

Implementation Statement (“IS”)

Aon Retirement Plan (the “Plan”) (Defined Benefit (“DB”) Sections)

Plan Year End – 31 March 2026

The purpose of the Implementation Statement is for us, the Trustee of the Aon Retirement Plan, to explain what we have done during the year ending 31 March 2026 to achieve our objectives and implement our policies as set out in the Statement of Investment Principles (“SIP”) for the DB Sections of the Plan. The Implementation Statement for the Defined Contribution (“DC”) Section is prepared separately. This Statement includes:

1. A summary of any review and changes made to the SIP over the year, including how our policies in respect of the DB Sections in the SIP have been followed during the year.
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.

Our conclusion

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

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

For those relevant investment managers who did not provide all of the engagement information requested, we understand this is due to the nature of their investment strategies making engagement less applicable. These specific managers form a small portion of the Plan’s overall strategy, and so we do not view this as a material issue.

We delegate the management of some of the Plan’s assets to our fiduciary manager, Aon Investments Limited (“AIL”). We consider the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. We consider our voting rights to have been implemented effectively on our behalf. Our fiduciary manager will continue to engage with the investment managers in order to ensure engagement and associated stewardship obligations are met.

Changes to the SIP during the year

We reviewed the SIP during the year and updated it in June 2025.

The changes made included:

- Updating the investment strategy to reflect that the Plan is now targeting a higher investment return to maintain sufficient assets (rather than build up assets) to insure benefits over the period 2028 to 2030.
- Setting out a target to maintain an appropriate funding buffer to help mitigate residual risks and better protect members' benefits.
- Amending the asset allocation description, including explicit reference to growth assets (such as return-seeking bonds, equities and liquid diversifiers) alongside matching and alternative assets.
- Adding commentary on insurer price risk and the risk management efforts the Plan utilises in this regard.
- Updating the Schedule of Investment Arrangements to reflect new funds and managers implemented as part of strategy changes throughout the Plan year.

The Plan's latest SIP, including the stewardship policy, can be found here:

<https://www.aonretirementplan.co.uk/public-documents/>

On the next page, we explain how the main policies in this SIP have been followed throughout the Plan year.

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

How the policies in the SIP have been followed

In the table below we set out what we have done during the year to meet the policies in the SIP.

