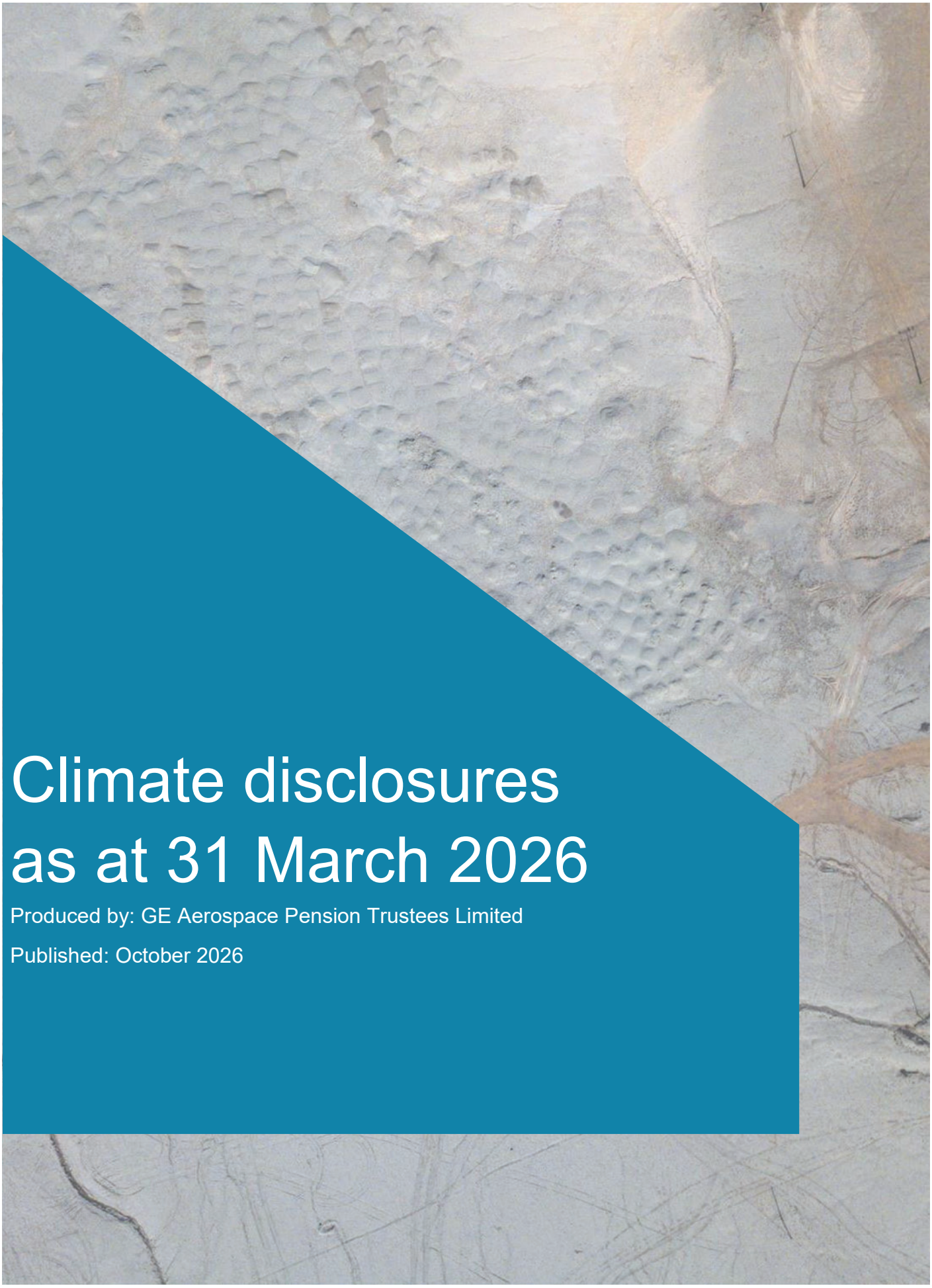
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Climate disclosures as at 31 March 2026

Produced by: GE Aerospace Pension Trustees Limited

Published: October 2026

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Introduction



Climate change is affecting the planet, causing extreme weather events, impacting crop production and threatening Earth's ecosystems. Understanding the impact of climate change and the GE Aerospace Pension Plan's vulnerability to climate-related risks will help the Trustee mitigate the risks and take advantage of any opportunities.

UK regulations require trustees of pension plans with £1bn or more in assets to meet certain climate governance requirements and publish an annual report on their plan's climate-related risks and opportunities.

Better climate reporting should lead to better-informed decision-making on climate-related risks and opportunities. And on top of that, greater transparency around climate-related risks and opportunities should increase accountability and provide decision-useful information to investors and beneficiaries.

This report contains the annual climate disclosures for the GE Aerospace Pension Plan ("GEAPP" or the "Plan") for the year ended 31 March 2026.

The four elements covered in the report are:

Governance	The Plan's governance around climate-related risks and opportunities.
Strategy	The potential impacts of climate-related risks and opportunities on the Plan's strategy and financial planning.
Risk Management	The processes used to identify, assess and manage climate-related risks.
Metrics & Targets	The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

This report has been prepared by the GE Aerospace Pension Trustees Limited (the "Trustee") in accordance with the regulations set out under The Occupational Pension Plans (Climate Change Governance and Reporting) Regulations 2021 (the "Regulations").

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Executive summary

This report sets out the actions that the Trustee has taken to understand the potential impact climate change could have on the Plan.

The Trustee has worked closely with its investment advisers to identify the climate-related risks and opportunities faced by the Plan, and to understand ways in which it can manage and mitigate those risks.

Overview of the Plan

The Plan is a hybrid arrangement comprising a Defined Benefit ("DB") Section of c.£2.2bn and a Defined Contribution ("DC") Section of c.£20.9m.

During the reporting period, the GE Capital Pension Scheme ("GECPS") was merged with the Plan, increasing the Plan's assets by £485.4m. During the reporting period, a new DC Section was also created.

DB Section

The DB Section invests across a range of assets, which are managed by the Plan's fiduciary provider, State Street Investment Management ("SSIM").

DC Section

The DC Section invests across a range of pooled funds, managed by Legal & General Investment Management ("L&G").

Given the relative size of the DB and DC Sections, the majority of the analysis presented in this report relates to the DB Section.

The Trustee has been supported by its investment advisers, Aon Investments Limited ("Aon") (DB investment adviser), SSIM (DB fiduciary provider), Hymans Robertson LLP (DC investment adviser) and Penfida (Covenant adviser) with the production of its climate disclosures report and the data contained within it.



Governance

- The Trustee is responsible for the oversight of all strategic matters relating to the Plan. This includes approval of the governance and management framework relating to environmental, social and corporate governance ("ESG") considerations and climate-related risks and opportunities.



Strategy

- The Trustee carried out qualitative analysis of climate-related risks and opportunities which showed that the asset classes in which the Plan invests are impacted to some degree by climate-related risks. And over time, the risk exposure is expected to increase.
- The Trustee also identified numerous investment opportunities for the different asset classes.
- The Trustee undertook a review of its existing climate scenario analysis given the merger of GECPS into the Plan. The Trustee is comfortable that the analysis remains appropriate and

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that the Plan remains resilient across the different scenarios modelled. The resilience was primarily driven by the high level of diversification in the assets.



Risk Management

- The Trustee has established a process to identify, assess and manage the climate-related risks and opportunities the Plan is exposed to. This is integrated into the Plan's wider risk management framework.
- The Trustee's climate risk management framework is set out on pages 28-30, which assists with the ongoing management of climate-related risks and opportunities.



Metrics & Targets

The Trustee has disclosed information on four climate-related metrics as follows:

- Total Greenhouse Gas ("GHG") emissions
- Carbon footprint
- Data coverage
- Proportion of the portfolio that has Science Based Targets Initiative ("SBTi")-aligned targets

The Trustee, with the assistance of the Plan's fiduciary manager, SSIM, and Aon gathered carbon metrics data from the underlying investment managers.

The Trustee has set a target to improve the data coverage metric for the material asset classes over a five-year period from 31 March 2022 (the baseline). Further detail can be found within the Metrics & Targets section of this report.

Based on the analysis shown in this report, the Trustee is reassured that the potential financial impact of climate change on the Plan is not expected to be significant. Working closely with the GE UK Common Investment Fund ("CIF"), SSIM, Aon, and Hymans Robertson, the Trustee will continue to monitor and take appropriate action to address climate-related risks and opportunities for the Plan.

The Trustee hopes you enjoy reading this report and understanding more about how the Trustee is managing the Plan's climate-related risks and opportunities, in line with its fiduciary duty to prioritise future outcomes for Plan members and their dependants.

Signed by:
ME
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28-Oct-2026

On behalf of the Trustee of the GE Aerospace Pension Plan.

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Governance

Governance is the way the Plan operates and the internal processes and controls in place to ensure appropriate oversight. Those undertaking governance activities are responsible for managing climate-related risks and opportunities. This includes the Trustee, and others making Plan-wide decisions, such as those relating to the Plan's funding and investment strategy.

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Trustee's Governance of the Plan

The Trustee of the Plan is responsible for overseeing all strategic matters related to the Plan. This includes the governance and management frameworks relating to ESG considerations and climate-related risks and opportunities.

Role of the Trustee Board

The Trustee has discussed and agreed its climate-related beliefs and overarching approach to managing climate change risk. These are set out in the Plan's Statement of Investment Principles ("SIP") and the Responsible Investment ("RI") policy which are reviewed and (re)approved annually by the Trustee Board.

The Trustee seeks to manage material risks and opportunities, support long-term investment outcomes and fulfil its fiduciary duties across DB and DC Sections of the Plan.

Our climate beliefs

- ESG can be financially material to investment performance and risk, and therefore managing material ESG risks is consistent with the Trustee's fiduciary duty to members and beneficiaries.
- The Trustee recognises that environmental and social challenges may have significant implications for long-term economic growth, market returns and investment outcomes and therefore considers these factors within its investment decision-making and oversight activities.
- The Trustee recognises that if not carefully assessed and mitigated, the risks associated with climate change may have a materially detrimental impact on the Plan's investment returns over the short, medium and long-term.
- The Trustee believes that climate-related factors are also likely to create investment opportunities. Where appropriately aligned with its strategic objectives and fiduciary duty, the Trustee will seek to monitor and manage these risks and capture opportunities through its investment portfolio.

The Trustee recognises the importance of responsible ownership and recognises a duty to exercise its stewardship and active ownership responsibilities effectively by using its influence as a long-term investor to encourage positive behaviour.

The Trustee believes the most appropriate time horizons to assess the climate-related risks and opportunities for the Plan are:

	DB Section	DC Section
Short	1-3 years	5 years
Medium	4-10 years	15 years
Long	11 – 20 years	40 years

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The Trustee acknowledges that there are both long and short-term risks associated with climate change and will assess climate-related risks and opportunities over the aforementioned time horizons. The Trustee will also seek to consider transition and physical risks separately, where appropriate.

From time to time, the Trustee Board receives training on climate-related issues to ensure that it has the appropriate knowledge and understanding to support good decision-making. The Trustee expects its advisers to bring important and relevant climate-related issues and developments to the Trustee's attention in a timely manner.

Role of the Funding and Investment Committee – DB Section only

The Trustee Board has delegated day-to-day oversight, ongoing monitoring and implementation of the DB Section's framework relating to ESG to the Funding and Investment Committee ("F&IC").

The F&IC monitors and reviews progress against the Plan's climate change risk management approach on a quarterly basis. The F&IC will keep the Trustee Board apprised of any material climate-related developments through regular (typically quarterly) updates.

The key activities undertaken by the F&IC, with the support of the Plan's advisers, are:

- Ensure the investment strategy or any implementation proposals consider the impact of climate risks and opportunities.
- Engage with the fiduciary manager of the DB Section (and underlying managers if required) to understand how climate risks and opportunities are considered within their investment approach.
- Work with the fiduciary manager of the DB Section (and underlying managers if required) to disclose relevant climate-related metrics as set out in the TCFD recommendations.
- Ensure stewardship activities are being carried out appropriately by the investment managers and the fiduciary manager on the Plan's behalf.

Role of the Defined Contribution Committee – DC Section only

The Trustee Board has delegated day-to-day oversight, ongoing monitoring and implementation of the DC Section's framework relating to ESG to the DC Committee.

The DC Committee monitors and reviews progress against the Plan's climate change risk management approach. The DC Committee will keep the Trustee Board apprised of any material climate-related developments through updates when they are required.

The key activities undertaken by the DC Committee with the support of the Plan's advisers, are:

- Ensure the investment strategy or any implementation proposals consider the impact of climate risks and opportunities.

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- Engage with L&G as manager for the DC Section to understand how climate risks and opportunities are considered within their investment approach.
- Work with L&G as manager for the DC Section to disclose relevant climate-related metrics as set out in the TCFD recommendations.
- Ensure stewardship activities are being carried out appropriately by the investment managers.

Role of the fiduciary provider – DB Section only

The Trustee Board has agreed that SSIM will help the Trustee understand how they and the underlying managers consider climate change risk in their investment approach and work with the underlying managers to disclose relevant climate-related metrics as set out in the TCFD's recommendations.

Role of the Common Investment Fund ("CIF") - DB Section only

The DB Section of the Plan participates in the CIF and gains investment exposure through the purchase of units in the CIF, alongside the Plan's other liability matching instruments. The Trustee takes into account the asset allocation strategy within the CIF units when deciding whether to invest in each unit. However, the CIF Trustees and their advisers are responsible for setting the strategy within in each CIF unit.

The Trustee Board has agreed that the CIF will review and facilitate climate risk management and opportunities through economies of scale in the investment strategy.

The CIF (together with SSIM) are responsible for the fiduciary management of the Plan's DB assets. As part of their delegated responsibilities the Trustee expects the CIF, SSIM and the underlying fund managers to:

- Ensure that (where appropriate) underlying asset managers exercise the Trustee's voting rights in relation to the Plan's assets.
- Take into account ESG considerations in the selection, retention and realisation of investments; and
- Report to the Trustee on stewardship activities undertaken by underlying asset managers as required.

The Trustee of the CIF are responsible for reviewing whether the managers are meeting the Trustee's expectations and providing an annual update to the Trustee for all delegated responsibilities in this regard.

Role of external advisers

The Trustee expects its advisers and investment managers to bring important climate-related issues and developments to our attention in a timely manner. The Trustee expects its advisers and investment managers to have the appropriate knowledge on climate-related matters.

The Trustee reviews the quality of its advisers' provision of advice and support on climate-related issues. For the Plan's investment advisers this is part of the annual review of investment consultant objectives. For the Plan Actuary this is part of the Plan's triennial valuation.

