

## Rockwool Limited Pension Scheme

### Investment Implementation Document (“IID”)

This Investment Implementation Document (“IID”) covers the Rockwool Limited Pension Scheme (the “Scheme”) and details the policy of the Trustee relating to the implementation of the Scheme’s investment arrangements, based on the principles set out in the Scheme’s Statement of Investment Principles (“SIP”) dated June 2024.

#### **Investment strategy**

The Scheme’s current investment strategy is invested according to the following broad asset allocation.

The allocation to Liability Driven Investment and Cash was c.50% of the overall portfolio at implementation of the strategy. However, as it aims to track liabilities there is no control range for the mandate.

<b>Asset Class</b>	<b>Proportion of Assets</b>	<b>Proportion of Sub-portfolio</b>	<b>Sub-portfolio Control Ranges</b>	<b>Expected Return Above Fixed-Interest Gilts<sup>1</sup></b>
<b>Return Seeking</b>	<b>50.0%</b>	-	-	-
<i>Corporate Bonds</i>	-	60.0%	n/a	0.5%
<i>Asset-Backed Securities</i>	-	40.0%	n/a	1.0%
<b>Liability Matching</b>	<b>50.0%</b>	-	-	-
<i>Liability Driven Investment and Cash</i>	-	100.0%	n/a	0.0%
<b>Scheme Total</b>	<b>100.0%</b>	-	-	<b>0.5%</b>

(1) 10-year assumptions as at 31 December 2023 relative to Bank of England 10 Year Gilts (net of management fees).

The expected returns shown in the above table represent long-term expectations across the asset class as a whole. Short-term returns in some asset classes may exhibit considerable variability.

The expected return of the Scheme’s investment strategy, as shown above, is approximately Gilts + 0.5% p.a. (as at 31 December 2023).

#### **Investment structure and mandates**

The Trustee has appointed Mobius Life as the platform provider who in turn invests in the underlying pooled funds.

The Scheme has indirectly invested in pooled funds managed by the following investment managers. All the investment managers and platform provider are regulated under the Financial Services and Markets Act 2000.

<b>Investment Manager</b>	<b>Proportion</b>
Legal & General	80.0%
Insight	20.0%
Total	100.0%

## Mandate Target Returns, Objectives, and Fees

Mandate 1 – L&G Life AAA-AA-A Corporate Bond – Over 15 Year Index Fund – Corporate Bonds

Benchmark	Objective	Fees (p.a.)
Markit iBoxx £ Non-Gilts (ex-BBB) Over 15 Years Index	Track the performance of the Markit iBoxx £ Non-Gilts (ex-BBB) Over 15 Years Index to within +/- 0.5% p.a. for two years out of three.	0.060%

Mandate 2 – Insight High Grade ABS Fund – Asset-Backed Securities

Benchmark	Return Guidance from Manager	Fees (p.a.)
1 Month SONIA	A return of 1.15% p.a. above the benchmark, net of fees.	0.600%

Mandate 3 - L&G Life Cash Life Fund – Cash

Benchmark	Objective	Fees (p.a.)
SONIA	To perform in line with SONIA without incurring excessive risk.	0.050%

Mandate 4 - L&G Life Matching Core LDI Funds – Liability Driven Investment

- L&G Life Matching Core Real Long Fund
- L&G Life Matching Core Real Short Fund
- L&G Life Matching Core Fixed Long Fund
- L&G Life Matching Core Fixed Short Fund

Benchmark	Objective	Fees (p.a.)
Scheme Specific Liability benchmark	To follow a Scheme-specific liability benchmark, determined by investing in a mix of the four Matching Core funds	0.210 – 0.215%

Fees shown are the Total Expense Ratio for each fund as at 31 December 2023, excluding the Mobius Life platform fee. Mobius Life charges additional fees of 0.075% p.a. for Liability Driven Investment Funds and 0.050% p.a. on the other funds.

Signed:

Trustee of the Rockwool Limited Pension Scheme

Signed:

Date: 27 August 2024