Aspen Healthcare Limited Staff Pension Fund Implementation Statement

Introduction

The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations ("the Regulations") require, among other things, that the Trustee of the Aspen Healthcare Limited Staff Pension Fund (the "Scheme") produces an Implementation Statement which:

- describes any review of the Statement of Investment Principles (SIP) undertaken;
- explains any changes made to the SIP and reasons for the changes, or where no review was undertaken during the year, gives the date of the last review;
- outlines how the Trustee has ensured that the policies and objectives set out in its SIP have been adhered to over the course of the Scheme year; and
- describes the voting behaviour on behalf of the Trustee, including the most significant votes cast and any use of a proxy.

This Implementation Statement covers the year ending 31 December 2025.

Review of, and changes to, the SIP over the year to 31 December 2025

The SIP in place during the year was adopted in August 2023, with a small amendment in respect of liquidity risk made in September 2024. The SIP has not been otherwise reviewed during the Scheme year and there have been no significant changes in investment of either the DB or DC sections during the Scheme year.

How we have met the objectives and policies outlined in the SIP

The Trustee's investment objectives for the Scheme, as set out in the SIP, are summarised below together with an explanation of how these objectives have been met over the course of the year.

DB Section

1. ***The investment objectives of the Scheme are:***

    a. ***The acquisition of suitable assets of appropriate liquidity which will generate income and capital growth to meet, together with any contributions from the Employer, the cost of benefits which the Scheme provides as set out in the Trust Deed and Rules;***

    b. ***So far as reasonable possible, to avoid the risk of the assets failing to meet the liabilities on an ongoing basis; and***

    c. ***To reduce the volatility of the assets when compared to the cost of bulk annuities.***

The Trustee sets its investment strategy, including appointment of investment managers, fund selection and asset allocation, considering the advice provided by its professional advisers. The Trustee has appointed LGIM as the investment manager, and the asset allocation is documented in the SIP.

It is the Trustee's policy to keep the Scheme's investments under regular review.

The Trustee has received and reviewed quarterly reports from LGIM throughout the year to 31 December 2025 and continues to monitor ongoing performance.

Liquidity risk is managed by investing in underlying pooled funds which allow regular dealing.

DC Section

2. ***The Trustees aim to maintain a range of low-cost pooled investment funds which serve to meet the varying investment needs (e.g. long-term growth or value protection) and risk tolerances of Scheme members.***

   Over the course of the year, the Trustee has provided members with a range of investment options covering major asset classes.

   Members who do not wish to take an active role in managing their investment choices are able to invest in the default strategy. The default strategy provides an asset allocation strategy which aims to optimise the balance between risk and reward over a member's investment lifecycle. This is done by automatically switching monies between the three funds depending on the length of time until the member's target retirement date.

   Member accounts are invested in one or more out of a total of 8 available funds managed by LGIM. These include the three funds utilised by the default strategy and an additional five self-select funds. The funds available to members include two equity funds, one multi-asset fund, one corporate bond fund, one fixed interest fund, two government bond funds and a cash fund.

3. ***The aim of the default investment option is to be a reasonable option for those members not wishing to make their own investment decisions. The overall investment aim is to generate long-term investment growth over the majority of members' working lives.***

   The strategy initially invests in the LGIM Diversified Fund until five years before a member's normal retirement age. The objective is to provide long-term investment growth, but with less volatility (fluctuations in value) than a fund invested solely in equities.

   As members reach their target retirement date, the Retirement Account is gradually switched from the LGIM Diversified Fund into the LGIM Future World Annuity Aware Fund, to provide a degree of protection for the amount of pension that can be secured by annuity on retirement, and into the LGIM Cash Fund, to provide a degree of protection for the amount of tax-free cash that can be drawn.

The Trustee receives quarterly investment monitoring reports from LGIM which provide information on the short and long-term performance of all funds offered to members. During the year ending 31 December 2025, the Diversified Fund (which holds the largest proportion of member's assets) produced a return of 11.1% compared to the comparator fund return of 17.5%. However, the comparator fund is a world equity index so the returns are not necessarily directly comparable. The Cash Fund performed approximately in line with its benchmark over the year, and the Future World Annuity Aware Fund outperformed its benchmark.

The Trustee continues to monitor returns in order to assess performance over longer term periods as well as the short term.

4. ***The Trustees will review the investment manager, the fund range and the SIP at least every three years.***

The Trustee last reviewed the default investment strategy in 2024. The Trustee was satisfied with the performance of the arrangement and concluded that no changes to its design were currently required.

Applicable to both sections

5. ***The Trustees have a duty to act in the financial interests of the Scheme's beneficiaries as a long-term investor. This includes considering ESG risks and opportunities that may be financially material to the Scheme.***

The Trustee invests in pooled funds and the underlying assets are subject to the investment manager's own policies on ESG considerations, including climate change.

The appointed investment manager has opted to sign the United Nations-supported Principles for Responsible Investment (PRI). The investment manager's reports related to PRI and its statements on compliance with the Financial Reporting Council Stewardship Code are available for inspection by the Trustee.

Voting behaviour on behalf of the Trustee

As a holder of assets with attaching voting rights, the Trustee is able to exercise these voting rights on behalf of members of the Scheme. As part of their delegated responsibility, the Trustee expects the Scheme's investment manager (LGIM) to:

- Ensure that (where appropriate) underlying managers exercise the Trustee's voting rights in relation to the Scheme's assets; and
- Report to the Trustee on stewardship activity by underlying managers as required.

The investment manager uses the service provider ISS to provide proxy vote related services that may include research, vote recommendations, vote execution and record keeping. The investment manager does not automatically accept the service provider's vote recommendations.

For the Diversified Fund, LGIM confirmed that it voted on 99.88% of resolutions and voted against management in 23.05% of its votes.

Most significant votes over the year

A summary of some of the significant votes over the year in relation to LGIM's Diversified Fund, as highlighted by LGIM, is set out below.

Lam Research Corporation, 4 November 2025

Lam Research Corporation is an American supplier of wafer-fabrication equipment and related services to the semiconductor industry. Shareholders were asked to support reducing the ownership threshold for shareholders to call a special meeting.

LGIM voted for this resolution as the current threshold necessary to call a special meeting was too high.

Microsoft Corporation, 5 December 2025

Microsoft Corporation is an American multinational corporation and technology company with headquarters in Washington. Shareholders were asked to support the election of Satya Nadella as Director.

LGIM voted against this resolution as it expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.

Anglo American Plc, 9 December 2025

Anglo American Plc is a British multinational mining company with headquarters in London. Shareholders were asked to support the amendment of a restricted stock plan.

LGIM voted against this resolution as the proposed retrospective amendments to the long-term plan were a breach of LGIM's remuneration policies.