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The Trustee has agreed the following roles for its external advisers:

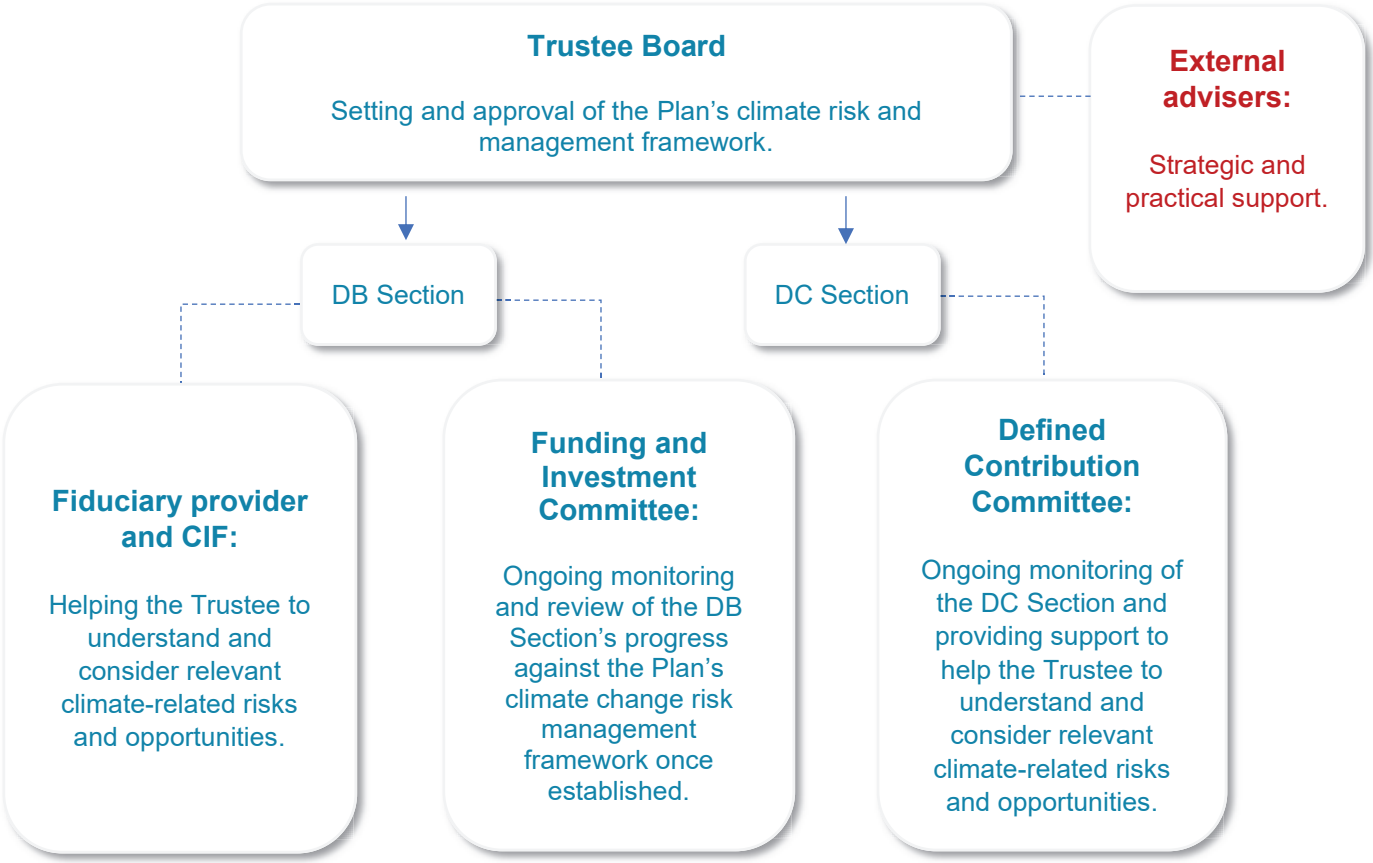
DB investment adviser – the Trustee's DB investment adviser, Aon, provides strategic and practical support to the F&IC and Trustee, in respect of the DB assets. This includes support in respect of the management of climate-related risks and opportunities and ensuring compliance with the recommendations set out by the TCFD. The Trustee's investment adviser is also expected to provide regular training and updates on climate-related issues and climate change scenario modelling to enable the F&IC and Trustee to assess the Plan's exposure to climate-related risks.

DC investment adviser – the Trustee's DC investment adviser Hymans Robertson LLP, provides the DC Committee and Trustee with support and advice as required including climate analysis, monitoring of climate-related risks, advice on their management and potential opportunities on at least an annual basis.

Plan actuary – the Plan Actuary, Gareth Boyd of WTW, helps the Trustee assess the potential impact of climate change risk on the Plan's funding assumptions for the DB Section.

Covenant adviser – the Trustee's covenant adviser, Penfida, will help the Trustee understand the potential impacts of climate change risk on the sponsor covenant of the principal and participating employers of the Plan.

The organisational structure of the Trustee Board, the F&IC, DC Committee and their supporting external and internal parties is illustrated by the chart below.



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Strategy

It is crucial to think strategically about the climate-related risks and opportunities that will impact the Plan if the Trustee is to stand a chance of mitigating the effects of climate change.

Assessing the climate-related risks and opportunities the Plan is exposed to is key to understanding the impact climate change could have on the Plan in the future.

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What climate-related risks are most likely to impact the Plan?

The Trustee carries out a qualitative risk assessment of the asset classes the Plan is invested in. From this the Trustee identifies which climate-related risks could have a material impact on the Plan. The Trustee also identifies suitable climate-related opportunities.

Given the number of asset classes in which the Plan invests, the Trustee has completed a best endeavours exercise to analyse the climate-related risks of each asset class.

Trustee's update

The F&IC engages with the DB Section's underlying managers and the DC Committee with the DC adviser to assess the exposure to climate-related risks for the funds the Plan is invested in.

The latest full assessment can be found on page 15 of the report.

Plan's investments

DB Section:

The Plan's investment portfolio is diversified across a range of different asset classes including global equities, private equity/credit, fixed interest bonds, multi-asset credit, property, property debt, hedge funds, corporate bonds and UK government bonds.

Asset Class	Equities	Index-Linked Property	Illiquid Growth/ Credit*	Multi-Asset Credit	Short-Dated Credit	Long Dated Corporate Bonds	LDI & Cash
Strategic Allocation (%)	10.0%	7.5%	16.5%	0.8%	9.2%	5.0%	51.0%

Source: Aon. Interim strategic asset allocation as at 31/03/2026. Note: Figures may not sum to 100% due to rounding.
*Illiquid Growth/Credit includes Private Equity and Private Credit.

DC Section:

The DC Section invests in a range of pooled funds including equities, bonds, multi-asset, property and cash funds. The breakdown of these funds as at 31 March 2026 is shown in the table below:

Asset Class	**Fund**	**£m**	**%**
Equities	GE Aerospace Pension Saver Growth Fund	15.636	75.0
	L&G UK Equity Index	0.008	0.0
	L&G North America Equity Index	0.028	0.1
	L&G Europe ex UK Index Equity Index	0.006	0.0
	L&G Japan Equity Index	0.000	0.0
	L&G Asia Pacific ex Japan (Developed) Equity Index	0.011	0.1
	L&G World Emerging Markets Equity Index	0.007	0.0

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	L&G Ethical Global Equity Index	0.012	0.1
	L&G HSBC Islamic Global Equity Index	0.123	0.6
			75.9
Bonds	GE Aerospace Pension Saver Pre-Retirement Targeting Annuity	0.005	0.0
	L&G AAA-AA-A Corporate Bond All Stocks Index	0.001	0.0
	L&G All Stocks Gilts Index	0.001	0.0
	L&G All Stocks Index Linked Gilts Index	0.001	0.0
			0.0
Multi-Asset	GE Aerospace Pension Saver Consolidation Fund	3.296	15.8
	GE Aerospace Pension Saver Pre-Retirement Targeting Drawdown	1.628	7.8
	L&G Future World Multi-Asset	0.019	0.1
	L&G HSBC Shariah Multi-Asset	0.032	0.2
			23.9
Property	L&G Sustainable Property Fund	0.001	0.0
Cash	L&G Cash	0.044	0.2
Total		**20.9**	

Source: Hymans. Allocation as at 31/03/2026.

How the qualitative risk assessment works

Risk categories

In the analysis, the climate-related risks have been categorised into physical and transition risks.

Transition risks are associated with the transition towards a low-carbon economy.

Physical risks are associated with the physical impacts of climate change on companies' operations.

More details about transition and physical risks can be found in the *Appendix*.

Ratings

The analysis uses a RAG rating system where:

Red denotes a high level of financial exposure to a risk.

Amber denotes a medium level of financial exposure to a risk.

Green denotes a low level of financial exposure to a risk.

Time horizons

The Trustee has assessed climate-related risks and opportunities across three time horizons:

	DB Section	DC Section
Short	1-3 years	5 years
Medium	4-10 years	15 years
Long	11 – 20 years	40 years

When deciding the relevant time horizons, the Trustee considered the long-term nature of the Plan's investment objectives and, for the DB Section, the profile of its liabilities and benefit payment obligations.

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DB Section

Climate-related risk assessment

The Trustee reviewed the qualitative climate-related risks and opportunities analysis that was carried out two years ago and has concluded that the analysis remains appropriate for this year (noting the addition of Short-dated Credit to the assessment as the only change).

Liability driven investments ("LDI") has been excluded from the RAG analysis below because the assessment is focused on assessing climate-related integration and stewardship within the Plan's return-seeking assets. As the LDI portfolio is primarily invested in government bonds and managed to meet liability-hedging objectives, the assessment criteria are less directly applicable. Climate-related risks associated with these assets are considered elsewhere in this report, including through the sovereign carbon metrics in the Metrics & Target section of the report.

	Asset Class	Listed Equity	Private Equity	Fixed Interest bonds	Multi-Asset Credit	Illiquid Credit	Index-Linked Property	Infrastructure	Short-Dated Credit	Liabilities	Covenant
Physical risks	Short term	Low	Low	Low	Low	Low	Low	Low	Low to Medium	Low	Low to Medium
	Medium term	Medium	Low	Low to Medium	Medium	Medium	Medium	Medium	Low to Medium	Low to Medium	Low to Medium
	Long term	High	Medium	High	Medium	Medium	Medium	High	Medium	Medium	Low to Medium
Transition risks	Short term	Low to Medium	Low	Low to Medium	Medium	Low	Low	Low to Medium	Low	Low	Low to Medium
	Medium term	Medium to High	Low to Medium	Medium to High	Medium to High	Medium	Medium	Medium	Medium	Low to Medium	Low to Medium
	Long term	High	Medium	High	Medium	Medium to High	Medium to High	Low to Medium	Medium	Medium	Low to Medium
	Impact	Medium	Low	Medium	Medium	Medium	Medium	Low	Medium	Low to Medium	Low to Medium

Source: SSIM, Aon.

Key conclusions

The annual review concluded that the Trustee's assessment of climate-related risks and opportunities remains appropriate for the Plan. No material changes to the conclusions of the previous assessment were identified following the review, with the inclusion of the Short-Dated Credit allocation not materially altering the overall risk profile.

Continued overleaf.

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Diversification across asset classes, sectors and geographies continues to be an important mitigant of both physical and transition climate-related risks within the Plan's investment portfolio.
The assessment indicates that the Plan's listed equity allocation is most exposed to climate-related risks, particularly over medium- and long-term time horizons, reflecting both its significance within the portfolio and sensitivity to physical and transition risk factors.

Certain other return-seeking assets, including fixed interest bonds, credit assets, infrastructure and index-linked property, may also be exposed to elevated climate-related risks over longer time horizons, although the nature and extent of these risks vary by asset class.

Transition risks are generally assessed to be more material over the short to medium term, reflecting the potential impact of policy, regulatory, technological and market changes associated with the transition to a lower-carbon economy. Physical risks are expected to become increasingly material over longer time horizons as the impacts of climate change become more pronounced.

The Trustee continues to manage climate-related risks through its investment governance framework, including oversight of the fiduciary manager's integration of climate considerations into investment decision-making, manager selection, monitoring and stewardship activities.

A detailed assessment of each asset class is included in the *Appendix*.

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DB Section:

Climate-related opportunities

The Trustee has also identified some climate-related opportunities across broad themes as follows (these opportunities are valid over the short-, medium- and long-term time horizons):



Cleaner energy

Green power generation,
clean technology innovation,
sustainable biofuels



Environmental resources

Water,
agriculture,
waste management



Energy and materials efficiency

Advanced materials,
building efficiency,
power grid efficiency



Environmental services

Environmental protection,
business services

Regarding specific opportunities in the Plan's investment strategy, the Trustee relies on SSIM to take climate-related opportunities as well as risks into account applicable to its mandates. Based on the qualitative assessment conducted over the 2024 reporting period, the Trustee has concluded that the following opportunities presented below remain appropriate to the Plan's investments.

To reflect the Trustee's allocation to Short-Dated Credit over the reporting period the qualitative assessment has been updated to include opportunities in this asset class.

Equity

Climate-related opportunities within equity investments arise from companies' ability to respond to climate-related risks and benefit from the transition to a lower-carbon economy. Examples include:

- More efficient production and distribution processes (resource efficiency);
- Adoption of lower-emission sources of energy (energy source);
- Ability to diversify business activity (products and services).
- Expansion into new markets (markets).
- Investment in renewable energy and other climate resilience measures (resilience).

Credit

Climate-related opportunities are generally more limited within credit asset classes than equities, as upside is typically constrained by the contractual nature of bond returns. Opportunities may arise where issuers improve their

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resilience to climate-related risks or successfully adapt their business models to a lower-carbon economy, potentially leading to improved credit quality.

In general, the climate-related opportunities are greater for Multi-Asset Credit and Illiquid Credit than Fixed Interest Bonds, reflecting their broader investment universes and a mandate to be opportunistic. Owing to Illiquid Credit's longer maturities and lower trading volumes, it is ideal for directly financing green infrastructure and impact projects. Multi-Asset Credit may gain exposure through investments in green bonds.

Property Debt

Over the short-term, there are opportunities related to increased value of physical assets that show energy efficiency and future proofing. Over the medium- to long-term, there are opportunities related to:

- Enhancing the resilience of assets through adoption of low-carbon technology and energy efficiency measures.
- Development of 'green' assets to satisfy occupier expectations of a sustainable space (e.g. electric vehicle charging points and rainwater harvesting).
- Sustainability-linked loans may be a potential investment opportunity, where the loan incentivises borrowers to achieve predetermined sustainability objectives.
- Premium rental income from tenants to occupy efficient/green space.
- Greater resilience to changing weather patterns and ability to continue operating under more extreme conditions.

