



The Time is Now

Five Actions for HR to Consider as the
EU Artificial Intelligence Act Comes
into Force

This document is for general information purposes only and does not constitute legal, regulatory or other professional advice. It is not intended to be a complete statement of the law or to address the circumstances of any particular individual or entity. Organizations should obtain their own legal and compliance advice regarding AI-enabled HR tools, including compliance with the EU AI Act and other applicable laws.



Use of AI in HR Processes

The use of AI across HR processes has become a strategic priority. Nearly half (49%) of organizations in [Aon's 2026 Human Capital Trends Study](#) identify HR as a top area for AI deployment — second only to IT. Additionally, the acceleration of digital transformation of HR processes is ranked as the top people strategic priority.

This is already translating into practice. In 2025, roughly 59% of European enterprises report having integrated AI into their HR processes, while globally, around 65% of HR departments have implemented at least one AI-based tool¹.

This growth and prioritization comes with responsibility and legal obligations; over one third (37%) of organizations in [Aon's 2026 Human Capital Trends Study](#) cite ethical, legal and regulatory concerns as barriers to AI implementation.

The EU [Artificial Intelligence Act](#) (Regulation 2024/1689) is one of the most comprehensive AI laws, directly impacting any organization using AI-powered systems for employment-related decisions. It came into force in August 2024, though following the adoption of the EU's Digital Omnibus on AI in July 2026, the application dates for high-risk AI systems used in HR (Article III) have been delayed until December 2027. While the law touches many aspects of AI, it has specific implications for HR, including areas such as the use of AI in employment decisions.

In the EU, the use of AI-enabled HR tools should also be viewed in the context of other legal frameworks, such as data protection law (including the GDPR), employment and labor law,

anti-discrimination rules and, in some countries, works council co-determination. The specific implications will depend on each organization's circumstances, so it is important to involve appropriate legal and compliance experts when defining and implementing AI-enabled HR use cases.

Top Priority Areas for AI Deployment

1. IT
2. HR
3. Administration

Aon's Human Capital Trends Study 2026

Top People Strategic Priorities

1. Accelerating HR digital processes
2. Strengthening leadership and succession planning
3. Optimizing workforce planning and organization design

Aon's Human Capital Trends Study 2026

Where is HR Prioritizing AI?

1. **42%** Hiring and Recruitment
2. **23%** Performance Management
3. **12%** Succession Planning / Promotion / Career Mobility

