Implementation Statement

Hertz (UK) 1972 Pension Plan

Purpose of this statement

This Implementation Statement has been prepared by the Trustees of the Hertz (UK) 1972 Pension Plan (the "Trustees" and the "Plan" respectively) and sets out:

- How the Trustees' policies on exercising rights (including voting rights) and engagement policies have been followed over the year to 5 April 2026.
- The voting activity undertaken by the Plan's investment managers on behalf of the Trustees over the year to 5 April 2026, including information regarding the most significant votes.

The voting behaviour is not given over the Plan year end to 5 April 2026 because investment managers only report on this data quarterly, we have therefore given the information over the year to 31 March 2026.

This statement does not include the additional voluntary contributions ("AVCs") due to the relatively small proportion of the Plan's assets that are held as AVCs.

Stewardship policy

The Trustees' Statement of Investment Principles (SIP) dated 18 February 2026, describes the Trustees' stewardship policy on the exercise of rights (including voting rights) and engagement activities. It has been made available online here: https://www.zedra.com/wp-content/uploads/2026/02/2026_01_Hertz_SIP.pdf

The Trustees' stewardship policy is set out in the Plan's policies on voting and engagement, which forms part of the Statement of Investment Principles. To enable the Trustees to make high quality decisions, the fact-finding and analysis is delegated to the Trustees' independent investment advisor. The following Stewardship Priorities have been set by the Plan:

- Climate change;
- Diversity, equity and inclusion;
- Fair pay / responsible remuneration;

How voting and engagement/stewardship policies have been followed

The Plan invests entirely in pooled funds and the Trustees delegate responsibility for carrying out voting and engagement activities to the Plan's fund managers.

Investment rights (including voting rights) have been exercised by the investment managers in line with the investment managers' general policies on corporate governance, which reflect the recommendations of the UK Stewardship Code, and which are provided to the Trustees from time to time. The Trustees also expect the investment managers to have engaged with companies in relation to environmental, social and governance ("ESG") matters, and to take these into account in the selection, retention and realisation of investments.

The Trustees are comfortable with the investment managers' strategies and processes for exercising rights and conducting engagement activities, and specifically that they attempt to maximise shareholder value as a long-term investor.

Annually the Trustees receive and review voting information and engagement policies from the asset managers, which they review as part of manager appointment and review processes. The Trustees believe that the voting and engagement activities undertaken by the asset managers on their behalf have been in the members' best interests. The Trustees also use sustainability ratings information provided by its investment consultant, to assess how the Plan's investment managers take account of ESG issues. This exercise was undertaken for the year to 31 March 2025, with the next update in preparation at time of writing.

Having reviewed the above in accordance with their policies, the Trustees are comfortable that the actions of the fund managers are in alignment with the Plan's stewardship policies.

Additional information on the voting and engagement activities carried out for the Plan's investments is provided on the following pages.

Prepared by the Trustees of the Hertz (UK) 1972 Pension Plan
August 2026

Voting Data

This section provides a summary of the voting activity undertaken by the investment managers within the Plan's Growth Portfolio on behalf of the Trustees over the year to 31 March 2026. The **LDI, Corporate Bonds and Cash** with **Insight and CQS** have no voting rights and limited ability to engage with key stakeholders given the nature of the mandate. The Plan fully disinvested from the State Street passive regional equity funds in December 2025. Given the Plan was invested in the funds for the majority of the year and they are the only assets with voting rights, the Trustees have deemed the information to be material. The data below is for the year to 31 March 2026 as data is not available for the period from 5 April 2025 to the point of disinvestment.

Manager	**State Street Investment Management**					
Fund name	UK ESG Screened Index Equity Sub-Fund	Europe ex UK ESG Screened Index Equity Sub-Fund	North America ESG Screened Index Equity Sub-Fund	Asia Pacific ex Japan ESG Screened Index Equity Sub-Fund	Japan ESG Screened Index Equity Sub-Fund	Emerging Markets ESG Screened Index Equity Sub-Fund
Structure	Pooled					
Ability to influence voting behaviour of manager	Last year State Street introduced a policy for their pooled funds which allows investors to choose from a number of different voting policies for their holdings. Votes for the Plan's holdings are taken in line with State Street's standard policy. The voting data below covers total votes across each fund.					
Number of company meetings the manager was eligible to vote at over the year	693	382	209	382	111	4,673
Number of resolutions the manager was eligible to vote on over the year	9,483	6,963	2,484	3,107	1,149	40,272
Percentage of resolutions the manager voted on, of which they were eligible	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of resolutions the manager abstained from*	0.07%	0.16%	0.04%	0.06%	0.17%	3.21%
Percentage of resolutions voted *with* management, as a percentage of the total number of resolutions voted on	93.16%	90.54%	91.06%	91.89%	93.82%	81.20%

Percentage of resolutions voted *against* management, as a percentage of the total number of resolutions voted on	6.84%	9.46%	8.94%	8.11%	6.18%	18.80%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor**	n/a	n/a	n/a	n/a	n/a	n/a

*Votes of Abstain can be counted both as a vote of abstain but also as a Vote Against Management and hence Vote with management, vote against management and abstain from voting may add up to more than 100%.

**State Street Investment Management uses ISS as a proxy voting service provider to implement State Street's bespoke voting instructions

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustees over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, guidance states that a significant vote is likely to be one that is linked to one or more of a scheme's stewardship priorities / themes. For this Implementation Statement, the Trustees have selected the below significant votes considering the stewardship priorities as far as possible.

State Street have provided a selection of votes which they believe to be significant. The Trustees have selected the summary significant votes below with consideration to their stewardship priorities as far as possible.