Short-dated Credit

There are opportunities to capitalise on the transition to a low-carbon economy for this asset class. These opportunities include:

- Resource efficiency: due to the lack of substitutes for fossil fuels and raw materials, more efficient technologies and production methods need to be developed; and
- Energy sources: the low proportion of renewable energy use across industrial, utility, and financial issuers will require substantial investment to transition to low-carbon alternatives. This will offer financing opportunities for financial issuers.

Infrastructure

In the short-term, investing in and developing renewable energy infrastructure and upgrading existing infrastructure to improve energy efficiency can result in enhanced valuation which presents an opportunity for infrastructure investors. Infrastructure can capitalise on migration to renewables and energy efficiency trend via increased valuations of assets incorporating the same. Over the medium- to long-term, there are opportunities related to:

- Incorporating climate resilience within the portfolio and developing climate-resilient infrastructure becomes vital as impacts of climate change become more pronounced in future. Investments in climate resilient infrastructure can provide long-term opportunities.
- Green or sustainable infrastructure development (e.g. electric vehicle charging infrastructure and carbon capture storage technologies) to capitalise on the evolving market expectations of a sustainable space.

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DC Section:

Climate-related risks and opportunities assessment:

The Trustee notes that climate-related risks and opportunities will evolve over time as more data, analysis, research and solutions come to the fore. The following table sets out some of the potential climate-related risks and opportunities which could impact on the DC investments in the Plan, considering the following time horizons:

- Short term – 5-year time horizon
- Medium term – 15-year time horizon
- Long-term – 40-year time horizon

		Short term	Medium term	Long term
Risks	**Strategy level**	Increased regulation Stock price movements	Technological change Consumer preferences Increased pricing of greenhouse gas emissions	Resource availability Physical damage to real assets as a result of extreme weather events Sponsor covenant risk
	Asset class/ sector level	Listed equities Growth assets Oil-dependent issuers	Carbon-intensive corporate issuers Energy-intensive industry	Infrastructure Property Agriculture Food Commodities Insurance
Opportunities		Increased member engagement as topical issue	Successful investments in new technology	Investment opportunities in infrastructure, renewable energy and other lower-carbon investments

Source: Hymans.

The Trustee considers climate-related risks and opportunities as part of each DC investment strategy review, recognising that these have the potential to be financially material. Each review will also give consideration to climate-related beliefs and policies.

While the Trustee is yet to observe any material impact on the DC Section of the Plan from identified climate risks and opportunities, the Plan's DC investment strategy is well positioned to manage these risks and opportunities. Most of the funds used in the default lifestyle strategy incorporate climate and wider ESG considerations by tilting underlying holdings based on their ESG scores. The funds actively consider carbon emissions and have substantially lower carbon footprints and carbon intensity than unadjusted comparators.

In line with requirements, climate scenario analysis will be completed at least every three years. In line with findings to date, emphasis will be placed on governance around the implementation of the investment strategy, and stewardship practices of underlying fund managers.

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The Trustee has been working with its DC investment adviser to incorporate additional requirements in core business plans and budgets. It is confident that both the TCFD-related climate governance and reporting requirements can be fulfilled, but also that there may be wider opportunities to be explored.

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How resilient is the Plan to climate change?

The climate scenario analysis was updated this year following the merger of GECPS with the Plan and to incorporate the new DC Section within the scope of reporting. The analysis presented on this page relates to the DB Section, with the DC Section considered later in the report.

DB Section climate scenario analysis

The Trustee reviewed the climate scenario analysis and concluded that the portfolio remains resilient across the modelled climate scenarios, reflecting the Plan's strong funding position and diversified asset allocation.

The analysis looks at three climate change scenarios plus the base case scenario. The Trustee chose these scenarios because it believes that they provide a reasonable range of possible climate change outcomes. The climate scenarios are compared to a Base Case scenario, which is based on what is priced into the market at the effective date of the modelling.

Each climate scenario considers what may happen to the Plan's assets when transitioning to a low-carbon economy under different temperature-related environmental conditions. These scenarios were developed by Aon and are based on detailed assumptions. The analysis is only illustrative and is subject to considerable uncertainty.

The Trustee notes that the analysis provides an illustration of climate change scenarios at an asset class level and is not specific to the funds held by the Plan.

The climate scenarios intend to illustrate the climate-related risks the Plan is currently exposed to, highlighting areas where risk mitigation could be achieved by changing the investment portfolio.

Other relevant issues such as governance, costs, and implementation (including manager selection and due diligence) must be considered when making changes to the investment strategy.

Investment risk is captured in the deviation from the base case scenario, but this is not the only risk that the Plan faces. Other risks include covenant risk, longevity risk, timing of member options, basis risk and operational risks.

Trustee's update

Under the Regulations, climate scenario analysis must be carried out at least every 3 years, with an annual review in each intervening year to confirm the most recent analysis is still appropriate.

The Trustee reviewed the climate scenario analysis and are comfortable it remains appropriate for the Plan.

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Details of the climate scenarios the Trustee chose to analyse are set out in the table below.

Scenario	Reach net zero by	Degree warming vs pre-industrial levels by 2100	Introduction of environmental regulation	Scenario description
Base Case	2050	+1.5ºC – +2.4ºC	Uncoordinated	Emission reductions start now and continue in a measured way in line with the objectives of the Paris Agreement and the UK government's legally binding commitment to reduce emissions in the UK to net zero by 2050.
No Transition	After 2050	+4ºC	None	No further action is taken to reduce GHG emissions, leading to significant global warming.
Disorderly Transition	After 2050	<3ºC	Late and aggressive	The world economy remains oriented towards improving near-term economic prospects, with companies and governments taking a "business as usual" approach. Eventually, market participants begin to fully grasp the implications of climate change and there is a growing realisation that current levels of action are inadequate. Market values price in high levels of economic damage and the risk of irreversible losses.
Orderly Transition	2050	1.3ºC – 2ºC	Coordinated	Increased public awareness of climate change risks galvanises opinion and leads to governments undertaking widespread global action to aggressively mitigate and adapt to climate change. A high global greenhouse gas tax and carbon cap are introduced.

Source: Aon.

Key conclusions

Overall, the Trustee remains comfortable with the level of resilience exhibited by the DB Section's investment portfolio and is not planning to make any changes to the investment strategy as a result of the climate scenario analysis conducted.

The DB Section's investment portfolio continues to show good resilience to climate-related risks in three out of the four climate scenarios modelled. This reflects the relatively low-risk investment strategy in place for the Plan, the high level of diversification across different asset classes, geographic regions and market sectors, and the allocation to LDI which provides a degree of protection against changes in interest rates and inflation expectations.

The DB Section is well-funded with a surplus on a self-sufficiency basis which supports its capacity to withstand a range of climate outcomes over the longer term.

In the Disorderly Transition scenario, the Plan experiences a sharp fall in its funding level due to the sudden implementation of regulations to tackle climate change. The Plan's allocation to growth assets (in particular equities) is the main driver of this fall in funding level under this scenario.
While there are steps the Trustee could take to further reduce climate risk over time, the current funding position and surplus mean the Trustee

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has the option to retain the current investment strategy, at least over the near term, while continuing to monitor climate-related risks and opportunities as the regulatory and market environment evolves.

Please see the *Appendix* for a summary of the DB Section analysis undertaken for the report, further details in relation to the assumptions used for the scenario analysis and its limitations.

DC Section climate scenario analysis

The Trustee has undertaken scenario analysis to support the understanding of the potential impact of climate-related risks and opportunities on the DC Section of the Plan. The purpose of the analysis was to understand the potential impact of different climate transition pathways on the retirement outcomes of different members, with younger and older members used to understand impacts over the short and long-term respectively. Full details of the analysis and methodology adopted are set out below. The main findings are as follows:

- Climate change could have a material impact on member outcomes, particularly for those members due to retire in approximately 30 years (35-year-old representative member). These members are more exposed to market disruptions caused by emerging transition and physical climate risks.
- Members with only 8 years to retirement are somewhat sheltered from the delayed impacts of a climate revolution, as a result their outcomes are less heavily impacted than those with longer to retirement.
- Younger members have longer investment horizons and therefore greater opportunity to benefit from economic adjustment and any subsequent recovery in asset values but suffer the biggest fall in expected outcomes under the Delayed transition and Head in the sand scenarios.

The Trustee has concluded that strategic asset allocation decisions could impact climate risks and opportunities for members, and consequently their long-term retirement outcomes. While the Trustee does not believe that immediate action is required, it will continue to engage with the Plan's DC Section managers to ensure that climate-related risks are being appropriately managed.

The Trustee's current policy is therefore to manage climate-related risks and opportunities primarily through implementation decisions, which could improve financial outcomes for members.

The Trustee is required to undertake analysis to explore the potential impact of different future climate scenarios on the Plan, which can capture the impact of transition and physical impacts. The Task Force recognises that the use of scenarios in assessing climate-related issues and their potential financial implications is relatively recent and that practices will evolve over time, but believes that such analysis is important for improving the disclosure of decision-useful, climate-related financial information. At least two of the scenarios must be aligned with the objectives of the Paris Agreement (i.e. a reduction in global warming potential to between 1.5°C and 2°C above pre-industrial levels), and one scenario should be based on a more pessimistic

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outcome. With the support of its DC adviser, the Trustee has undertaken climate scenario analysis at the asset class level to estimate the effect of different climate scenarios on retirement outcomes for different members. The Trustee explored the following real-world scenarios as part of this analysis:

Scenario	Description
Green revolution	Concerted policy action starting now e.g. carbon pricing, green subsidies. Public and private spending on "green solutions". Improved disclosures encourage market prices to shift quickly. Transition risks in the short term, but less physical risk in the long-term. A relatively high expectation of reducing global warming to <2°C. When modelling this scenario, the Trustee's adviser has assumed a greater likelihood of market disruption in the short-term driven by mainly transitional impacts. The likelihood of material long-term physical climate impacts is lowest under this scenario.
Delayed transition	No significant action in the short-term, meaning response must be stronger when it does happen. Shorter and sharper period of transition. Greater (but delayed) transition risks but similar physical risks in the long-term. A relatively high expectation of reducing global warming to <2°C. When modelling this scenario, the Trustee's adviser has assumed a greater likelihood of market disruption in the medium-term driven by mainly transitional impacts. The likelihood of material long-term physical climate impacts is slightly higher under this scenario.
Head in the sand	No or little policy action from governments for many years. Growing fears over ultimate consequences leads to market uncertainty and price adjustments. Ineffective and piecemeal action increases uncertainty. Transition impacts exceeded by physical risks. Little or no expectation of reducing global warming to <2°C. When modelling this scenario, the Trustee's adviser has assumed a greater likelihood of market disruption in the long-term driven by transitional impacts and material physical climate impacts.

Source: Hymans.

These scenarios were chosen as they satisfy the guidance provided by the DWP and provide an intuitive way to help the Trustee understand the range of potential impacts different climate scenarios may have on DC member investment outcomes.

At the time of writing there is no industry consensus on how to model different climate scenarios. The Trustee has therefore relied on the views of its advisers, underpinned by their research and development. The Trustee expects its advisers to continually test whether their approach represents good practice relative to the wider industry and to be proactive in suggesting revisions to improve over time.

The main limitation with this form of analysis is that there is limited data on the past impact of climate change on investments. Also, the future is unknown and, as with any forward-looking modelling, requires assumptions to be made. These assumptions may or may not be borne out in practice, so the outputs from this analysis should not be relied upon as an exact assessment of member impacts. In practice, these could be better or worse than indicated.

Climate scenario analysis is required at least every three years or following any significant change to the Plan's DC default arrangement. The scenario analysis presented below has been prepared for the 31 March 2026 report.

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For Defined Contribution arrangements such as the Plan's DC Section, impacts should in the first instance be considered as the impact on retirement outcomes for different cohorts of members. This is in line with the requirement to define short and long-term in the context of assessing climate risks. The report uses two example members to consider the impact of climate risks on differing time horizons:

- 57-year-old example member, that has a short to medium time horizon to retirement.
- 35-year-old example member, with a long time horizon to retirement.

The following table sets out the results of the climate scenario analysis for these different cohorts of members. The Trustee considered each "popular" DC arrangement offered by the Plan (usually defined as arrangements in which £100m or more of the Plan's assets are invested or accounts for 10% or more of the Plan's assets).

Considering this (and recognising that as at 31 March 2026 the Plan had not received a bulk transfer of member funds which was expected from a former Plan and therefore only represented a small part of the expected Plan assets after the bulk transfer), the Trustee carried out this analysis for the Plan's DC Section default investment option and the three most popular individual funds – the GE Aerospace Pension Saver Drawdown Lifestyle strategy, the GE Aerospace Pension Saver Growth Fund, the GE Aerospace Pension Saver Consolidation Fund and the GE Pension Saver Pre-Retirement Targeting Drawdown Fund, which represent around 99% of assets under management in the Plan. The lifestyle strategy gradually reduces risk as members approach their target retirement date. Each of the individual funds have static allocations, which remain the same regardless of a member's proximity to retirement.

The Hymans Robertson HERO™ Model provides projections of expected retirement pots on an individual member basis, taking into account member specific characteristics such as age, salary, contribution rate, current accrued fund, actual or assumed investment choice and retirement age. Stochastic projections are provided for asset returns and economic variables such as inflation for each year of participation in each pension arrangement. These projections are provided by the Economic Scenario Service, Hymans Robertsons (proprietary) stochastic asset model (see appendix for further details).

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GE Aerospace Pension Saver Drawdown Lifestyle

Expected Pot Size (£p.a.)

	35-year-old	57-year-old
Base	712,100	176,000
Green revolution	712,200	176,200
% change	0%	0%
Delayed Transition	684,000	173,700
% change	-4%	-1%
Head in the Sand	671,100	173,500
% change	-6%	-1%

GE Aerospace Pension Saver Growth Fund

Expected Pot Size (£p.a.)

	35-year-old	57-year-old
Base	743,400	180,400
Green revolution	737,000	178,700
% change	-1%	-1%
Delayed Transition	691,000	175,300
% change	-8%	-3%
Head in the Sand	693,600	178,100
% change	-7%	-1%

GE Aerospace Pension Saver Consolidation Fund

Expected Pot Size (£p.a.)

	35-year-old	57-year-old
Base	699,700	176,500
Green revolution	710,400	176,400
% change	2%	0%
Delayed Transition	682,600	173,900
% change	-3%	-1%
Head in the Sand	682,800	175,200
% change	-2%	-1%

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GE Aerospace Pension Saver Pre-Retirement Targeting Drawdown Fund

Expected Pot Size (£p.a.)