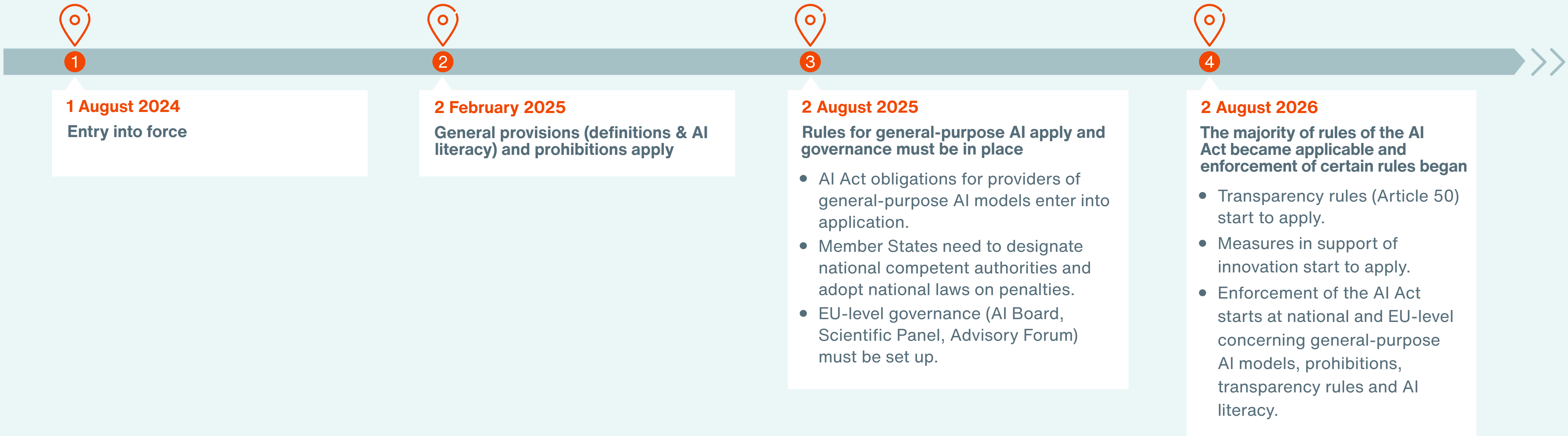
Aon's Human Capital Trends Study 2026

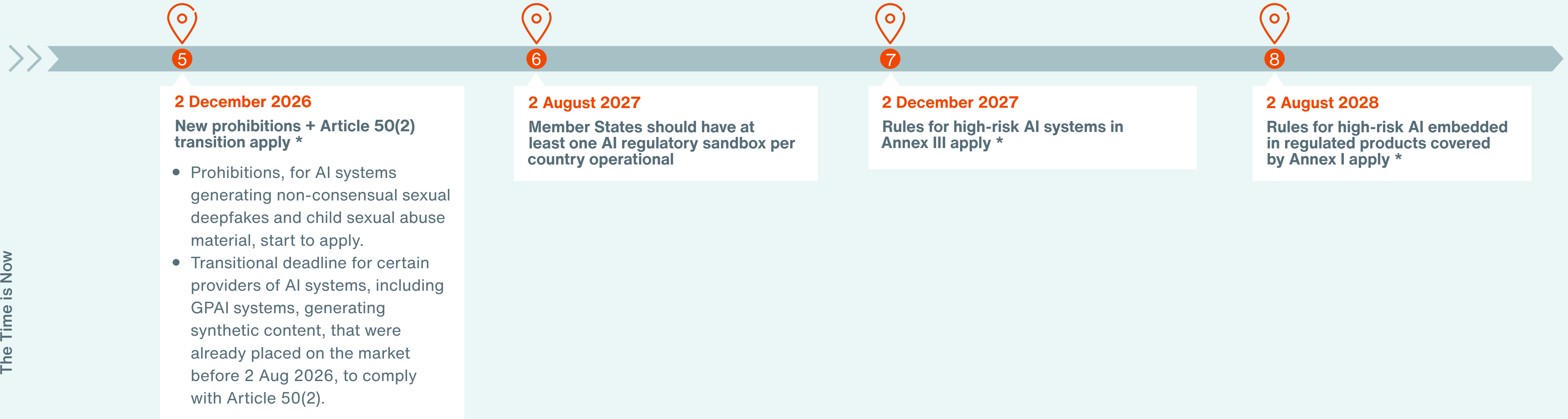
¹ Source: [AI in HR Statistics 2026: Uptake, Impact & Ethics, SQ Magazine](#)

Timeline for the Implementation of the EU AI Act

AI Act Service Desk

The EU's AI Act legislation applies progressively, with a full roll-out of the main application milestones foreseen by 2 August 2028. The timeline takes into account the AI Act amendments introduced by Digital Omnibus on AI