State Street Investment Management, Regional Passive Equity Funds

	Vote 1	Vote 2	Vote 3
Company name	SSE Plc	Alphabet Inc.	Marvell Technology Inc.
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	1.32% (of UK fund)	3.0% (of North America fund)	0.15% (of North America fund)
Summary of the resolution	Management Climate-Related Proposal	Elect Director	Advisory Vote to Ratify Named Executive Officers' Compensation
How the manager voted	For	Against	Against
Rationale for the voting decision	State Street voted FOR the proposal as the company's climate-related disclosures are mostly aligned with State Street guidance.	The director nominee does not merit support per voting guidelines: Board gender diversity	This item does not merit support as State Street has concerns with the proposed remuneration structure for senior executives at the company.
Outcome of the vote	Pass	Pass	Pass
Implications of the outcome	State Street will contact the company to explain their voting rationale and conduct further engagement.		
Criteria on which the vote is considered "significant"	Significant vote given the Trustees' 'Climate change' stewardship priority.	Significant vote given the Trustees' 'Diversity, equity and inclusion' stewardship priority.	Significant vote given the Trustees' 'Fair pay / responsible remuneration' stewardship priority.

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustees. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Plan's LDI and cash funds due to the nature of the underlying holdings, so engagement information for these assets have not been shown. State Street did not provide engagement data for the Sterling Non-Gilts Bond All Stocks ESG Screened Fund.

Manager	**State Street Investment Management***					
Fund name	UK ESG Screened Index Equity	Europe ex UK ESG Screened Index Equity	North America ESG Screened Index Equity	Asia Pacific ex Japan ESG Screened Index Equity	Japan ESG Screened Index Equity	Emerging Markets ESG Screened Index Equity
Number of engagements undertaken on behalf of the holdings in this fund in the year	125	240	371	126	71	68
Number of entities engaged on behalf of the holdings in this fund in the year	86	177	262	99	60	59
Number of engagements undertaken at a firm level in the year	1,550					

*The Plan disinvested from the State Street regional equity portfolio in December 2025, the data in the table above is for the year to 31 March 2026 as State Street do not supply data for shorter periods.

Manager	**CQS**	**Insight***	
Fund name	Credit Multi Asset Fund	Maturing Buy & Maintain Bond Fund 2026-2030	Maturing Buy & Maintain Bond Fund 2031-2035
Number of engagements undertaken on behalf of the holdings in this fund in the year	53	148	198
Number of entities engaged on behalf of the holdings in this fund in the year	50	80	69
Number of engagements undertaken at a firm level in the year	65	2,762	

*The Insight Maturing Buy and Maintain Fund 2021-2025 closed in December 2025, therefore data for the year to 31 March 2026 has not been provided.

Examples of engagement activity undertaken over the year to 31 March 2026

State Street Investment Management, Passive Equity Funds and the Sterling Non-Gilts Bond All Stocks ESG Screened Index Sub-Fund

Stellantis: Executive Compensation

State Street engaged with Stellantis following the departure of its CEO in December 2024 to discuss the leadership transition, succession planning and proposed changes to executive remuneration. The engagement focused on understanding the rationale for the CEO's departure, the qualities being sought in a successor and the governance of the separation package.

Stellantis explained that the departing CEO's compensation included severance and prorated long-term incentives, while noting that no annual bonus was paid for 2024 and certain awards were reduced or forfeited. The company also proposed revisions to its remuneration policy, including an increase in the maximum long-term incentive opportunity, which it argued was necessary to attract and retain a high-calibre CEO.

State Street welcomed improvements in remuneration practices, including greater use of performance-based incentives and enhanced disclosure. However, concerns remained regarding the alignment of the CEO's separation payments with shareholder interests. As a result, State Street voted against the remuneration report but supported the revised remuneration policy, recognising the company's efforts to strengthen governance and respond to investor feedback.

CQS, Credit Multi Asset Fund

Unnamed Global Shipping Company : Climate change

CQS engaged with a global shipping company to review progress against its climate commitments and decarbonisation strategy. Management highlighted significant challenges facing the industry's transition, including uncertainty around which alternative fuels will emerge as the dominant solution, limited fuel availability, high costs, and insufficient infrastructure.

The company confirmed that all new vessel orders are methanol-ready and meet the highest environmental standards available. However, most dual-fuel vessels continue to operate on conventional fuels due to the limited availability and higher cost of alternatives. Management expects operational measures such as slow steaming to remain the primary emissions-reduction tool in the near term, while maintaining fleet flexibility to adapt to future fuel developments.

Following the engagement, CQS reduced its exposure to the company, reflecting concerns that meaningful decarbonisation progress is unlikely before 2030-2035. The position will continue to be monitored as the company's transition strategy evolves.

Insight, Maturing Buy & Maintain Bond Funds

Société Générale: Climate change

Insight engaged with Société Générale to review progress on its climate strategy, financed emissions and transition planning. The bank reaffirmed its climate commitments and highlighted progress in embedding ESG considerations within risk management, alongside sector-specific decarbonisation targets and financed emissions reporting.

Management noted that it is ahead of target in several carbon-intensive sectors and has expanded its transition assessment framework across 15 high-emitting industries. The bank also reiterated its approach of supporting clients through the transition rather than exiting relationships.

Insight welcomed these developments but encouraged further improvement in financed emissions data quality, greater transparency on facilitated emissions, and clearer disclosure of how transition assessments influence client outcomes. As a result, engagement objectives were set to improve Partnership for Carbon Accounting Financials ("PCAF") data quality and strengthen facilitated emissions reporting and integration within decarbonisation targets.

Summary

In reviewing the activities of the past year, the Trustees believe that the policies set out in the Statement of Investment Principles ("SIP") have been effectively implemented. The Plan's investment managers have demonstrated transparency in their voting and engagement activities, and the Trustees believe that these activities reasonably align with the with the stewardship priorities of the Plan.