	35-year-old	57-year-old
Base	643,200	172,700
Green revolution	647,500	174,000
% change	1%	1%
Delayed Transition	630,200	169,500
% change	-2%	-2%
Head in the Sand	632,200	170,900
% change	-2%	-1%

Source: Hymans.
Notes: Illustrations based on following two persons.
35-year-old, Salary £50k p.a., 20% total contributions, Current fund £3.7k, plans to retire at 65.
57-year-old, Salary £82k p.a., 20% total contributions, Current fund £7.1k, plans to retire at 65.

For instance, for members in the default Lifestyle aged around 35 who may be expected to retire fully in at least 30 years, the green revolution scenario is expected to have no material impact on their projected pot at retirement but the head in the sand scenario is expected to reduce their projected pot at retirement by 6%. For an older member, aged around 57 who may be expected to retire fully in around 8 years, none of the three scenarios are expected to have a material impact on their average projected pot at retirement.
The modelling has been performed with a retirement age of 65, as this is the default retirement age of DC Section of the Plan. Members with only 8 years to retirement are somewhat sheltered from the delayed impacts of a climate revolution, as a result their outcomes are less heavily impacted than those with longer to retirement. Younger members have longer investment horizons and therefore greater opportunity to benefit from economic adjustment and any subsequent recovery in asset values but suffer the biggest fall in expected outcomes under Delayed Transition and Head in the Sand scenarios.
While the Trustee does not believe that immediate action is required, the Trustee will continue to engage with the Plan's managers to ensure that climate-related risks are being appropriately managed.

The Trustee believes that climate risks and opportunities will be better managed through implementation decisions, which could improve financial outcomes within asset classes, and effective stewardship, and engagement, with underlying companies to drive real world changes.

This analysis was performed by Hymans Robertson, the Trustee's DC adviser. They have followed the requirements of the relevant Technical Actuarial Standards (TASs) at time of publication, namely TAS100.

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Covenant risk assessment

The summary of the covenant risk assessment is unchanged since the last assessment took place in 2024. In 2024 the Trustee asked its covenant adviser (Penfida) to carry out an assessment of the potential impact on the sponsor covenant of climate-related risks, in the context of the climate-related scenarios considered in the Trustee's analysis of the Plan's assets and liabilities.

Based on the covenant assessment carried out in the 2024, the Trustee views the exposure of the covenant to climate-related risks to be **low to medium** in the context of the Plan's strong funding position and journey plan (i.e. timeframe of exposure to covenant risk) based on the climate change scenarios considered, as well as ongoing sustainability efforts of the sponsor.

The Trustee intends to refresh the covenant risk assessment over the next reporting period to capture recent structural changes to the Plan.

Summary of potential impact of the climate change scenarios considered

Climate Change Scenario	Short term impact (1 - 3 years)	Medium term impact (3 - 10 years)	Long term impact (10 - 20 years)	Overall
Base Case	Low to Medium	Medium	Medium	**Low to Medium**
No transition	Low	Low	Low	**Low**
Disorderly transition	Low	Medium	Medium	**Low to Medium**
Orderly transition	Low to Medium	Medium	Medium	**Low to Medium**

The Trustee notes both risks and opportunities resulting from the impact of climate change and associated potential policy changes.

Climate-related risks in the context of the scenarios considered

Scenario	Short term impact (1-3 years)	Medium term impact (4-10 years)	Long term impact (10-20 years)
Base Case *Uncoordinated / Fragmented*	• Given the length of time required to develop new aero engines, it is unlikely that a significantly more efficient engine will come to market in the short term • GE Aerospace may, however, benefit from certain existing engines being the most efficient in their class • Anticipation of technological advancement may lead to customers delaying new engine orders • Possible economic scenarios (e.g. COVID-19) may lead to lower passenger flight hours impacting deliveries and	• Rapid technological advancement driven by regulation and customer preferences could lead to: ▪ Shorter engine life cycles resulting in an increase in R&D costs (with uncertain payoffs) ▪ Increased risk of obsolescence of older engines which could result in a material reduction in their value and the profitability of service contracts ▪ Greater competitive intensity should GE not be a technological leader	• We would expect a similar covenant impact as in the medium term

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Scenario	Short term impact (1-3 years)	Medium term impact (4-10 years)	Long term impact (10-20 years)
	shop visits. This might also be caused by changes in travel patterns in response to customer attitudes to climate change	• Some possible governmental support in development of new technology may reduce cost burden • "Robust growth" in global economy over intermediate term could lead to increased demand for OEM and Service contracts, assuming GE is able to maintain technological relevance	
No transition	• We view no material covenant impact in the short term	• Economic damage towards the end of the period and extreme weather events could negatively impact the airline industry, reducing flight volumes due to increasingly common weather events and lower GDP growth	• We would expect a similar covenant impact as in the medium term
Disorderly transition *Late and aggressive*	• Assuming a "business as usual" approach, we view no material covenant impact in the short term, although growing public awareness may dampen the demand for air travel. Furthermore, increasingly extreme weather events may impact air travel and supply chains	• Economic damage towards the end of the period and extreme weather events could negatively impact the airline industry, reducing flight volumes due to increasingly common weather events and lower GDP growth	• Aggressive government action to tackle climate change and lower GDP growth may result in reduced air traffic volume and therefore demand for new engines • Materially increased R&D to develop alternative / greener engine technology in short order leading to cash flow pressure
Orderly transition *Coordinated*	• Aggressive government action to tackle climate change could include policies that seek to discourage air travel and promote less emission-intensive alternatives, resulting in reduced traffic volumes, engine utilisation (less Service revenue) and demand for new engines • For example, in April 2021, the French Government banned domestic short haul flights where train alternatives exist and take less than 2.5 hours • Increased R&D investment required at a time where revenue is impacted could put pressure on cash flows	• As one of the world's leading aircraft engine manufacturers, GE Aerospace would be in a strong position to lead the industry in developing technologies to reduce carbon emissions from flight. • In June 2021, CFM (GE JV with Safran) announced its RISE (Revolutionary Innovation for Sustainable Engines) Program which aims to develop engine technology that produces 20% fewer CO2 emissions than the most efficient jet engines today using conventional jet fuel • Assuming that GE is able to maintain technological relevance as an industry leader, GE Aerospace could benefit from the long-term growth and green transition	• We would expect a similar covenant impact as in the medium term

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Risk management

The Trustee must have processes to identify, assess and manage the climate-related risks that are relevant to the Plan and these must be integrated into the overall risk management of the Plan.

Reporting on the Trustee's risk management processes provides context for how the Trustee thinks about and addresses the most significant risks to its efforts to achieve appropriate outcomes for members.

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Trustee's process for identifying and assessing climate-related risks

The Trustee has established a process to identify, assess and manage the climate-related risks that are relevant to the Plan. This is part of the Plan's wider risk management framework and is how the Trustee monitors the most significant risks to the Plan, as part of the Trustee's efforts to achieve appropriate outcomes for members.



Qualitative assessment

A qualitative assessment of climate-related risks and opportunities which is prepared by the Trustee's DB investment adviser with input from SSIM and the DC adviser, and reviewed by the Trustee.



Quantitative analysis

Climate scenario analysis, which is provided by the Trustee's DB and DC investment advisers and reviewed by the Trustee.

Trustee's update

This process of identifying and assessing climate-related risks has been reviewed in the process of producing this TCFD report and The Trustee believes it is still suitable.

Together these give the Trustee a clear picture of the climate-related risks and opportunities that the Plan is exposed to. Where appropriate, the Trustee distinguishes between transition and physical risks. And all risks and opportunities are assessed with reference to the time horizons that the Trustee has identified as relevant to the Plan.

When prioritising the management of risks, the Trustee assesses the materiality of climate-related risks relative to the impact and likelihood of other risks to the Plan. This helps the Trustee focus on the risks that pose the most significant impact.

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Trustee's climate risk management framework

The Trustee recognises the long-term risks posed by climate change and has taken steps to integrate climate-related risks into the Plan's risk management processes.

The Trustee has developed the following risk management plan, to help with its ongoing management of climate-related risk and opportunities. The risk management framework gives clear understanding on who is involved, what is done and how often. The Trustee has delegated a number of key tasks to the F&IC in regards to the DB Section, and the DC Committee in regards to the DC Section but retains the final approval responsibility. The processes for managing climate-related risks and opportunities are summarised in the tables below.

Governance

Activity	Delegated responsibility	Advisers / supplier support	Frequency of review
Climate change governance framework *(this document)*	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Annual
Publish TCFD report and Implementation Statement	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Annual
Add / review climate risks and activity on key Plan documentation (risk register, work plan)	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Ongoing
ESG beliefs (including climate change)	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Triennial
Ensure that actuarial and covenant advice adequately incorporate climate-related risk factors where they are relevant and material	Trustee	WTW / Penfida	Triennial
Trustee training	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Ongoing
Review SIPs	Trustee	Aon / SSIM / Hymans Robertson	Annual

Trustee update

The Trustee monitors the above activities as part of its climate-related risks and opportunities management. Where responsibility is delegated to the F&IC and DC Committee, the Trustee monitored their implementation of the climate risk management framework during the year. The F&IC and DC Committee reviewed and updated the Plan's responsible investment policy including climate-related considerations.

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Strategy

Activity	Delegated responsibility	Advisers / supplier support	Frequency of review
Identify climate-related risks and opportunities (over agreed time periods) for investment and funding strategy	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Annual
Climate scenario analysis - annual review for the continuing suitability of the results	F&IC / DC Committee	Aon / Hymans Roberton / Penfida	Annual
Climate scenario analysis - refresh modelling	F&IC / DC Committee	Aon / Hymans Roberton / Penfida	Triennial
Actuarial valuation	F&IC	WTW	Triennial

Trustee update

The FI&C and DC Committee has dedicated time during the year to analyse climate-related risks and opportunities for the Plan's various asset classes in which it invests.

The Trustee reviewed the appropriateness of the climate-related risks and opportunities assessment and decided it remains appropriate. The climate scenario analysis was updated this year following the merger of GECPS with the Plan and to incorporate the new DC Section within the scope of reporting. Further information can be found in the *Strategy* section of the report.

Risk management

Activity	Delegated responsibility	Advisers / supplier support	Frequency of review
Identify, assess and manage key climate-related risks	F&IC / DC Committee	Aon / SSIM / Hymans Robertson	Triennial

Trustee update

The Trustee assesses the continued suitability of the process for identifying and assessing climate-related risks as part of the annual TCFD reporting process. This is integrated into the ongoing activities of the Plan.

For the DB Section, the Trustee delegates responsibility for monitoring underlying managers' responsible investment policies and practices to its fiduciary manager, SSIM. Through the annual Implementation Statement, the Trustee receives information on managers' stewardship and engagement activities, including how these policies are implemented in practice and key engagement themes, such as climate change.

For the DC section, The Trustee approaches stewardship as a key aspect of the management of climate-related risk. Engagement with investee companies is done through delegated engagement via the investment managers. The Trustee expects its investment managers to consider and take appropriate steps to manage climate-related risks within the funds, including engagement with underlying investee companies on their management of climate risks.

Through the Implementation Statement, the Trustee seeks to understand the asset managers' approach to stewardship, voting and engagement in relation to climate-related issues on an annual basis. If appropriate, the Trustee will pursue engagement with those asset managers where it feels that the manager's approach is not aligned with Trustee priorities or wider best practice.

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Metrics & Targets

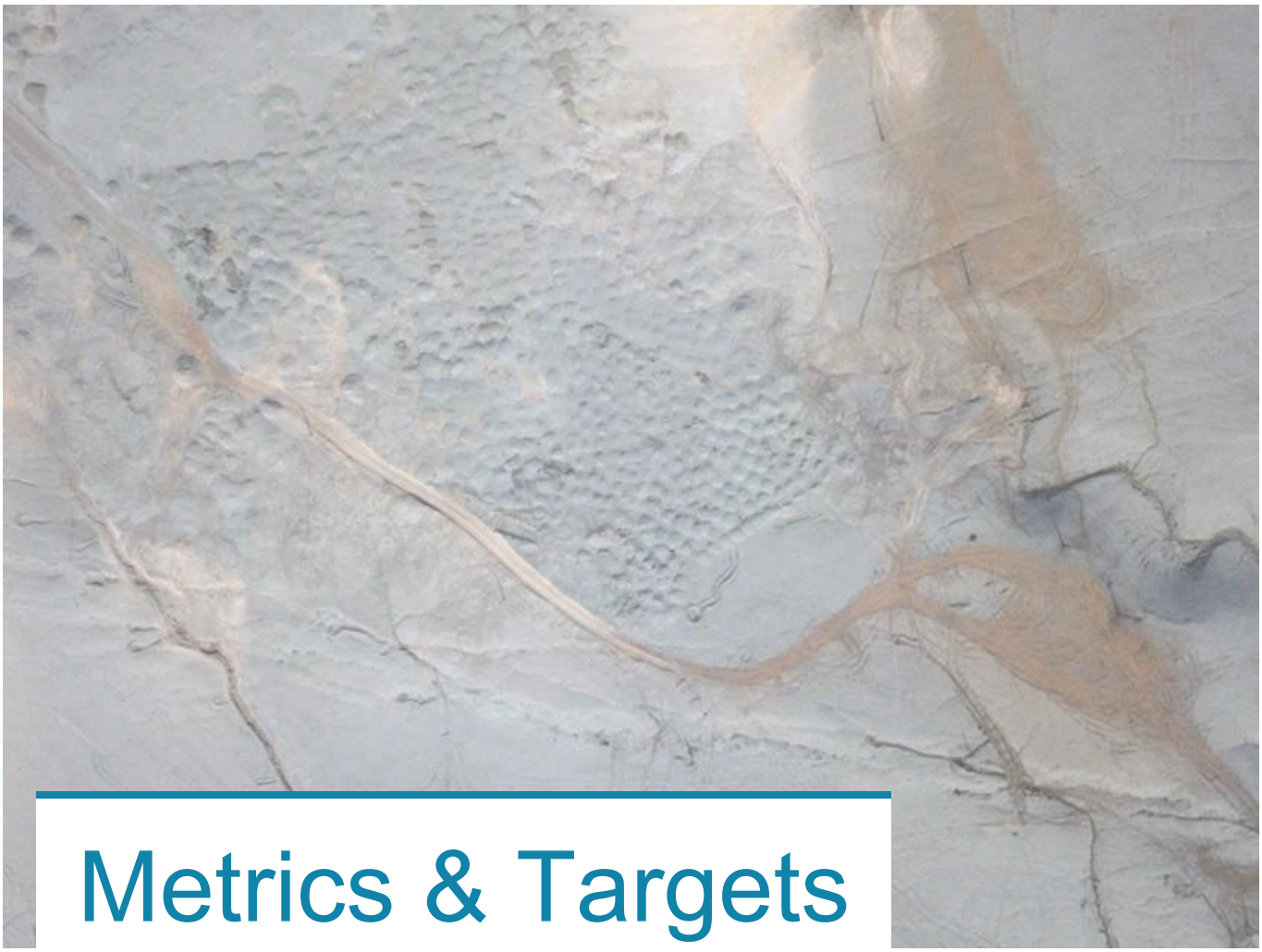
Activity	Delegated responsibility	Advisers / supplier support	Frequency of review
Agree/review approach for metrics	F&IC / DC Committee	Aon / Hymans Robertson / SSIM	Annual
Agree/review target	F&IC / DC Committee	Aon / Hymans Robertson / SSIM	Annual
Obtain data for agreed metrics	F&IC / DC Committee	Aon / Hymans Robertson / SSIM	Annual

Trustee update

The Trustee collects carbon metrics data annually to monitor the portfolio's emissions profile, data coverage and portfolio alignment metrics. This year, the Trustee reviewed the data collected and concluded that it remains appropriate for monitoring climate-related risks and opportunities.

