

Snamprogetti Limited Retirement Benefits Scheme (the “Scheme”)

Investment Policy Implementation Document (the “Document”)

The Statement of Investment Principles (“SIP”) of the Snamprogetti Limited Retirement Benefits Scheme sets out the guiding principles upon which the Scheme's investments are based. The purpose of this Document is to provide details of the specific investments in place alongside other information relevant to the management of the investments.

The Trustee's investment strategy has been established in order to maximise the likelihood of achieving the primary objectives set out in the SIP. The details are laid out below.

1. Asset Allocation

The Trustee aims to broadly mirror changes in the value of the Scheme's liabilities that arise from fluctuations in nominal and real interest rates by using a range of Liability Driven Investment (“LDI”) funds with Legal & General Investment Management (“LGIM”). The LDI funds are described in more detail in section 2 and incorporate leverage.

The remaining Scheme assets are invested in a managed growth fund (which invests across a range of assets, including equities, bonds, and other alternative asset classes), low risk bonds (diversified credit) and a Cash Buffer Fund (cash and synthetic credit).

The broad target asset allocation is shown in the following table:

	Target Weight %	Control Range
Multi Strategy Growth Assets		
AIL Managed Growth Fund	18%	-/+ 5%
AIL Low Risk Bond Fund	15%	-/+ 5%
Matching Assets		
LGIM Liability Driven Investment Funds	62%	-/+ 5%
Enhanced Service Agreement (ESA)		
LGIM Cash Buffer Fund*	5%	-/+ 2.5%

The Liability Benchmark is rebalanced, as a minimum, after each triennial actuarial valuation and the Trustee specifies what percentage of the Technical Provisions (or other basis) to hedge. *Consists of LGIM Synthetic Leveraged Credit Fund (50%) and LGIM Sterling Liquidity Fund (50%).

2. Investment Management Arrangements

The Trustee will appoint appropriate investment managers, with support from its investment advisor, for the component parts of the investment strategy. For the Aon Investment Limited (“AIL”) delegated pooled funds AIL are responsible for the monitoring, removal and appointment of the underlying investment managers and strategies

The following describes the mandates given to the investment managers within each asset class.

2.1.1 Multi Strategy Growth Assets

Manager/Fund	Benchmark	Target
AIL Managed Growth Fund	SONIA	Outperform the benchmark by 4% pa net of fees over a market cycle.
Manager/Fund	Benchmark	Target
AIL Low Risk Bond Fund	SONIA	Outperform the benchmark by 1% pa net of fees over a market cycle.

2.1.2 LDI Funds (Enhanced Service Agreement)

Manager/Fund(s)	Benchmark	Target
Single Stock Gilt Fund Range Matching Plus (Gilt and leveraged Gilt) Fund Range Matching Plus (Swap) Fund Range	The Liability Driven Investment funds aim to provide a hedge against changes in nominal and real interest rates in relation to the maturity point specified and by reference to gilts or swaps where applicable.	

2.1.3 Cash Buffer Fund

Manager/Fund	Benchmark	Target
LGIM Sterling Liquidity Fund	SONIA	To provide capital stability and liquidity
LGIM Synthetic Leveraged Credit Fund	Markit 10Y CDX & iTraxx GBP Hedged	The Fund is designed to provide leveraged exposure to credit spreads by investing in 10 year investment grade US (CDX) and European (iTraxx) credit default swap indices.

2.1 LDI collateral management

The Trustee implements LDI to manage its interest rate and inflation risks, as part of its wider investment strategy. This is managed against a cashflow hedging benchmark which has been constructed to represent the liability profile of the Scheme on the Technical Provisions (TP) basis.

The Trustee currently aims to hedge 100% of the interest rate and inflation sensitivity of the TP basis. This helps the Trustee reduce volatility of the Scheme's funding level on the TP basis, albeit drift will occur due to necessary approximations, differences in assumptions, and experience.

The Trustee updates the cashflow hedging benchmark at least triennially in line with Actuarial Valuation, or earlier if there are significant market or Scheme specific changes. The Trustee seeks expert advice on this.

Monitoring

The Trustee will regularly, with support from its Investment Adviser, monitor the hedging assets relative to the cashflow hedging benchmark to ensure the LDI manager is performing as expected.

The LDI manager will manage the LDI portfolio relative to the cashflow hedging benchmark within certain tolerances specified in the Investment Management Agreement and will automatically rebalance the LDI portfolio if the hedge ratios drift outside of these tolerances.

Collateral

Under the Investment Management Agreement with the LDI manager, the LDI manager has established protocols to ensure sufficient collateral is maintained within the funds it operates and has flexibility to access additional collateral within the assets they hold.

The Scheme's Investment Advisor additionally provides advice on collateral headroom, where required, and should collateral headroom be insufficient with the LDI portfolio action will be taken to source this from the Scheme's wider assets. All of the Scheme's assets are liquid and generally realisable at short notice.

2.2 Cash balances

The Trustee holds a working balance of cash for imminent payment of benefits, expenses, etc. and this is carefully monitored by the Scheme's administrator.

2.3 Re-balancing arrangements

The Trustee periodically reviews the asset allocation following which appropriate corrective action may be taken.

3. Fee structure for advisers and managers

3.1 Advisers

The Trustee's investment advisers are paid for advice received on the basis of the time spent by the adviser. For significant areas of advice (for example one off special jobs, or large jobs, such as asset and liability modelling), the Trustee will endeavour to agree a project budget.

These arrangements recognise the bespoke nature of the advice given and that no investment decisions have been delegated to the adviser.

3.2 Investment managers

The investment managers are remunerated as a set percentage of the assets under management. This is in keeping with market practice.

3.3 Summary of investment management fee arrangements

Manager	Fund	Fee Scale ¹
AIL ²	Managed Growth Fund	0.37% pa
AIL ²	Low Risk Bond Fund	0.37% pa

Matching Plus (Gilt and leveraged Gilt) Fund Range	Leveraged: 0.24% pa on
Matching Plus (Swap) Fund Range	the first £20m;
	0.175% pa thereafter

LDI (Funds
underlying
Enhanced Service
Agreement)

	Unleveraged:
	0.1% pa on first £5m;
Single Stock Gilt Fund Range	0.075% pa on the next £5m;
	0.05% pa on the next £20m

LGIM	Sterling Liquidity Fund	0.120% pa
LGIM	Synthetic Leveraged Credit Fund	0.350% pa

1. Annual Management Fees. 2. Underlying managers fees and expenses may vary over time. These fees also include delegated fees paid to AIL for the ongoing monitoring, removal and appointment of managers, and the management of the strategies.

4. Additional Voluntary Contributions

The Trustee has made available a range of funds with the following investment managers. All funds are closed to new contributions.

- a) Clerical Medical
- b) Utmost Life & Pensions
- c) Standard Life

Approved and agreed by the Trustee of the Snamprogetti Limited Retirement Benefits Scheme

2 July 2025