Strategy <i>“When choosing each Section’s planned asset allocation strategy and investment return objective the Trustee considered advice from their investment adviser.”</i>	Support. We take advice from our investment adviser, AIL, in setting the investment strategy and monitoring the investments. In 2025, we continued to manage the Aon UK Limited Section’s (“AUKL’s”) portfolio with AIL acting as the Outsourced Chief Investment Officer (“OCIO”) in accordance with the parameters set out in the Investment Management Agreement (“IMA”), allowing us the time to focus on more strategic decisions. We also took advice from our investment adviser in 2025 that led to setting new strategies for the AUKL, Hewitt Pension Fund (“HPF”), and HAPLAP Sections of the Plan. For AUKL and HPF, we agreed to target sufficient returns to maintain a funding buffer to help mitigate against residual risks and better protect members’ benefits. Growth assets. The AUKL and HPF sections invested in new portfolios of growth assets as part of the strategy review that took place in 2025. These are diversified across managers and asset classes such as equities, bonds, hedge funds, insurance-linked securities, commodities and others. These investments were funded by deploying excess collateral in the Plan’s liability driven investment (“LDI”) portfolios, whilst still maintaining a prudent collateral buffer well in excess of regulatory minimums. The illiquid assets continued to unwind over the year. Proceeds were primarily swept into the Plan’s LDI portfolios to reduce leverage. Matching assets. The LDI portfolios for the AUKL Section were consolidated over 2025, so that they were operated by a sole manager (L&G) and a sole custodian (BNY). There was a change to the hedge on rates and inflation in Q4 2025 to rectify a drift between the cashflow benchmarks and the underlying liabilities. Both AUKL and HPF targeted, as of 31 March 2026, a 30% hedge on credit exposure relative to uninsured liabilities. As part of the strategy review, both the AUKL and HPF Sections implemented Buy & Maintain credit portfolios with Allspring, designed to hedge the short-term cashflows of the Sections. During 2025, we also agreed to restructure the DC Trustee Reserve of the HAPLAP Section to better align with the liabilities. Benchmarks. In Q2 2025, we agreed to implement a light touch refresh of the benchmarks for the AUKL Section, to reduce tracking error by reflecting more recent market conditions. Looking ahead. In Q2 2026, we agreed to implement new cashflow benchmarks for the AUKL and HPF Sections which reflect the results of the actuarial valuation completed in 2026. The new cashflow benchmarks and hedging targets were implemented following the Plan’s year-end.
Risks <i>“The Trustee’s policy is to monitor, where possible, (...) risks on a regular basis.”</i>	We monitor risks throughout the year via quarterly investment monitoring reports from our investment adviser. We have continued to receive: • More detailed monitoring of the AUKL and HPF Sections’ LDI portfolios which assesses the effectiveness of the hedge and collateral resiliency; and • Illiquid pacing analysis which highlights any liquidity constraints facing the Plan over the next few years.
Arrangements with asset managers <i>“Before appointing a new asset manager, the Trustee reviews the governing documentation associated with the investment and considers the extent to which it aligns with the Trustee’s policies.”</i>	The FISC appointed and successfully onboarded Aon Investments Limited, Allspring, and UBS as new investment managers across the DB Sections, to operate new investment mandates for the Sections. The AUKL Section also consolidated its LDI holdings, appointing L&G and BNY as the sole investment manager and custodian respectively. All of these onboardings were carried out following a review of the governing documentation. With respect to assets held within the Plan, we take advice from our investment adviser. Additionally, Aon’s Investment Manager Research team carried out operational and investment due diligence reviews on all new mandates and managers before they were onboarded during the year.

Arrangements with asset managers

"The Trustee believes that having appropriate governing documentation; setting clear expectations to the asset managers by other means (where necessary) and regular monitoring of its asset managers' performance and investment strategy is sufficient to incentivise the asset managers to make decisions that align with the Trustee's policies."

Over the year our investment adviser held recurring meetings with the Plan's LDI managers, Insight (which was disinvested over the year) and L&G, to discuss topics such as collateral resilience, market changes, and the consolidation of our LDI portfolios.

Our investment adviser also worked closely with the Plan's illiquid asset managers to collect their cashflow forecasts and to understand any discrepancies when actual cashflows differed significantly from expectations.

Aon's Investment Manager Research team meets the underlying managers on a regular basis to assess any changes in the investment staff, investment process, risk management, ESG and other manager evaluation factors to ascertain whether the overall rating assigned to the fund remains appropriate and the manager remains suitable to manage the assets.

Arrangements with asset managers

"The Trustee expects its asset managers to offer full cost transparency via industry standard templates."

Over the year, a third party (ClearGlass) gathered all costs and charges from the Plan's asset managers. In an attempt to improve the timeliness of the reporting and due to the limited value in obtaining a summary of the costs for illiquid assets (as they cannot be influenced prior to running off), the paper delivered in 2025 focused on the Plan's more liquid assets.

We were comfortable with the level of costs and charges but expect to see improvements in the timeliness of reporting by ClearGlass and some of the underlying managers.

Responsible investment and stewardship

"The Trustee reviews its asset managers' approaches to stewardship and other ESG-related matters on an annual basis and has communicated its expectations and standards to its asset managers."

Throughout the year we updated our climate risk assessment and progressed with our financial reporting and sustainability reporting in line with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations.