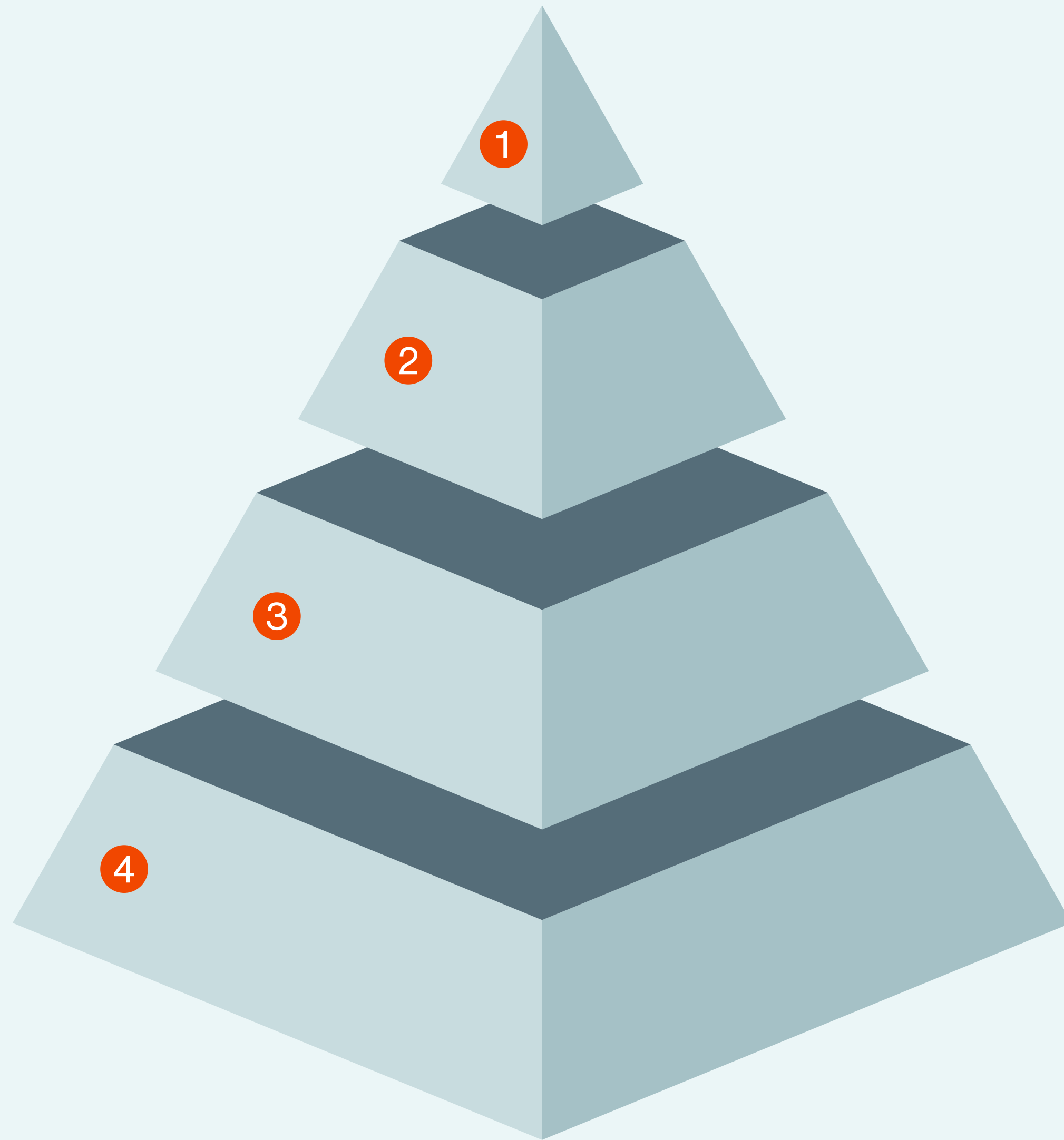


* Following the Digital Omnibus on AI, certain provisions of the AI Act have been amended. For more information, refer to [FAQ section under 'Digital Omnibus'](#).

Source: [European Commission](#)

From hiring and selection to performance management and development, AI-driven tools are reshaping how organizations make decisions about their people. Any AI system used to support individual assessments will fall under the application of the law. This means HR teams are required to review, document and demonstrate that their tools meet the strict demands of the Act.

The consequences of inaction are significant: non-compliance risks substantial fines, reputational damage, loss of employee trust and legal liability. HR leaders cannot afford to wait.



EU AI Act: Global Approach to Due Diligence Based on This Framework

- 1 Unacceptable Risk**
 Highest level of risk — prohibited in the EU. Includes AI systems using e.g. subliminal manipulation or general social scoring.
- 2 High Risk**
 Most regulated AI systems, as these have the potential to cause significant harm if they fail or are misused, e.g. if used in law enforcement or recruiting.
- 3 Limited Risk**
 Includes AI systems with risk of manipulation or deceit, e.g. chatbots or deepfakes/AI-generated content. Humans must be informed about their interaction with the AI.
- 4 Minimal Risk**
 All other AI systems, e.g. spam filters, which can be deployed without additional restrictions.

On the following pages, Aon has identified five priority actions to support you in taking the right steps now.

Where Could Organizations Focus First?

Five Priority Actions Worth Considering Now

1 Map Your HR AI Algorithmic Tool Use – and Build a Register

A good starting point for action is a thorough audit of your current HR AI use. Document every AI-driven system or tool involved in your talent processes across the full talent lifecycle — from candidate sourcing platforms and applicant screening assessments to internal people analytics, productivity trackers and reward decision-making tools. Record what each tool does, what data it accesses and what decisions it informs or influences.

This essential first step defines both your exposure and your obligations; the EU AI Act requires this detailed level of awareness. It places the onus on employers, as AI “deployers”, to understand which systems may fall under prohibited or high-risk categories. Missing a tool at this stage may mean missing critical compliance steps down the line.