The carbon data has been prepared in line with industry practice and supported by the F&IC and DC Committee and the Trustee's advisers. The Trustee also reviewed its climate-related target and determined that no changes were required. More details can be found in the *Metrics & Targets* section of this report.

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Metrics & Targets

Metrics help to inform the Trustee's understanding and monitoring of the Plan's climate-related risks. Quantitative measures of the Plan's climate-related risks, in the form of both GHG emissions and non-emissions-based metrics, help the Trustee to identify, manage and track the Plan's exposure to the financial risks and opportunities climate change will bring.



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The Trustee's climate-related metrics

The Trustee uses some quantitative measures to help it understand and monitor the Plan's exposure to climate-related risks. Measuring GHG emissions is an effective method for the Trustee to assess its exposure to climate change.

The Trustee works with its advisers to gather carbon data from its investment managers and calculate the climate-related metrics for the portfolio.

Measuring GHG emissions

Greenhouse gases are produced by burning fossil fuels, meat and dairy farming, and some industrial processes. When greenhouse gases are released into the atmosphere, they trap heat in the atmosphere causing global warming, contributing to climate change.

Greenhouse gases are categorised into three types or 'scopes' by the Greenhouse Gas Protocol, the world's most used greenhouse gas accounting standard.



Scope 1

All direct emissions from the activities of an organisation which are under their control; these typically include emissions from their own buildings, facilities, and vehicles.



Scope 2

These are the indirect emissions from the generation of electricity purchased and used by an organisation.



Scope 3

All other indirect emissions linked to the wider supply chain and activities of the organisation from outside its own operations – from the goods it purchases to the disposal of the products it sells.

Scope 3 emissions are often the largest proportion of an organisation's emissions, but they are also the hardest to measure. The complexity and global nature of an organisation's value chain make it hard to collect accurate data.

For more explanation about GHG emissions, please see the *Appendix*.

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Trustee's climate-related metrics

In the first year of TCFD reporting, the Trustee decided what metrics to annually report on. These are described below.

Following a review of the climate-related metrics, the Trustee decided to discontinue reporting on Implied Temperature Rise ("ITR"). Given the limited availability and reliability of underlying data, together with the significant modelling assumptions required to produce the metric, ITR was considered less meaningful for monitoring purposes. The Trustee will continue to report SBTi alignment as its portfolio alignment metric, as it provides a more directly observable measure of portfolio alignment with the transition to a lower-carbon economy.

The Trustee believes the remaining metrics continue to provide a suitable basis for monitoring the Plan's climate-related risks.



Total GHG emissions

The total GHG emissions associated with the portfolio. It is an absolute measure of carbon output from the Plan's investments and is measured in tonnes of carbon dioxide equivalent (tCO2e).



Carbon footprint

Carbon footprint is an intensity measure of emissions that takes the total GHG emissions and weights it to take account of the size of the investment made. It is measured in tonnes of carbon dioxide equivalent per million pounds invested (tCO2e/£m).



Data coverage

A measure of the proportion of the portfolio that the Trustee has data for. This has been selected on the basis that it provides a consistent and comparable measure of the level of confidence in the data.

This year the Trustee did not need to make any estimation as the data was directly provided by the managers or via MSCI. Please note some managers used estimates of their data, details of which are not shared as part of this document.



Portion of the portfolio that has SBTi-aligned targets

A metric which shows how much of the Plan's assets are aligned with a climate change goal of limiting the increase in the global average temperature to 1.5˚C above pre-industrial levels.

It is measured as the percentage of underlying portfolio investments with a declared net-zero or Paris-aligned target or are already net-zero or Paris-aligned.

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DB Section climate-related metrics

In the table below are the climate-related metrics for the Plan's DB Section assets. You will note that the Trustee has not aggregated metrics across the whole portfolio because the methodologies used for some asset classes are significantly different to others, so it would be inappropriate to combine. In 2026, an allocation to Short-Dated Credit was added which is reflected below.

			Scopes 1 & 2			Scope 3		
Asset class	**Year**	**Asset Allocation** %	**Data Coverage** %	**Total GHG emissions** tCO2e	**Carbon footprint** tCO2e/£m	**Data Coverage** %	**Total GHG emissions** tCO2e	**Carbon footprint** tCO2e/£m
Global Active Equities[1]	2026	8.0%	93.7%	7,930	44.9	93.7%	174,614	988.9
	2025	*7.3%*	*94.8%*	*3,021*	*25.1*	*94.8%*	*22,691*	*188.2*
Multi-Asset Credit[2]	2026	0.8%	-	-	-	-	-	-
	2025	*1.1%*	*36.1%*	*1,006*	*151.0*	*36.1%*	*4,552*	*683.2*
Fixed Interest Bonds	2026	2.8%	85.9%	3,451	60.5	91.2%	61,259	303.3
	2025	*2.4%*	*83.9%*	*1,595*	*45.5*	*83.9%*	*10,218*	*291.3*
Short-Dated Credit	2026	5.6%	61.9%	700	9.1	62.4%	19,833	256.8
	2025	*-*	-	-	-	-	-	-
Private Equity	2026	11.2%	19.0%	4,301	91.1	0%	-	-
	2025	*16.0%*	*9.1%*	*2,138*	*84.9*	*0.0%*	*-*	*-*
Illiquid Credit	2026	6.0%	26.2%	4,290	123.0	9.8%	607	46.6
	2025	*8.0%*	*20.0%*	*2,048*	*73.3*	*7.3%*	*959*	*94.4*
Index-Linked Property[3]	2026	7.9%	0.0%	-	-	100%	3,526	20.1
	2025	*7.3%*	*0.0%*	*-*	*-*	*100.0%*	*1,759*	*14.0*
Property Debt	2026	5.1%	31.9%	122	3.4	13.3%	342	23.0
	2025	*8.1%*	*-*	*-*	*-*	*-*	*-*	*-*
Property	2026	0.7%	0.0%	0	0	0	0	0
	2025	*1.0%*	*-*	*-*	*-*	*-*	*-*	*-*
LDI[4]	2026	47.7%	100%	Physical: 134,958 Synthetic: 104,168[5]	135.6	-	-	-
	2025	*40.9%*	*100%*	*Physical: 101,493 Synthetic: 60,2754*	*141.2*	*-*	*-*	*-*
Cash and other assets[6]	2026	4.0%	-	-	-	-	-	-
	2025	*7.9%*	*-*	*101,493*	*-*	*-*	*-*	*-*

Source: MSCI, SSIM, Investment managers / Aon. Data as at 31/03/2026 unless specified otherwise.

Notes:

1. *Carbon metrics relating to derivative investments have been excluded. The DWP notes that methodologies for calculating metrics in relation to certain asset classes, particularly derivatives are not yet established. At this time, trustees are not expected to be able to readily calculate emissions associated with derivatives.*
2. *Multi-Asset Credit carbon metrics not provided by SSIM.*
3. *No data was provided for the Plan's Index-Linked Property.*
4. *Data coverage for LDI is assumed to be 100%, using the UK economy's emissions as a proxy for gilt's emissions. The rationale for splitting 'physical' and 'synthetic' emissions is to distinguish between the sovereign bonds physically held by the Plan i.e. 'physical emissions', and certain synthetic asset exposures obtained using derivatives.*
5. *LDI emissions have been split between Physical emissions: sovereign bonds held directly by the Plan .and synthetic emissions: exposures obtained through derivatives.*
6. *Other assets includes Infrastructure and Hedge Funds and have been excluded on a materiality basis due to their relatively low allocation of the overall Plan's AUM.*

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Commentary

Reported carbon metrics cover those asset classes for which suitable emissions data is available. Asset classes where reliable data could not be obtained have been excluded from the analysis and therefore the reported metrics should not be interpreted as representing 100% of Plan assets.

LDI

LDI remains the largest contributor to the Plan's GHG emissions, reflecting its significant allocation in the portfolio (c.48% as at 31 March 2026). Emissions increased over the year driven by the bigger allocation to **LDI**. However, the carbon footprint fell from 141.2 tCO_2e/£m to 135.6 tCO_2e/£m, indicating a reduction in emissions intensity.

The **LDI** portfolio contains mainly UK government bonds. Sovereign bond emissions are measured using emissions associated with the UK economy, whereas corporate asset classes such as equities are measured using emissions from the underlying companies. As a result, sovereign bond portfolios typically exhibit higher reported carbon metrics than corporate investments.

Public investments (metrics obtained via MSCI for Global Active Equities and Short-Dated Credit and from managers for Fixed Income Bonds)

Global Active Equities experienced an increase in total emissions and the carbon footprint versus 2025. Scope 3 emissions increased more significantly, reflecting changes in the underlying holdings, including exposure to companies with comparatively large value-chain emissions.

Reported GHG emissions and carbon footprint for the Fixed Income Bonds portfolio increased over the year. The Trustee notes that emissions data coverage also improved, which may have contributed to the increase in reported emissions; however, the results also reflect changes in the underlying portfolio.

The Plan also introduced a new allocation to **Short-Dated Credit** during the year, representing 5.6% of assets as at 31 March 2026. Carbon metrics for this asset class are being reported for the first time and provide an additional source of emissions data within the public markets portfolio.

Private investments (metrics obtained directly from managers)

The private market portfolio continues to exhibit lower levels of data coverage than listed asset classes, reflecting broader industry challenges around data availability and reporting within private markets.

Reported carbon footprints for **Private Equity** and **Illiquid Credit** increased over the year, although changes should be interpreted with some caution given the evolving data set and improving coverage.

Property Debt remains comparatively less emissions intensive based on available information.

As data quality and availability continue to improve across private markets, the Trustee expects the insight provided by these metrics to become increasingly robust over time.

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DB Section Portfolio Alignment Metrics

Asset class	Year	Asset Allocation %	Portion of Portfolio SBTi aligned %
Global Active Equities	2026	8.0%	20.6%
	2025	7.3%	21.4%
Multi-asset credit	2026	0.8%	-
	2025	1.1%	9.3%
Fixed Interest Bonds	2026	2.8%	45.4%
	2025	2.4%	37.1%
Short-Dated Credit	2026	5.6%	8.6%
	2025	-	-
Illiquid Credit	2026	6.0%	-
	2025	8.0%	0.6%
Index-Linked Property	2026	7.9%	-
	2025	7.3%	-

Source: MSCI, SSIM, Investment managers, Aon. Data as at 31/03/2026 unless specified otherwise.
Note that Infrastructure, Property and Hedge Fund asset classes and have been excluded on a materiality basis due to their relatively low allocation of the overall Plan's AUM. Multi-Asset Credit carbon metrics not provided by SSIM.

Commentary

SBTi alignment data for Fixed Interest bonds has improved following the receipt of data from the managers, resulting in a more complete assessment of this asset class. Global Active Equities saw a modest reduction in the SBTi alignment over the year. SBTi data has been provided for Short-Dated Credit for the first time, reflecting its inclusion within the portfolio over the reporting period.

The analysis remains focused on asset classes for which suitable SBTi data is available; private market assets (illiquid credit and index-linked property) have limited data availability. Also, government bonds remain excluded as there is no established methodology for assessing SBTi alignment.

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DC Section

Carbon equivalent risk metrics can be considered as part of investment decision-making process to measure, manage and disclose climate risk. The selected metrics may also aid the Trustee in identifying opportunities for further engagement with investment managers and underlying investee companies.

In the tables below are the climate-related metrics for the Plan's DC Section assets.

The Trustee has used the same metrics for the DC Section as for the DB Section.

The Trustee has included Scope 1, 2 and 3 emissions within this report. But given the concerns over Scope 3 emissions the Trustee believes that Scope 3 emissions should be disaggregated from Scope 1 and 2 emissions. Scope 3 emissions data is important for understanding how well portfolios are decarbonising. But current reported Scope 3 emissions information is largely inadequate for things like making climate-informed investment decisions.

The Trustee has considered the guidance set out by the DWP when selecting which metrics to use in measuring the climate-related risks and opportunities.

The Trustee acknowledges that there are limitations in data available from investee companies on emissions of greenhouse gases. Where these limitations in data exist, the data is estimated. The Trustee will seek to obtain information for future assessments, where it is currently missing. In the meantime, the results of the above metrics have been understood to be reflective of the portfolio, but the limitations of data availability are noted when using the metrics for decision-making purposes.