An ESG rating for each investment manager is monitored by our investment adviser. These ratings take into account the investment manager's awareness of all known and potentially financially material ESG risks in the investment strategy, and the steps that have been taken by the investment manager to identify, evaluate and potentially mitigate these risks across the portfolio. This was also factored into the investment strategy review conducted during the Plan year e.g., considering equity mandates that tilt the portfolio towards ESG-friendly companies. As part of this review, the Sections invested in equity mandates that tilt towards companies expected to have positive contributions towards climate transition objectives. Additionally, all of the AIL Adept Strategy funds held as part of the Plan's DB assets require the underlying managers to have a minimum "Integrated" ESG rating to be included in the fund.

To date, no managers have been found to be falling significantly short of the standards expected in this area. On review of underlying asset managers' stewardship policies and voting statistics as part of the production of this Implementation Statement, we are of the opinion that this policy has been adhered to.

Our fiduciary manager's engagement activity

We invest some of the Plan's DB assets in AIL Adept Strategy funds. These are fund of funds arrangements, where AIL (as the investment manager) selects the underlying investment managers on our behalf.

The following commentary refers to AIL in their capacity as both a fiduciary manager and the investment manager of the AIL Adept Strategy funds.

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

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

One of these engagement meetings was held with Aegon Asset Management ("Aegon") in respect of their European Asset Backed Securities ("ABS") Fund which underlies a number of AIL's DB and DC funds. Aegon actively engages on the theme of good health and wellbeing and prevents the addition of exposures that are contrary to this, such as gambling-related exposures. Aegon identified that one of the assets it held was exposed to loans from gambling companies, which conflicted with its ESG policies. Aegon subsequently engaged with their underlying manager for the asset and was able to remove the loans making the asset suitable for ongoing inclusion in their strategy.

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

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code ("the Code"), which is a voluntary code established by the Financial Reporting Council ("FRC") 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.

HPF Section

The HPF Section retains AIL as their fiduciary manager, as well as the investment manager of the AIL Adept Strategy Funds.

AUKL Section

The AUKL Section directly invests in some of the AIL Adept Strategy funds as well, but not through fiduciary management.

Our equity manager's 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 only material investment manager, UBS, to responsibly exercise its voting rights.

Voting statistics

The table below shows the voting statistics for the Plan's material investment manager with voting rights for the year to 31 March 2026.

Fund	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
UBS - Global Equity Climate Transition Fund (Hedged and Unhedged)	11,902	94.0%	9.7%	0.1%

Source: Investment manager. 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.

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 material investment manager uses proxy voting advisers.

Manager	Description of use of proxy voting advisers (in the manager's own words)
UBS Global Asset Management ("UBS")	UBS AM retains the services of Institutional Shareholder Services ("ISS") for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Investment manager

Significant voting example

To illustrate the voting activity being carried out on our behalf, we asked the Plan's material investment manager to provide a selection of what it considers to be the most significant votes in relation to the Plan's assets. An example of a significant vote can be found in the appendix.

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.

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 relevant 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	
Allspring Global Investments ("Allspring") - Climate Transition Buy and Maintain Fund	28	107	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Human Capital Management Governance - Strategy, Financial and Reporting; Remuneration
UBS - Global Equity Climate Transition Fund (Hedged and Unhedged)	191	341	Environment - Climate Change; Natural Resource Use/Impact Social - Human Capital Management; Human and Labour Rights; Public Health Governance - Remuneration; Board Effectiveness - Other; Strategy, Financial & Reporting; Shareholder Rights
KKR - Global Infrastructure Investors II Fund	Not provided		Environment - Climate / GHG Emissions Reduction Social - Health & Safety
PIMCO - BRAVO III Offshore Fund*	Not provided	>1,300	Environment* - Climate Change; Natural Resource Use/Impact Social* - Conduct, Culture and Ethics; Human and Labour Rights Governance* - Strategy, Financial and Reporting; Board, Management & Ownership
Aon Active Global Fixed Income Strategy			
Ardea Asset Management ("Ardea") - Global Alpha Fund	31	31	Environment - Climate Change Other - Market Development of Green & Sustainable Bonds
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	100	383	Environment - Climate Change Social - Conduct, Culture and Ethics Governance - Strategy, Financial & Reporting Other - General Disclosure
M&G Investments - Sustainable Total Return Credit Investment Fund	56	533	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Public Health Governance - Board effectiveness - Diversity Other - Succession
Aon Low Risk Bonds Strategy			
Ardea Asset Management ("Ardea") - Global Alpha Fund	31	31	Environment - Climate Change Other - Market Development of Green & Sustainable Bonds
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	100	383	Environment - Climate Change Social - Conduct, Culture and Ethics Governance - Strategy, Financial & Reporting Other - General Disclosure

