

GE Healthcare Pension Plan (“the Plan”) Statement of Investment Principles (“SIP”)

Introduction

This Statement (“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. The effective date of this SIP is December 2025. The Plan Trustee will review this Statement of Investment Principles at least every three years and immediately following any significant change in investment policy.

Investment Objective

The aim is to prudently invest the Plan assets to ensure promised benefits are provided to members. The Trustee has insured these benefits to minimise the risk that the Plan is unable to meet this objective.

Strategy:

The Plan invests primarily in a Bulk Purchase Annuity Agreement (“Annuity Policy”), designed to fully match liabilities and remove market-related risks and demographic risks from the Plan. There are some elements of the benefits which are not currently insured by the Annuity Policy (e.g. GMP equalisation and Barber) but will be following payment of the balancing premium at the end of the data cleanse. The Trustee invests a portion of the Plan’s residual assets in gilts to hedge this balancing payment.

Residual assets are invested in cash and gilts funds with a suitable investment manager. The Trustee currently aims to have 95% of the residual assets invested in cash and 5% in gilts although this allocation may fluctuate and the Trustee will review the allocation as appropriate following advice from their advisors. The Plan has a small historical allocation to UK property assets which are currently being disposed of, with the proceeds expected to be invested in line with the allocations mentioned above. Asset allocation considers funding position, liability profile, cashflow requirements, and Trustee’s objectives.

Written advice from investment advisers informs asset allocation decisions, considering diversification and alternative methods for securing benefits.

The Trustee also consulted with the sponsoring employer when setting this strategy.

Risk Management:

Funding risk is addressed by insuring liabilities through the Annuity Policy.

Cashflow risk is managed by ensuring that the residual assets can be easily converted to cash when needed to meet liabilities. The Annuity Policy is structured to cover most of the payments required by the Plan.

Covenant risk and operational risks are mitigated through consultation with the sponsor and qualified advisers.

Annuity Policy default risk is assessed through due diligence on the insurer's credit strength, in addition to other factors such as the regulatory environment and other protections available (e.g., the Financial Services Compensation Scheme).

Implementation:

Aon provides investment advice, ensuring the Trustee is informed and decisions are monitored. The Annuity Policy is a qualifying insurance policy. The insurer is responsible for the management of its assets and is expected to invest in a prudent approach to meet required obligations under the policy

Day-to-day asset management associated with the residual assets is delegated to the Trustee's selected investment manager.

Responsible Investment:

The strategy aims to act in the best financial interests of beneficiaries, considering Environmental, Social and Governance factors (ESG). The Trustee elected to invest the majority of the Plan's assets in an Annuity Policy and has limited ability to influence the ESG policies and practices of the insurer.

The Trustee accepts responsibility for how the insurer stewards assets on its behalf, including the casting of votes in line with its voting policies. The Trustee does not attempt to influence the stewardship policies and practices of the insurer.

The Trustee considered ESG and stewardship policies of the insurer at the point of purchasing the Annuity Policy, to the extent it was practical, to ensure the policies were in line with the Trustee beliefs.

Given the relatively small proportion of the residual assets the Plan has invested with and the limited materiality of stewardship to these asset classes, the Trustee does not have a formal stewardship policy in place for these assets.

Cost and Performance Monitoring:

Given the nature of the Annuity Policy and the fact that the Trustee does not directly remunerate the insurer, the Trustee considers it unnecessary to monitor the insurer's performance.

The Trustee will monitor the performance and cost of the funds used to implement the strategy of the Plan's residual assets.

Governance:

The Trustee sets investment objectives and monitors strategy success, consulting with the sponsor and advisers.

Direct investments of the residual assets are reviewed regularly, considering security, liquidity, profitability, and diversification.

December 2025