Climate-related metrics

			Scope 1 & 2			Scope 3		
	Fund Value %	Asset Allocation %	Data Coverage %	Total GHG emissions tCO2e	Carbon footprint tCO2e/£m	Data Coverage %	Total GHG emissions tCO2e	Carbon footprint tCO2e/£m
GE Aerospace Pension Saver Growth Fund	15.636	75.0%	98.5%	369.3	24.0	98.5%	9,958.5	636.9
GE Aerospace Pension Saver Consolidation Fund	3.296	15.8%	89.3%	161.0	54.7	74.7%	2,457.2	745.5
GE Aerospace Pension Saver Pre-Retirement Targeting Drawdown	1.628	7.8%	82.8%	93.3	69.3	59.8%	1,308.7	804.1
GE Aerospace Pension Saver Pre-Retirement Targeting Annuity	0.005	0.0%	91.2%	0.2	53.5	35.7%	2.8	592.9
L&G UK Equity Index	0.008	0.0%	94.3%	0.6	76.9	94.3%	11.8	1,432.5
L&G North America Equity Index	0.028	0.1%	99.1%	1.0	36.5	99.1%	14.0	499.5
L&G Europe ex UK Index Equity Index	0.006	0.0%	95.8%	0.4	71.4	95.8%	10.5	1,714.7
L&G Japan Equity Index	0.000	0.0%	98.7%	0.0	79.0	98.7%	0.0	1,890.1
L&G Asia Pacific ex Japan (Developed) Equity Index	0.011	0.1%	98.9%	1.1	96.8	98.9%	11.0	976.0
L&G World Emerging Markets Equity Index	0.007	0.0%	98.8%	1.2	182.1	98.8%	6.7	1,004.8
L&G Ethical Global Equity Index	0.012	0.1%	98.7%	0.5	41.4	98.7%	8.4	716.4
L&G HSBC Islamic Global Equity Index	0.123	0.6%	N/A	n/a	N/A	0.0%	n/a	N/A
L&G Future World Multi-Asset	0.019	0.1%	87.7%	1.0	60.8	70.4%	14.9	772.6
L&G HSBC Shariah Multi-Asset	0.032	0.2%	N/A	n/a	N/A	0.0%	n/a	N/A
L&G AAA-AA-A Corporate Bond All Stocks Index	0.001	0.0%	46.1%	0.0	26.6	38.6%	0.7	568.7
L&G All Stocks Gilts Index	0.001	0.0%	99.6%	0.0	66.9	0.0%	0.5	882.9
L&G All Stocks Index Linked Gilts Index	0.001	0.0%	100%	0.0	66.9	0.0%	0.5	882.9
L&G Sustainable Property Fund	0.001	0.0%	12.4%	0.0	1.5	12.4%	0.6	668.1
L&G Cash	0.044	0.2%	N/A	N/A	N/A	0.0%	0.0	N/A
Total DC Assets	**20.857**		**94.8**	**629.7**	**32.3**	**90.7**	**13,806.8**	**662.0**

Source: L&G. Data as at 31 March 2026.

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Commentary

The highest absolute emissions are from the GE Aerospace labelled funds used in default arrangement - these are the most popular funds and therefore their absolute level of emissions will be highest (as absolute level of emissions is the product of the investment size and carbon footprint).

However, the most popular fund (GE Aerospace Pension Saver Growth Fund) has one of the lowest carbon footprints. The funds with the highest carbon footprints are equity funds in Emerging Markets and Asia Pacific although these are only a small part of the assets.

It is notable that the use of climate tilted “Future World” funds within the Plan’s default arrangement has helped reduce the overall carbon footprint as these funds tend to have lower carbon footprints than standard funds.

The overall level of greenhouse gas (equivalent) emissions attributed to the Plan’s holdings was 630 tons CO2 for Scopes 1 and 2. The carbon footprint was 32.3 tons CO2 per £1m invested. The coverage of Scope 1 and 2 emissions data was approximately 94.8%. These metrics provide a baseline to monitor progress over time, noting that the resulting emissions figures for the Plan are broadly in line with the wider investment markets.

As this is the first year of the reporting on the DC assets the Trustee will use this data as a baseline from which to monitor progress in future years.

DC Section Portfolio Alignment Metrics

The table below considers the DC assets portfolio alignment metrics.

	Fund Value £m	Asset Allocation %	SBTi Coverage %
GE Aerospace Pension Saver Growth Fund	15.636	75.0%	61.3%
GE Aerospace Pension Saver Consolidation Fund	3.296	15.8%	41.7%
GE Aerospace Pension Saver Pre-Retirement Targeting Drawdown	1.628	7.8%	29.5%
GE Aerospace Pension Saver Pre-Retirement Targeting Annuity	0.005	0.0%	23.5%
L&G UK Equity Index	0.008	0.0%	55.2%
L&G North America Equity Index	0.028	0.1%	58.8%
L&G Europe ex UK Index Equity Index	0.006	0.0%	70.7%
L&G Japan Equity Index	0.000	0.0%	49.3%
L&G Asia Pacific ex Japan (Developed) Equity Index	0.011	0.1%	21.5%
L&G World Emerging Markets Equity Index	0.007	0.0%	23.6%
L&G Ethical Global Equity Index	0.012	0.1%	69.4%
L&G HSBC Islamic Global Equity Index	0.123	0.6%	0.0%
L&G Future World Multi-Asset	0.019	0.1%	38.1%
L&G HSBC Shariah Multi-Asset	0.032	0.2%	0.0%
L&G AAA-AA-A Corporate Bond All Stocks Index	0.001	0.0%	21.5%
L&G All Stocks Gilts Index	0.001	0.0%	0.0%

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L&G All Stocks Index Linked Gilts Index	0.001	0.0%	0.0%
L&G Sustainable Property Fund	0.001	0.0%	3.3%
L&G Cash	0.044	0.2%	0.0%
Total DC Assets	**20.857**		

Source: L&G. Data as at 31 March 2026.

The Trustee has shown SBTi coverage for its alignment metric, SBTi coverage being the percentage of a fund engaged in the Science Based Targets Initiative.

The table below summarises the carbon footprint and climate alignment metrics for members of different ages in the Plan's default lifestyle arrangement (GE Aerospace Pension Saver Drawdown Lifestyle) which is where the majority of DC Section assets are invested.

Years to Retirement	Carbon Footprint Scope 1 & 2 Emissions per £m	Total Coverage %	SBTi Coverage %
10 years and over	24.0	98.5%	61.3%
9 years	30.1	96.6%	57.4%
8 years	36.3	94.8%	53.5%
7 years	42.4	93.0%	49.5%
6 years	48.5	91.1%	45.6%
5 years	54.7	89.3%	41.7%
4 years	57.6	88.0%	39.2%
3 years	60.5	86.7%	36.8%
2 years	63.4	85.4%	34.4%
1 years	66.3	84.1%	31.9%
0 years	69.3	82.8%	29.5%

Source: L&G. Data as at 31 March 2026.

Younger members, who have the greatest exposure to the GE Aerospace Growth Fund have the lowest carbon footprint.

Data Limitations

There is no industry-wide standard for calculating some of these metrics yet and different managers may use different methods and assumptions. These issues are common across the industry and highlight the importance of climate reporting to improve transparency. The Trustee expects that in the future better information will be available from managers as the industry aligns to expectations and best practice standards.

Where practicable, the Trustee's providers use the industry standard Carbon Emissions Template ("CET Template") to collect carbon data from the Plan's managers. The CET was developed by a joint industry initiative of the Pension and Life Savings Association, the Association of British Insurers, and Investment Association Working Group. The CET provides a standardised set of data to help pension Plans meet their obligations under the Climate Change Governance and Reporting Regulations, and associated DWP Statutory Guidance.

As not all of the Plan's managers were able to provide the requested data, the reported emissions metrics are based on partial coverage of the Plan's assets and may therefore understate the Plan's overall GHG emissions.

For more information on data collection and metrics methodology please see the *Appendix*.

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Looking to the future: The Trustee's climate-related target

Climate-related targets help the Trustee track its efforts to manage the Plan's climate-change risk exposure.

The Trustee agreed to report against a target for improving the data coverage metric. Without meaningful emissions data from the Plan's investment managers, it is very hard for the Trustee to measure the Plan's climate-related risk exposure. So, it is important to set a target to improve the coverage of GHG emissions data from the underlying investment managers.

DB Section

Targets

Based on the observation of data coverage in the first TCFD report, the Trustee established a five-year target to improve data coverage across the Plan, measured from the 31 March 2022 baseline and split by asset class.

	Target coverage		Target coverage
Active Equity	100%	LDI	100.0%
Multi-Asset Credit	75%	Index-linked property	65%
Fixed Income	75%		

The target focuses on improving Scope 1 & 2 data coverage by 31 March 2027, recognising that obtaining reliable emissions data is a key step in effectively monitoring and managing climate-related risks and opportunities.

The Trustee intends to incorporate Scope 3 emissions within its coverage target once data availability and quality improve.

2026 Update

During the year, the Trustee reviewed the Plan's climate-related targets and decided to remove the targets relating to Private Equity and Illiquid Credit. The review concluded that, due to data and reporting limitations across private markets, achievement of these targets could not be robustly measured and was largely outside the Trustee's influence. Retaining targets that were not realistically achievable, or measurable would not support effective monitoring of the Plan's climate objectives. The Trustee therefore discontinued these targets while retaining the remaining targets and metrics that continue to provide a meaningful basis for monitoring progress.

Progress against targets

As at 31 March 2026, the data coverage targets for LDI, Fixed Income and Index-linked Property had been achieved, while coverage in private market asset classes continued to improve from a lower base. The Trustee will continue to work with its investment managers to enhance data quality and coverage across the portfolio.

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The Trustee has summarised its progress against targets in the table below.

Asset Class	Actual coverage as at 31 March 2022	Actual coverage as at 31 March 2023	Actual coverage as at 31 March 2024	Actual coverage as at 31 March 2025	Actual coverage as at 31 March 2026	Target coverage by 31 March 2027
Active Equity	95.8%	96.9%	97.3%	94.8%	93.7%	100%
Multi-Asset Credit	30.5%	51.8%	52.1%	36.1%	-*	75%
Fixed Interest Bonds	28.5%	44.0%	40.2%	83.9%	85.9%	75%
Short-Dated Credit	-	-	-	-	61.9%	75%
LDI	86.6%	98.5%	100.0%	100.0%	100.0%	100.0%
Index-linked property	n/a	27.8%	98.5%	100.0%	100.0%	65%

**Data not provided by SSIM.*

Commentary

- Active Global Equity saw a slight decline in the level of data coverage to 93.7%, albeit since 31 March 2022 it has remained consistently high (>90% in each year). It remains close to its 100.0% target.
- Fixed Interest Bonds saw an improvement in data coverage over the reporting period, and continues to be in excess of the 31 March 2027 target coverage level.
- The Trustee acknowledges that further progress is needed to meet the Plan's targets and will continue to work with its investment managers to enhance coverage across the portfolio.

DC Section

Consistent with the target for the DB Section, the Trustee will continue to monitor the metrics for the DC Section on at least an annual basis and identify whether performance has improved or deteriorated over time. The metrics will also be used to monitor the Plan's performance in line with climate-related targets. Where progress is not in line with expectations and has deteriorated, we will engage further to understand the reasoning and undertake any appropriate remedial actions.

Also consistent with the target for the DB Section, the Trustee has introduced a similar target for improving the data coverage metric and will focus on improving coverage percentages in the period to the next review of targets in 2027. The Trustee adopts similar targets to those used for the DB asset classes and applies them to each DC fund type: equity (100%), multi-asset (90%), gilts (100%) and corporate funds (75%).

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Glossary

Governance refers to the system by which an organisation is directed and controlled in the interests of shareholders and other stakeholders.[1] Governance involves a set of relationships between an organisation's management, its board, its shareholders, and other stakeholders. Governance provides the structure and processes through which the objectives of the organisation are set, progress against performance is monitored, and results are evaluated.[2]

Strategy refers to an organisation's desired future state. An organisation's strategy establishes a foundation against which it can monitor and measure its progress in reaching that desired state. Strategy formulation generally involves establishing the purpose and scope of the organisation's activities and the nature of its businesses, taking into account the risks and opportunities it faces and the environment in which it operates.[3]

Risk management refers to a set of processes that are carried out by an organisation's board and management to support the achievement of the organisation's objectives by addressing its risks and managing the combined potential impact of those risks.[4]

Climate-related risk refers to the potential negative impacts of climate change on an organisation. Physical risks emanating from climate change can be event-driven (acute) such as increased severity of extreme weather events (e.g., cyclones, droughts, floods, and fires). They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns (e.g., sea level rise). Climate-related risks can also be associated with the transition to a lower-carbon global economy, the most common of which relate to policy and legal actions, technology changes, market responses, and reputational considerations.[5]

Climate-related opportunity refers to the potential positive impacts related to climate change on an organisation. Efforts to mitigate and adapt to climate change can produce opportunities for organisations, such as through resource efficiency and cost savings, the adoption and utilization of low-emission energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry in which an organisation operates.[6]

Greenhouse gas emissions scope levels[7] Greenhouse gases are categorised into three types or 'scopes' by the Greenhouse Gas Protocol, the world's most used greenhouse gas accounting standard.

Scope 1 refers to all direct GHG emissions.

Scope 2 refers to indirect GHG emissions from consumption of purchased electricity, heat, or steam.

Scope 3 refers to other indirect emissions not covered in Scope 2 that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 emissions could include: the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g., transmission and distribution losses), outsourced activities, and waste disposal.[8]

[1] A. Cadbury, Report of the Committee on the Financial Aspects of Corporate Governance, London, 1992.
[2] OECD, G20/OECD Principles of Corporate Governance, OECD Publishing, Paris, 2015.
[3] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[4] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[5] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[6] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[7] World Resources Institute and World Business Council for Sustainable Development, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), March 2004.
[8] PCC, Climate Change 2014 Mitigation of Climate Change, Cambridge University Press, 2014.

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Value chain	refers to the upstream and downstream life cycle of a product, process, or service, including material sourcing, production, consumption, and disposal/recycling. Upstream activities include operations that relate to the initial stages of producing a good or service (e.g., material sourcing, material processing, supplier activities). Downstream activities include operations that relate to processing the materials into a finished product and delivering it to the end user (e.g., transportation, distribution, and consumption).[9]
Climate scenario analysis	is a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty. In the case of climate change, for example, scenarios allow an organisation to explore and develop an understanding of how the physical and transition risks of climate change may impact its businesses, strategies, and financial performance over time.[10]
Net zero	means achieving a balance between the greenhouse gases emitted into the atmosphere, and those removed from it. This balance – or net zero – will happen when the amount of greenhouse gases add to the atmosphere is no more than the amount removed.[11]

Appendix – An explanation of climate risk categories

Climate-related risks are categorised into physical and transition risks. Below are examples of transition and physical risks.

Transition risks

Transition risks relate to how well an organisation can adjust to reducing greenhouse gas emissions and switching to renewable energy. These risks include four main areas: policy and legal issues, technological changes, market shifts, and reputation concerns.

Policy and legal

Examples
Increased pricing of GHG emissions
Enhanced emissions-reporting obligations
Regulation of existing products and services

Potential financial impacts
Increased operating costs (e.g. higher compliance costs, increased insurance premiums)
Write-offs, asset impairment and early retirement of existing assets due to policy changes

Technology

Examples
Cost to transition to lower emissions technology
Unsuccessful investments in new technologies

Potential financial impacts
Write-offs and early retirement of existing assets
Capital investments in technology development
Costs to adopt new practices and processes

Market

Examples
Changing customer behaviour
Uncertainty in market signals
Increased cost of raw materials

Potential financial impacts
Reduced demand for goods and services due to shift in consumer preferences.
Abrupt and unexpected increases in energy costs.