Aon Multi-Asset Credit Strategy			
Aberdeen - Climate Transition Bond Fund	117	1,698	Environment - Climate; Other Environment Related Social - Human Rights & Stakeholders; Labour Management Governance - Corporate Governance; Corporate Behaviour
Legal and General Asset Management ("L&G") - Diversified Credit Fund	207	3,762	Environment - Climate Change; Natural Resource Use/Impact Social - Human Capital Management Governance - Board effectiveness - Other; Remuneration; Strategy, Financial and Reporting
Aon Active Diversifiers Strategy			
Arrowstreet Capital - ESG Global Equity Long/Short Fund*	Not provided	136	Environment - Water Quality; Water Security Social - Human & Labour Rights; Community Relations; Product Quality & Safety; Occupational Health & Safety Governance - Business Ethics, Bribery and Corruption
Caius Capital - International Fund	>30	>30	Governance - Board Effectiveness - Other; Leadership - Chair/CEO; Remuneration Strategy, Financial & Reporting - Strategy/Purpose; Financial Performance
Man Group - Alternative Risk Premia Fund*	Not provided	65	Environment - Climate Change; Pollution, Waste; Natural resource Use/Impact Social - Human and Labour Rights; Human Capital Management Governance - Remuneration; Board Effectiveness - Other; Strategy, Financial and Reporting
Marshall Wace - Market Neutral ESG Tops Fund*	Not provided	Not provided	Environment - Natural Resource Use/Impact (e.g. Water; Biodiversity; Deforestation; Sustainable Sourcing)

Source: Investment managers.

*Arrowstreet, Man Group, Marshall Wace and PIMCO 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:

- Arrowstreet, Man Group and Marshall Wace did not provide all of the engagement information requested. This is because the assets managed by these managers are held tactically over a short period of time and/or indirectly through derivative exposures, meaning that engagement is less applicable to these assets given the long-term nature of engagements.
 - Arrowstreet and Man Group provided detailed engagement information at a firm level only.
 - Marshall Wace provided limited engagement information but did provide detailed illustrative examples of its engagement activity at a firm level and stated that the manager undertakes engagement initiatives at the firm level rather than fund level.
- KKR was able to provide detailed case studies at the fund level. PIMCO could not provide fund level engagement information as it does not track engagement data for private funds, however they did provide broader engagement information at a firm level.

This report does not include commentary on certain asset classes such as insurance-linked securities, commodities (including gold), gilts, annuities and cash because stewardship considerations are of limited materiality for these investments.

We have also excluded the AIL Return Seeking Hedge Fund as this fund was closed and now only holds a small number of illiquid holdings.

Further this report does not include any commentary on the additional voluntary contributions ("AVCs") held within the DB Sections due to the relatively small proportion of the assets that are held within the DB Sections as AVCs.

Appendix – Significant Voting Example

In the table below is an example of a significant vote as provided by the Plan's material investment manager. We consider a significant vote to be one which the manager considers significant.

UBS - Global Equity Climate Transition Fund (Hedged and Unhedged)	Company name	Amazon.com, Inc.
	Date of vote	21 May 2025
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
	Summary of the resolution	Shareholder Proposal Requesting Additional Reporting on Impact of Data Centers on Climate Commitments
	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	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
	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?	Given notable shareholder support, we shall monitor for further developments. We will continue to engage with the company.
	On which criteria have you assessed this vote to be most significant?	20.1% of shareholders supported this proposal.

Source: Investment manager