to make provisions for 100% of its liabilities ("**funding risk**"). The Trustee has identified a number of risks which have the potential to cause a deterioration in the Scheme's funding level and therefore contribute to funding risk. This section details the Trustee's policy in relation to risks including the way in which risks are measured and managed. The risks and controls are as follows:

- The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("**mismatching risk**"). The Trustee and its advisers considered this mismatching risk when setting the investment strategy.

- The risk of a shortfall of liquid assets relative to the Scheme's immediate liabilities ("**cash flow risk**"). The asset allocation has taken into account the information provided from the Scheme's Actuary with regard to key characteristics of the Scheme's liabilities. This should offer sufficient liquidity to meet liquidity needs. Should liquidity requirements change then the Trustee will notify the Manager and update the IMA accordingly.

- The failure by the Manager to achieve the rate of return required to meet the investment objective ("**manager risk**"). This risk is considered by the Trustee upon the initial appointment of the Manager and on an ongoing basis thereafter (for example by regular monitoring).

- The failure to spread investment risk ("**risk of lack of diversification**"). The Scheme's assets are invested across a range of investments representing different asset classes in order to target the Scheme's objective, as set out in the IMA.

- The possibility of failure of the Scheme's sponsoring Employer ("**covenant risk**"). The Trustee considered this risk by taking external advice when setting investment strategy and consulted with the sponsoring employer as to the suitability of the proposed strategy.

- The risk that exposure to overseas currencies has an adverse influence on investment values ("**currency risk**"). The Trustee considered this risk when setting the Scheme's investment strategy and this risk is managed by hedging a proportion of the overseas currency exposure.

- The risk that environmental, social and governance factors have an adverse effect on the long-term performance of the Scheme assets ("**ESG Risks**"). The Trustee will ensure that the Fiduciary Manager explicitly incorporates ESG information into investment decisions when considering the appointment and de-selection of investment managers.

- The risk that a custodian defaults ("**custodian risk**"). Assets are managed primarily within separately managed accounts. The Trustee has appointed a Scheme custodian (State Street) to manage cashflows and settle trades on time. Where assets are managed in pooled funds, custody-related risks in relation to underlying pooled fund investments are managed by management companies or operators of such pooled funds.

- The risk that events outside the control of the Scheme have an adverse influence on investment values ("**event risk**"). The Trustee periodically reviews stress tests on the portfolio to understand the effect that extreme events could have on the Scheme's funding level so that they are able to respond accordingly. In addition, the Scheme invests in a diversified portfolio of assets to help manage volatility.

- The risk that a counterparty fails to fulfil its side of the agreement it makes in connection with derivative transactions ("**counterparty risk**"). The Trustee has appointed the Manager to mitigate this risk by assessing the credit quality of the counterparties it transacts with, ensures appropriate counterparty diversification and that collateral payments are made where required.

- The risk of fraud, poor advice or acts of negligence ("**operational risk**"). The Trustee has sought to minimise such risk by ensuring that all advisers and third-party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

6.2. The Trustee consider risk holistically across the Scheme's portfolio and hence the Scheme's assets are invested across a diverse range of investments. The permissible investments are specified in the IMA. Asset classes and instruments that may be used as part of the investment strategy include, but are not limited to, the following:

- Investment Grade Credit – a diversified portfolio of primarily investment grade fixed income securities to deliver an attractive yield and spread whilst minimising losses from defaults and to provide an income stream to help meet liability cashflow requirements;

- Multi-Asset Credit – A diversified portfolio of fixed income assets that are specifically focused on delivering capital growth and yield.

- Securitised Finance – a portfolio of securitised bonds, with the aim to maximise net investment income while preserving capital through investing primarily in investment grade UK, US, European and Australian securitised assets

- Liability Driven Investments (LDI) – a portfolio of predominantly conventional and index-linked gilts and derivatives with the intention of controlling the interest rate exposure and inflation exposure relative to the interest rate and inflation exposure of an agreed cashflow profile.

- Derivatives – the Manager may transact derivatives as permitted by the IMA, which includes but is not limited to, futures, FX forwards, swaps, and repurchase agreements instruments.

6.3. The Trustee, with the aid of the Manager, monitor risk on both a qualitative and quantitative basis.

6.4. Implementing portfolio investments has been delegated to the Manager under the IMA.

7. RESPONSIBLE INVESTING

7.1. The Trustee recognises that ESG risks could impact the ability of the Scheme to meet its investment objectives and therefore the Trustee have considered how to evaluate and manage these risks when setting its investment strategy as set out in the following paragraphs (along with other matters).

7.2. The Trustee policy is to ensure that the Scheme's Manager shall, alongside other investment risks, integrate consideration of ESG risks throughout its investment decision making processes,

7.3. The Trustee will request that:

- the Manager, as part of its due diligence, assesses the approach of all the Scheme's investment managers in integrating ESG risks considerations into the selection, retention and realisation of investments;

- the Manager, as part of its ongoing monitoring, will review how the Scheme's investment managers integrate ESG risks and opportunities annually;

- the Manager, as part of its ongoing monitoring, reviews the execution of voting and engagement responsibilities and periodically reports back its findings to the Trustee (for example where the Scheme invests in pooled funds, the Scheme's investment managers are responsible for exercising voting rights and reporting on how they have exercised those rights); and

- where UK-domiciled investment managers are not signatories to the FRC's UK Stewardship Code, the Manager shall consider the investment manager's rationale for this position and, where appropriate, report back its findings to the Trustee.