Reputational

Examples
Stigmatisation of sector
Increased stakeholder concern or negative stakeholder feedback

Potential financial impacts
Reduced revenue from decreased demand for goods and services.

[9] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[10] TCFD, Recommendations of the Task Force on Climate-related Financial Disclosures, 2017
[11] Energy Saving Trust, What is net zero and how can we get there? - Energy Saving Trust, October 2021

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Re-pricing of assets (e.g. fossil fuel reserves, land valuations, securities valuations).	Reduced revenue from decreased production capacity

Physical Risks

Physical risks are the physical effects of climate change on a company's operations. They impact how well a company can function due to climate disruptions. These risks are divided into acute risks, which are sudden extreme climate events, and chronic risks, which are long-term climate trends.

Acute	Chronic
Examples	**Examples**
Extreme heat	Water stress
Extreme rainfall	Sea level rises
Floods	Land degradation
Droughts	Variability in temperature

Appendix – DB Section Climate-related risk assessment – in detail

Given the number of asset classes in which the Plan invests, the Trustee has completed a best endeavours exercise to analyse the climate-related risks of each asset class. The Plan invests across a range of different asset classes and investment managers via pooled funds. As such, the Trustee's ability to influence how each manager incorporates climate-related issues is limited. However, the Trustee's fiduciary provider, SSIM, assessed financially material climate-related risks and opportunities for the Plan, associated with the underlying investment managers' mandates.

Listed Equity – 8.0% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	A	A
Long	R	R

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	G	G	G	A
Medium	R	A	A	A
Long	R	R	R	R

Physical risks
SSIM does not see any material physical risks in the short-term. Over the long-term, SSIM believes this is likely to become more significant. It identifies physical location and geographical exposures as important drivers of physical risk. The severity of these physical risks is likely to become more significant as time passes.

Transition risks
SSIM does not see any transitional risks in the short-term relating to Regulation, Technology, and the Market. However, it does see reputational damage as a medium risk in the short-term due to the increasing pressure from investors and regulatory requirements for public companies. Over the longer-term this is seen as a high risk as public companies are more likely to attract negative headlines in the financial and popular press.

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Private Equity – 11.2% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	G	G
Long	A	A

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	G	G	G	G
Medium	A	G	G	A
Long	A	A	A	A

Physical risks
SSIM has identified no material physical climate associated risks in the short to medium-term. Private companies may potentially have lower climate risks relative to their public counterparts in the same sector. These sectors include energy and utilities which are more asset-light, hence less likely to be left with stranded assets. SSIM recognises that these risks are more significant as they approach the long-term.

Transition risks
SSIM considers there to be no material transitional risks in the short-term. These risks are also considered to be minimal as time passes. SSIM believes private companies are faced with fewer regulatory disclosure requirements and hence lower policy and legal risks to climate change. However, it does identify regulatory and reputational risks as material as the Trustee approaches the longer-term

Fixed Interest Bond – 2.8% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	G	A
Long	R	R

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	A	G	A	A
Medium	R	A	A	A
Long	R	R	R	R

Physical risks
SSIM believes there to be no short-term physical risks and believes as the Plan approaches the medium to long-term these risks will become more apparent. However, due to Fixed Interest Bonds long duration and high exposure to sectors with physical assets such as to utilities, as the Plan approaches the long-term where the impact of extreme weather events become more frequent and severe the impact of these physical risks is likely to become more significant.

Transition risks
SSIM considers the transitional risks to be medium in the short-term. It realises these risks will become more significant as the Plan approaches the medium to long-term, arising from sector concentration in utilities and reputational damage to the increasing pressure from investors and regulators in the long-term.

Multi-Asset Credit – 0.8% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	A	A
Long	A	A

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	G	G	R	R
Medium	R	A	A	A
Long	A	A	A	A

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Physical risks
SSIM has identified no material physical climate associated risks in the short-term. When approaching the longer-term, SSIM considers these risks to become more significant. Multi-Asset Credit features in climate-sensitive sectors such as energy, materials and industrials. SSIM believes that as extreme weather events become more frequent and severe the impact of these physical risks is likely to become more significant and cause business interruptions.

Transition risks
SSIM does not see any transitional risks in the short-term relating to Regulation and Technology. SSIM identifies short-term market and reputational risk to be high due to a significant exposure to below-investment grade bonds which are price sensitive and usually less liquid. As time passes, these transitional risks are considered to be a medium risk which reflects the Plan's multi-asset credit investment strategy to tactically rotate among bonds and subsectors of the credit universe.

Illiquid Credit – 6.0% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	A	A
Long	A	A

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	G	G	G	G
Medium	A	A	A	A
Long	R	A	R	R

Physical risks
SSIM does not identify any material physical climate associated risks in the short-term. This can be attributed to the relatively low exposure to climate-sensitive sectors and longer durations. Illiquid investments, in general tend to have a longer lock-up period. Taking the above factors into account, illiquid credit will be exposed to medium level physical climate associated risks in the medium to longer term.

Transition risks
SSIM does not see any transitional risks in the short-term for illiquid credit portfolios. As illiquid credit has lower exposure to climate-sensitive sectors the transitional risks are presented as medium in the medium-term. As the Plan approaches the longer-term these risks become more severe due to the long holding period of these illiquid assets.

Property Debt – 5.1% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	A	A
Long	A	A

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	G	G	G	G
Medium	A	A	A	A
Long	R	A	R	R

Physical risks
SSIM considers there to be limited exposure to climate-related physical risks in the short-term. This is mainly due to the asset class primarily providing financing for physical assets. Over the medium to long-term, SSIM believes that property debt can get impacted at different levels as extreme weather events become more frequent and severe. The longer-term physical risks include extreme weather events, increasing costs due to adaptation and mitigation, heat stress and water stress both of which may increase operating costs.

Transition risks
SSIM does not see any transitional risks in the short-term. However, as time passes it does see regulatory and market risk becoming more widespread as well as reputational damage becoming more severe. This is due to the increasing pressure from investors and regulators if climate policy is not addressed sufficiently. It also reflects the long-term potential changes in tenant preferences, rising cost of materials and the costs of transitioning to new technology.

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Infrastructure – <1.0% of portfolio as at 31 March 2026

	Physical risks	
	Acute	Chronic
Short	G	G
Medium	A	A
Long	R	R

	Transition risks			
	Regulatory	Technology	Market	Reputation
Short	A	A	G	G
Medium	A	A	A	A
Long	G	G	A	A

Physical risk

SSIM believes infrastructure asset's exposure to physical risks are dependent on a variety of factors such as asset type, location, and lifespan of assets. No physical climate associated risks have been identified in the short-term. As the Plan approaches the medium to long-term, the SSIM believes these risks will become more severe with weather events becoming more frequent and severe, such as rising sea levels. The impact of these physical risks is likely to reduce profitability and revenue and possibly lead to stranded assets, therefore potentially having large financial impacts at the global infrastructure portfolio level. SSIM also highlights the interdependent nature across infrastructure assets, which may potentially magnify the effects of any single natural disaster.

Transition risks

SSIM considers infrastructure assets to be more exposed to transition risks compared to other asset classes, assuming a 2-degree transition pathway. In the short-term no transitional risks have been identified in relation to Market and Reputation. Transitional risks are considered to be medium in the short-term relating to Regulation and Technology. As more stringent climate change policy and investment in technology come into effect, it may pose serious "stranded asset risk" and is likely to reduce the value of some assets that are less advanced or unable to adapt. However, as the Plan approaches the long-term horizon, the increased pressure from regulators and policy are expected to be net positive for infrastructure with policy changes driving significant economic transformation globally and therefore potentially having positive financial impacts at the global infrastructure portfolio level.

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Appendix – Climate scenario modelling assumptions

DB Section

Please note that the summary of the impact to the Plan above has been assessed based on Aon's risk and return assumptions as at 31 December 2023. The assessment was qualitative in nature and considered the long-term exposure of the Plan to climate-related risks and the pattern of asset returns over the long-term. No liability was modelled during this assessment.

The qualitative analysis intends to illustrate the climate-related risks the Plan is currently exposed highlighting areas where risk mitigation could be achieved through changing the portfolio allocation.

i. Other relevant issues such as governance, costs, and implementation (including manager selection and due diligence) must be considered when making changes to the investment strategy.
ii. Climate-related risks are considered on an asset class level, and do not consider the specific geographical locations which will have a strong influence on the climate-related risk the Plan is exposed to.

Investment risk is only captured in the deviation from the Base Case scenario, but this is not the only risk that the Plan faces; other risks include covenant risk, longevity risk, timing of member options, basis risks and operational risks.
The analysis has been set up to capture recent market conditions and views; the analysis may propose different solutions for the same strategy under different market conditions.

Impact assessment

The table below describes the impact of each scenario on the asset classes held by the Plan over the short-, medium- and long-term time horizons.

No Transition Scenario	Summary of the Scenario	Summary of the impact to the Plan
Temperature rise +4ºC Reach net-zero After 2050 Environmental regulation None	**In the short-term:** No action is taken to combat climate change. **In the medium-term:** No action is taken to combat climate change. **In the long-term:** Climate change headwinds grow and act as a drag on economic growth and risk asset returns. Impacts from physical risks become more severe and irreversible by 2100.	**Equities:** Adverse effects from climate change become progressively worse, acting as an increasing drag on returns. **Credit and bonds:** Average spot rates are expected to increase and expected nominal returns on credit instruments are forecasted to fall. **Gilts:** Yields remain at low levels as worsening effects from climate change act as a drag on growth long term. Return on gilts will move in the opposite direction to yields. **Property and property debt:** "Business as usual approach" continues to support the valuation of real estate assets in the short term but over time impacts from physical risks gradually become more severe negatively affecting property and property related assets. **Private equity and infrastructure:** Risk premia remains attractive in short term, however, starts to tail off as the decarbonisation opportunities become more expensive over time. **Hedge funds:** Annualised returns remain stable, however over the medium and long-time horizon the returns decline considerably. **Funding level:** Increasing effects from climate change and greater uncertainty over the future outlook causes a growing drag on growth. This is expected to negatively affect the funding level of the Plan.

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	Summary of the Scenario	Summary of the impact to the Plan
Disorderly Scenario Temperature rise <3°C Reach net-zero After 2050 Environmental regulation Late and Aggressive	**In the short-term:** Insufficient consideration given to long-term policies and there is no action taken to combat climate change **In the medium-term:** Late but coordinated action is taken to tackle climate change. The late timing means it is less effective and more costly to implement. Adverse impacts from climate change leads to a drag on risk assets **In the long-term:** After the costly implementation to tackle climate change and the resulting drag on risky assets, the transition to clean technologies and green regulation begins to boost economic growth when considering the very long term. However, the late and disorderly climate transition means that physical climate risks remain prominent over the very long term.	**Equities:** Market participants eventually price in high levels of adverse effects resulting from climate change, causing equity returns to drop substantially. **Credit and bonds:** Expected nominal returns on credit instruments will fluctuate but is expected to increase over time, suggesting higher associated risk attached to the Disorderly transition. **Gilts:** Yields gradually decrease due to the weak economic backdrop. Return on gilts will move in the opposite direction to yields. **Property and property debt:** Volatility of returns is present which leads to a large performance drop over medium-term horizon. **Private equity and infrastructure:** Similarly, these asset classes experience significant price drop which may prove difficult to recover within the timescale the Plan is concerned. **Hedge funds:** The returns are very volatile which a large dip expected in the medium term with some recovery over longer term time horizon, although this may be outside of the time bounds the Plan is concerned with. **Funding level:** Disorderly transition is anticipated to have the worst outcome for the Plan's funding level. Due to the nature of the economic impact, a large shock to asset returns will take place in later years which will negatively impact the Plan's funding.
Orderly Scenario Temperature rise 1.3°C – 2°C Reach net-zero 2050 Environmental regulation Coordinated	**In the short-term:** Immediate coordinated global action is taken to tackle climate change. Risky assets perform poorly. **In the medium-term:** The rapid transition to clean technologies and green regulation begins to boost economic growth. **In the long-term:** The rapid transition to clean technologies and green regulation begins to boost economic growth. This represents the fastest transition to a green economy, combined with limited physical impacts from climate change despite the large initial transition cost.	**Equities:** suffer from higher costs of regulation initially, but higher growth prospects boost returns longer term. **Credit and bonds:** expected to suffer from initial costs in the short term, but to a lesser extent than equities. The returns are expected to pick up in later years. **Gilts**: Nominal yields pushed higher in the short-term as central banks hike rates in order to constrain inflation. Returns on gilts will move in the opposite direction to yields. **Property and property debt:** Returns improve over medium- and long-term horizon due to the more efficient real estate assets, which translates in better valuations for property and property related securities. **Private equity and infrastructure:** The conditions are favourable for these asset classes over medium- to longer-term horizons, which benefit from embedded efficiency from transitioning to a low-carbon economy. **Hedge funds:** Returns rebound after an initial period of volatility. More opportunity to get exposure to strategies that are insulated against climate-related risks. **Funding level:** Expected to reduce initially followed by a period of recovery. The short-term risk faced by the Plan is as a result of poor growth asset performance in early years having a pronounced negative impact on asset returns.

Source: Aon. *Effective date of the qualitative impact assessment is 31 December 2026.*
The asset class and funding level fund impact summaries apply to all the time horizons set out on the left-hand column of the table above.

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DC Section

The Hymans Robertson HERO™ Model provides projections of retirement income on an individual member basis, taking into account member specific characteristics such as age, salary, contribution rate, current accrued fund, actual or assumed investment choice and retirement age. Stochastic projections are provided for asset returns and economic variables such as inflation for each year of participation in each pension arrangement. These projections are provided by the Economic Scenario Service, Hymans Robertson's (proprietary) stochastic asset model.

In the modelling Hymans Robertson project forward each sample member's salary and current DC fund using stochastic projections of asset returns and economic variables such as inflation. They assume that the member continues to invest in their current investment strategy at the disclosed contribution rate (as a % of Pensionable Earnings) until they reach their selected retirement age.

While performing this analysis Hymans Robertson have followed the requirements of the relevant Technical Actuarial Standards (TASs) at time of publication, namely TAS100.