7.4. The Trustee has selected some priority themes to provide a focus for the monitoring of its underlying managers' voting and engagement activities. The Trustee current priorities are: climate change, human rights and corporate transparency. The Trustee chose these priorities because they are market-wide areas of risk that are financially material for the investments and can be addressed by good stewardship. Therefore the Trustee believes it is in our members' best interests that our underlying managers adopt strong practices in these areas.

7.5. The Trustee does not take into account non-financial matters when selecting, retaining and realising investments. Non-financial matters are defined as the views of members and beneficiaries, including (but not limited to) their ethical views, and their views relating to social and environmental impact and quality of life.

8. STEWARDSHIP

8.1 The Trustee understands that stewardship can enhance value over the long term and recognises that it has a responsibility to act as a good steward and protect and grow the long-term value of the Scheme for the benefit of the Scheme's members. This section details the Trustee's policy in relation to the stewardship of the Scheme.

8.2 The Trustee recognise the importance of good stewardship and it expects that the Manager signs the UN PRI. The Manager has confirmed that it is a signatory of the UN PRI.

8.3 In order to be a good steward, it is the Trustee's policy to adopt the underlying managers' voting and engagement policies and to appropriately monitor the voting and engagement activities of those managers in respect of listed investments.

8.4 The Trustee expects the Manager to ensure that the stewardship policy is appropriately implemented as far as is reasonably practicable, though the Trustee retains ultimate responsibility for the way in which each appointed manager acts as a steward of the Scheme's assets. This includes ensuring to the extent possible that the underlying managers exercise on the Trustee's behalf rights and duties as an investor. This should include, where appropriate, voting and engaging with underlying investee companies, as part of an effective stewardship approach that meets the Trustee's expectations. The Trustee expects that voting and engagement activities are carried out in the best financial interests of the assets being managed.

8.5 The Trustee has delegated monitoring of underlying or external managers to the Manager. As part of this responsibility, the Manager is expected to:

- Request voting and/or stewardship policies of the underlying managers.
- Enquire about underlying manager's voting and engagement activity with respect to their stated policies, where appropriate.
- Request that underlying investment managers report on an annual basis a summary of the voting actions which have been taken and any votes cast which differ from the stated voting policy of that manager where relevant.
- Provide a summary to the Trustee of the overall level of voting activity on an annual basis.

8.6 The Trustee will engage with the Manager to understand any reports which have been provided and challenge any outcomes which it feels are not in keeping with policy. The Manager is expected to engage with the underlying managers as and when required to facilitate this. Where an underlying manager is not adhering to this policy in line with the Trustee's expectations, the Trustee would expect the Manager to consider appropriate actions having regard to the long-term financial wellness of the Scheme.

9. ARRANGEMENTS WITH MANAGERS

9.1 The Trustee recognises that the arrangements with all of the managers of the Scheme are important to ensure that its interests are aligned as far as is reasonably practicable. This includes arrangements with the Manager and the underlying managers. In particular, the Trustee seeks to ensure that the Manager is incentivised to act in a way which generates the best long-term results for the Scheme. This section details the Trustee's policy in relation to the arrangements with asset managers of the Scheme.

9.2 The Trustee agrees to share the SIP with the Manager and request that the Manager reviews the SIP and confirms that the investment strategy is aligned with the Trustee's policies.

9.3 The Trustee's policy on arrangements with asset managers will take into account the following five considerations:

- How the arrangement with the Manager incentivises the Manager to align its investment strategy and investment decisions with the Trustee's investment policies.
- How that arrangement incentivises the Manager to make decisions based on assessments about the medium to long-term financial and non-financial performance of issuers of debt or equity.
- How the method and time horizon of the evaluation of the Manager's performance and the remuneration for services are in line with the Trustee's investment policies.
- How the Trustee monitors "portfolio turnover costs" incurred by the Manager, and how they define and monitor targeted portfolio turnover or turnover range.
- The duration of the arrangement with the Manager.

9.4 The Trustee recognises that there are different ways to engage with its managers including legal documentation as well as more informal arrangements such as ad hoc communication and reporting and monitoring deliverables provided by each manager.

9.5 The Trustee recognises that the predominant manager it has arrangements with is the Manager. The arrangement is governed by the IMA between the Trustee and the Manager. The Trustee ensures that appropriate restrictions are outlined in the IMA in order to seek to ensure that the decisions which the Manager makes are in line with the long-term interests of the Scheme.

9.6 This includes, but is not limited to, setting a clear investment objective, eligible instruments, asset allocation ranges and which asset classes are in scope for active and/or passive strategies.

9.7 The Trustee has also ensured that the IMA (and the supplemental disclosures provided by the Manager) include conflicts of interest policies in order to seek to ensure that incentives are aligned between the Trustee and the Manager as far as is reasonably practicable.