As with all modelling, the results are dependent on the model itself, the calibration of the model and the various approximations and estimations used. These processes involve an element of subjectivity. No inferences should be drawn from the modelling results other than those confirmed by Hymans Robertson in writing. Additional modelling assumptions include:

- Earnings increase in line with projected CPI inflation with no addition throughout the period to retirement
- Amounts expressed in "today's prices" have been discounted using projections of annual CPI with no addition.

Summary of projected fund returns

The following figures have been calculated using 5,000 simulations of the Hymans Robertson Economic Scenario Service using market data as at 31 March 2026. All returns are shown net of fees. Percentiles refer to percentiles of the 5,000 simulations and are the annualised total returns over 20 years; dispersion figures provided are 20-year numbers at 31 March 2026.

Fund Metrics (Annualised returns over 20 years)

Metric	GE Aerospace Pension Saver Growth Fund	GE Aerospace Pension Saver Consolidation Fund	GE Aerospace Pension Saver Pre-Retirement Targeting Drawdown
Core Statistics			
Expected Return (p.a.)	7.65%	7.63%	7.22%
Dispersion (p.a.)	19.26%	12.13%	9.79%
Percentile Returns			
95th percentile (p.a.)	15.48%	12.51%	11.23%
90th percentile (p.a.)	13.67%	11.40%	10.31%
84th percentile (p.a.)	12.43%	10.58%	9.60%
75th percentile (p.a.)	10.90%	9.63%	8.82%
50th percentile (p.a.)	7.65%	7.63%	7.22%
25th percentile (p.a.)	4.53%	5.59%	5.61%
16th percentile (p.a.)	3.08%	4.72%	4.90%
10th percentile (p.a.)	1.89%	3.98%	4.26%
5th percentile (p.a.)	0.23%	2.93%	3.49%
Downside Risk Metrics			
Maximum Drawdown	31.49%	15.48%	10.68%
5% Tail VaR (p.a.)	-1.73%	1.78%	2.58%

Source: Hymans.

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Climate scenarios: weighting methodology

The scenarios are defined in terms of the pace and extent of the world's response to climate risks, as set out in the 'scenario descriptions' table below. The description is divided into different time periods of five years, corresponding roughly to the five-year framework of the Paris Agreement 'ratchet mechanism' under which signatory counties are supposed to review (and reduce) national greenhouse gas emissions. The five-year periods are rolling rather than fixed to Paris Agreement ratchet dates but given that climate action and reaction will not take place neatly according to a timetable Hymans Robertson believe this approach is reasonable.

The three scenarios all involve periods of higher volatility, corresponding to periods when the response to transition and/or physical risks leads to uncertainty, frequent repricing, changes in government borrowing and inflation, etc. The scenario definitions (qualitative and quantitative) will be reviewed regularly to reflect actual policy and corporate responses, as well as any other changes in methodology or ESS calibration.

The qualitative scenario descriptions must be translated into quantitative definitions for the purpose of calculating modelling results. Hymans Robertson have chosen four key variables and determined the scenario definitions based on how different the statistical properties of these variables should be in the scenarios compared to the entire unweighted ESS output. The difference is chosen to be significant enough that the resulting simulation is more likely to be from the scenario in question than another scenario.

The quantitative definitions are all specified in terms of volatility rather than level, where the volatility of a variable within a trial is the sample standard deviation over the time period in question. A more volatile trial will have more variation over the years, and a less volatile trial will have more stable values.

For each variable, each scenario is defined by how much greater the mean volatility of the 5,000 trials in the scenario should be compared to the mean volatility across all 5,000 trials in the unweighted output over the same period. The weight on each trial in the scenario is adjusted to achieve this increase in mean volatility while keeping the other characteristics of the distribution as similar as possible to the unweighted output.

The scenarios are defined by multiple parameters and time periods, and the overall weight is the combination of the weights across all of them. The methodology takes account of the weights already derived based on other variables, so for example it will not 'double count' volatility from two variables which tend to be volatile at the same time. In other words, if the weights required to increase the volatility of one variable to the desired level mean that a second variable is already close to its desired volatility, the weights will only be further adjusted by a small amount.

Once the weights have been determined in this way they are grouped into six buckets and the trials in each bucket are each given the same weight to achieve approximately the same objective as the above while avoiding an extreme distribution of weights. The proportion of trials in each bucket, from highest to lowest weight, is 5%, 5%, 10%, 10%, 20% and 50%.

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Climate scenarios: scenario descriptions

The climate scenarios are defined qualitatively as follows:

Scenario	Years 1-5	Years 6-10	Years 11-15	Years 16-20
Green revolution 2100 temperature pathway **at or below** 2 degrees	•Short term concerted policy action and investment in new technology •Immediate introduction and ramping up of carbon pricing •Policy actions to reduce reliance on fossil fuels for electricity generation and transportation •Government/corporate spending on "green solutions" and favourable tax position for sustainable strategies •Significantly improved climate disclosures help market prices adjust to reflect expectation of "new normal" •Market repricing in response to companies reaction and preparedness		•Further policy action to maintain policy intent and acceleration of timeframes for change •Continued ramp up of policy actions sees carbon emissions fall rapidly •Expectations of the reliance on technological solutions for negative carbon emissions in future fall •Markets weed out poor performers on climate, fast adapters do well	•Policies have forced companies to pursue more sustainable agendas and take account of externalities through explicit pricing mechanisms •Innovation is rewarded and expectations of physical impact from climate change are therefore expected to be more limited. •Expectations of meeting 2 degree targets are high •Modest physical impacts are seen such as reduced crop yields and increased precipitation. •Renewable energy now represents a significant proportion of energy usage and is continuing to trend upwards.
Delayed transition 2100 temperature pathway **at or below** 2 degrees	•Limited investment and policy measures are introduced, perhaps inconsistently across the globe. •Modest government spending on adaptation •No significant market repricing or physical risks	•Concerted policy action as Paris commitments are reviewed and enforced. Action is more extreme and disruptive than may otherwise have been needed •Carbon pricing is implemented with prices rising higher and faster than under the smooth transition •Government spending is redirected as climate priorities take hold •Pricing adjusts in face of growing policy action •Some businesses respond quickly, leading to divergence between them and climate laggards		•Outcomes similar to Green Revolution, with high expectations of meeting 2 degree targets
Head in the sand 2100 temperature pathway **above** 2 degrees	•No material policy action •Governments pursue own agendas and societal pressure for change is resisted •No significant market repricing or physical risks	•Low effort at climate adaptation with policy failure and adherence to current ways of thinking •Little concerted effort, countries pursue their own interests	•Growing fear that world is on track for more than 2 degrees temperature increase creates market uncertainty and price adjustments •Increased likelihood of acute physical impacts on businesses •Increased government spending in response to immediate environmental damage, concentrated on short-term mitigation measures •Attempts to respond by governments and businesses are generally piecemeal and ineffective	

Source: Hymans.

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Appendix – Carbon metrics data and calculation methodology

DB Section

For public assets (excluding Fixed Income bonds), Aon obtained carbon data from MSCI. For private assets, Fixed Income bonds, SSIM collected carbon data from the investment managers. Carbon emissions data was split out by Scopes 1 and 2, and Scope where possible, consistent with last year's report.

Availability of data

- 4 managers provided scopes 1, 2 and 3 GHG emissions.
- 4 managers provided scopes 1 and 2 GHG emissions only.
- 1 manager provided scope 3 GHG emissions only.
- 3 managers provided limited carbon data that could not be used for TCFD reporting purposes.
- 22 managers (versus 25 managers last year) did not provide any information. Whilst this is disappointing, this is an industry-wide issue and can be expected given the nature of these funds.
- Hedge Funds, Infrastructure and Cash were excluded from carbon data analysis on a materiality basis.

Aon does not make any estimates for missing data.

Carbon metrics

The Plan's carbon related metrics were aggregated by an asset class basis. The methodology used does not make any assumptions about missing data. The aggregation methodology follows the industry-standard best-practice and is set out below:

$$G = A \times C \times F$$

G = Total GHG expressed as (tCO2e).
A = Assets expressed in £ Millions.
C = Data Coverage expressed as a decimal between 0 and 1.
F = Carbon Footprint expressed as (tCO2e/£M invested).

Asset Class	Approach
Global Equity	Carbon metrics data was obtained via MSCI based on the underlying holdings provided by SSIM.
Fixed Income	Carbon metrics data obtained directly from the managers. Aon applied respective carbon footprint figures to the Plan's invested capital to calculate the Plan's total carbon emissions.
LDI	2026 emissions associated with LDI has been calculated from the following sources: • Physical-synthetic split as at 31 March 2026 from Insight. • UK national emissions as at 31 December 2024 from the Emissions Database for Global Atmospheric Research. • PPP-adjusted GDP as at 31 December 2024 from the Organization for Economic Cooperation and Development. The rationale for splitting 'physical' and 'synthetic' emissions is to distinguish between the sovereign bonds physically held by the Plan i.e. 'physical emissions', and certain synthetic asset exposures obtained using derivatives.

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Private Equity	Carbon metrics data was provided by the underlying managers. Aon applied respective carbon footprint figures to the Plan's invested capital to calculate the Plan's total carbon emissions.
Illiquid Credit	
Index-Linked Property	
Property Debt	
Property	

Notes: Where carbon data was supplied in USD or EUR terms, Aon converted it to GBP terms as at 31 March 2026 FX rate.

Portion of portfolio SBTi aligned

Aon calculated the portion of portfolio SBTi aligned for the Plan based on the information obtained from MSCI for the Plan's public investments (excluding Fixed Income Bonds) and from managers for private investments, and Fixed Income Bonds. The results were aggregated based on the portion of assets invested in each fund.

Aon does not make any estimates for missing data. The Plan's metric only represents the portion of the portfolio for which the data is available.

Currently, there is no standard approach for calculating SBTi alignment for government bonds. Hence there is no SBTi alignment measure for the LDI assets.

DC Section

Carbon metrics can be considered as part of investment decision-making process to measure, manage and disclose climate risk. The Trustee has used the same metrics for the DC Section as for the DB Section.
The selected metrics may also aid the Trustee in identifying opportunities for further engagement with investment managers and underlying investee companies.

The Trustee has included Scope 1, 2 and 3 emissions within this report. But given the concerns over Scope 3 emissions the Trustee believes that Scope 3 emissions should be disaggregated from Scope 1 and 2 emissions. Scope 3 emissions data is important for understanding how well portfolios are decarbonising. But current reported Scope 3 emissions information is largely inadequate for things like making climate-informed investment decisions. The Trustee has considered the guidance set out by the Department for Work and Pensions ("DWP") when selecting which metrics to use in measuring the climate-related risks and opportunities.

The Trustee acknowledges that there are limitations in data available from investee companies on emissions of greenhouse gases. Where these limitations in data exist, the data is estimated. The Trustee will seek to obtain information for future assessments, where it is currently missing. In the meantime, the results of the above metrics have been understood to be reflective of the portfolio, but the limitations of data availability are noted when using the metrics for decision-making purposes.

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Appendix – GHG emissions in more detail

Greenhouse gases trap heat in the atmosphere, keep the Earth's surface and atmosphere warm. They warm the Earth by absorbing sunlight and re-emitting it as heat. Human activities, like burning fossil fuels and deforestation, increase greenhouse gases, making the atmosphere more effective at trapping heat. Since the Industrial Revolution, greenhouse gas levels have risen significantly. The Kyoto Protocol12 identifies six major greenhouse gases, with human-made carbon dioxide being the largest contributor to global warming. Each gas has different global warming potential and atmospheric persistence, so emissions are measured as carbon dioxide equivalent (CO2e) for comparison. Greenhouse gases are categorised into three 'scopes' by the Greenhouse Gas Protocol, the world's most used greenhouse gas accounting standard.

Scope 1: All direct emissions from the activities of an organisation which are under their control; these typically include emissions from their own buildings, facilities and vehicles

Scope 2: These are the indirect emissions from the generation of electricity purchased and used by an organisation

Scope 3: All other indirect emissions linked to the wider supply chain and activities of the organisation from outside its own operations – from the goods it purchases to the disposal of the products it sells

Main greenhouse gases identified by the Kyoto Protocol

CO2
Carbon dioxide

CH4
Methane

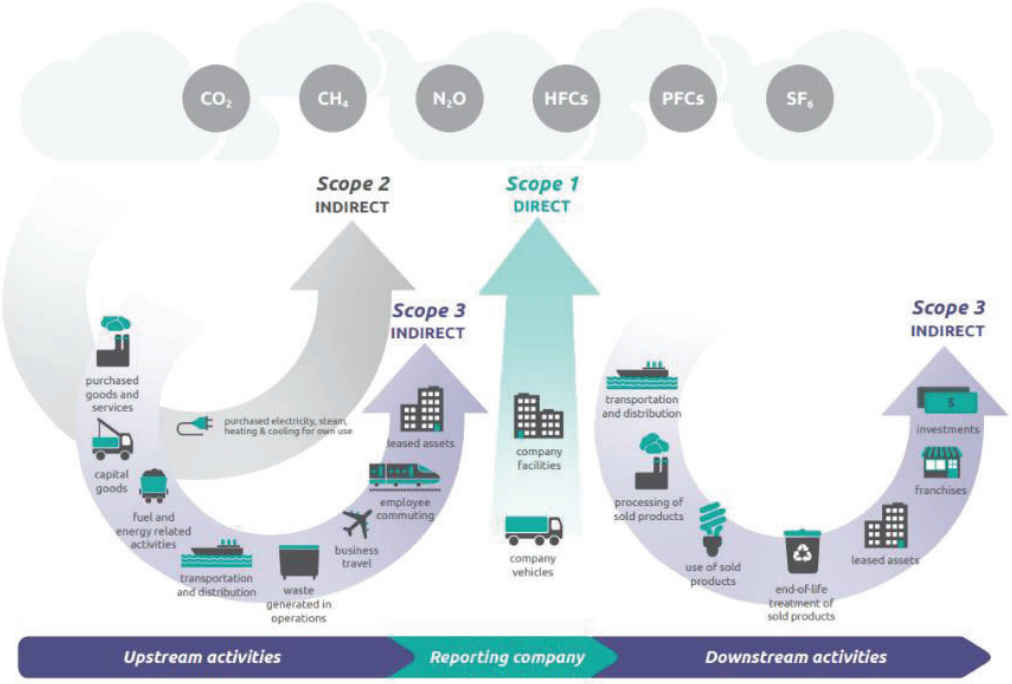
N2O
Nitrous oxide

HFCs
Hydrofluorocarbons

PFCs
Perfluorocarbons

SF6
Sulphur hexafluoride

Overview of GHG Protocol scopes and emissions across the value chain



Source: Greenhouse Gas Protocol, https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporing-Standard_041613_2.pdf, 2011

[12] https://unfccc.int/kyoto_protocol