9.8 The Manager provides the Trustee with an annual cost transparency report. The report provides information in line with latest regulatory requirements for Managers. The cost reporting will include detail on the portfolio turnover costs which the Trustee define as the costs incurred in buying and selling underlying securities held within each of the funds managed by the underlying managers. On a quarterly basis the Manager reports total performance net of fees, where possible, so that the Trustee are able to take into account the impact of fees and costs when evaluating performance. The Trustee believes that in order to appropriately assess the performance of its managers, the net of costs performance returns should be monitored over various time periods to ensure that managers are evaluated in line with the Trustee's policies.

9.9 The Trustee will review the arrangements with the Manager on a regular basis, however there is no restriction on the duration of any arrangement.

9.10 The Trustee expects the Manager to review arrangements with the underlying or external managers which also have no restriction on duration of any arrangement. The Manager is expected to review these arrangements on an ongoing basis and take action to seek to revise any arrangements where it is understood to be in the best long-term interests of the Scheme.

9.11 The Manager is expected to take into consideration the Trustee's investment objective as well as Responsible Investing and Stewardship policies when selecting and/or appointing new underlying or external managers. The Manager is also expected to monitor the underlying managers or external managers and take into consideration the investments that they are permitted to make in order to seek that they are aligned with the long-term interests of the Scheme.

9.12 The Trustee believes that they have a governance framework in place in order to seek to ensure that the Manager's actions are aligned with the five arrangements policies listed above. If the Trustees have reason to believe that the Manager is acting outside of the Trustee' policies, the Trustee will bring this to the attention of the Manager as soon as is reasonably practicable and engage with the Manager so that the parties can understand such actions and seek to resolve any concerns.

10. REALISATION OF ASSETS

10.1. Assets can be held in pooled funds or segregated accounts. The Scheme's ability to disinvest assets for cash is subject to the redemption terms of the asset, which can range from daily to quarterly or sometimes less frequently. Any allocation of the assets to strategies with particularly long redemption timelines will be considered with the Scheme's overall cashflow requirements in mind. Investment in such assets requires prior Trustee' approval.

10.2. The Trustee recognises that the Manager, subject to the constraints within the IMA, has authority and discretion to sell the Scheme's assets to increase collateral adequacy when required.

11. MONITORING

11.1. The Trustee monitors the performance and risk exposures of the portfolio on a regular basis. The Trustee receive periodic reports showing:

- Commentary over the period covering performance, macroeconomic factors and portfolio positioning;
- Risk decomposition across the portfolio, including scenario stress tests;
- Return attribution across the portfolio, including underlying segregated accounts and pooled fund monitoring;
- Estimated funding ratio change, including a summary of contributors/detractors;
- Review of the funding level including any de-risking triggers;
- Asset allocation summary versus the permitted ranges; and
- Interest rate hedge ratios versus target.

11.2. Monitoring of the underlying investment managers' suitability is delegated to the Manager. The Manager has been delegated the responsibility for ensuring the underlying pooled fund and separately managed account investments are satisfactory and appropriate for the investment strategy.

SIP signed for and on behalf of the Trustee of the Scheme:

Signed:

Name:

Date:

Seen by Sponsoring Employer:

Name:

Position:

Date:

Appendix 1 - Investment strategy

The investment strategy for the Scheme is to:

- Invest in a portfolio of assets to achieve a target return 0.6% above gilts per annum, net of fees.
- Invest in a "**Matching Strategy**" designed to invest in a portfolio of fixed income assets, with the intention of controlling the interest rate and inflation exposure, and providing an income stream to meet liability cashflow requirements.
- Invest in a diversified portfolio of assets to achieve an efficient risk / reward trade off with the objective of generating sufficient returns to deliver the Scheme's investment objective (the "**Growth Strategy**").

As at the date of the SIP, the Trustee has instructed the Manager under the IMA to manage the asset allocation in such a way to aim to achieve these investment objectives taking into account the restrictions set out in the Asset Allocation Table and Growth Strategy Permitted Ranges Table below:

Asset Allocation Table

Portfolio Strategy	Permitted Ranges	
	Minimum (%)[1]	Maximum (%)[1]
Growth Strategy	**0.0%**	**50.0%**
Liquid Assets Strategy	0.0%	50.0%
Matching Strategy	**50.0%**	**100.0%**

[1] As a percentage of Total Portfolio assets by market value.

Growth Strategy Liquid Assets Permitted Ranges Table

Asset Class	Minimum Weight*	Maximum Weight*
Equities	**0%**	**100%**
Fixed Income	**0%**	**100%**
Cash	**0%**	**30%**
Other Asset Classes	**0%**	**30%**

*Permitted Ranges are expressed as a percentage of the Liquid Assets by market value

In the event the Manager wishes to invest the Growth Strategy Liquid Assets in an asset class which is not specified in the table above, they will seek approval from the Trustee. In the event the Manager wishes to make any investments in illiquid assets, they will seek approval from the Trustee.

The Manager will target an Interest Rate and Inflation Target Hedge ratio target of 100% of liabilities (measured on a gilts + 0.5% p.a. basis).