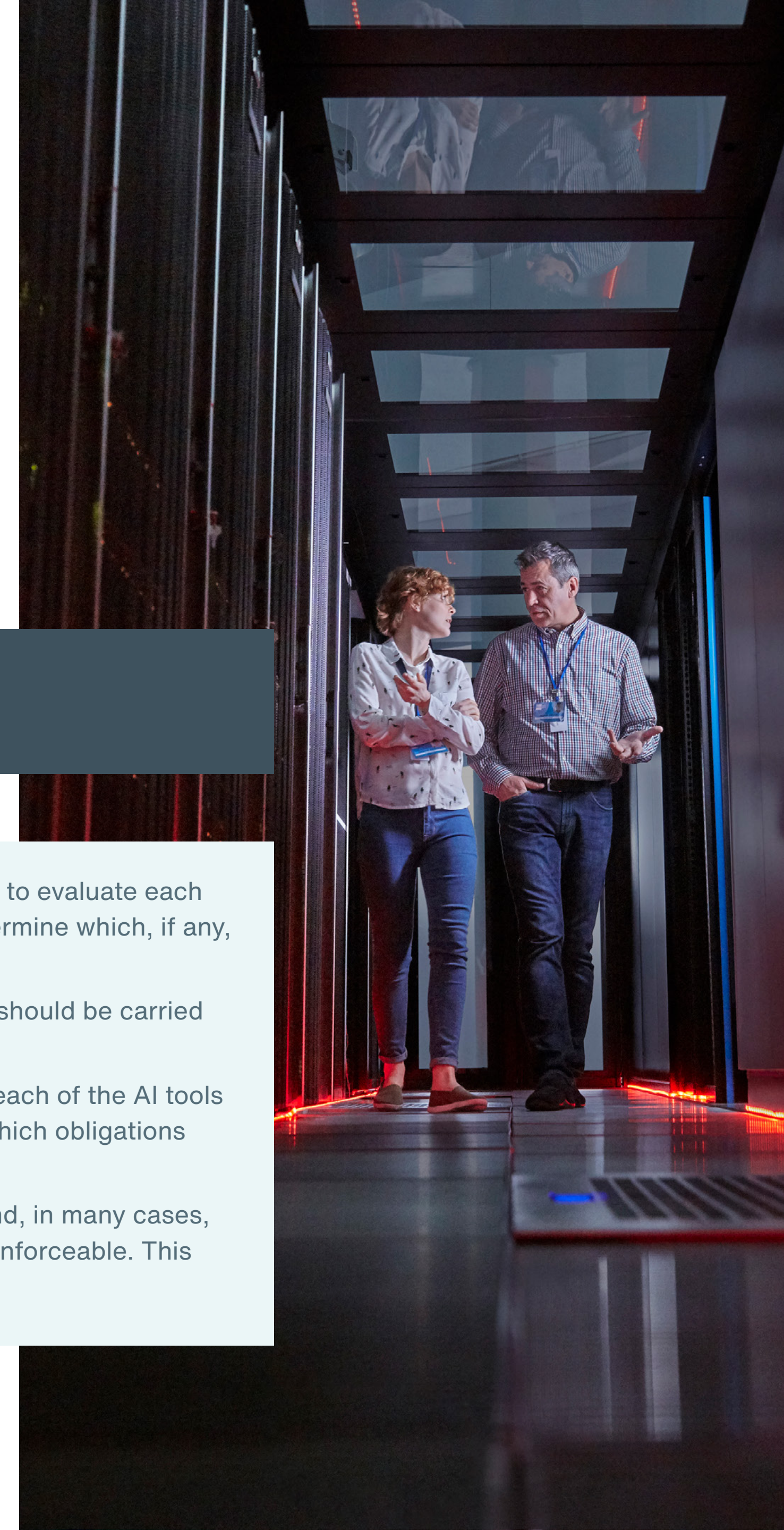
2 Classify HR AI Systems Against EU AI Act Criteria

With your inventory in place, the next step would be to evaluate each tool against the EU AI Act’s risk categories and determine which, if any, qualify as high-risk AI systems under the law.

This is not a straightforward task; the classification should be carried out with legal or compliance experts.

The aim is for a clear report of risk classification of each of the AI tools in your recently-created register. This will identify which obligations apply and where action is most urgent.

High-risk systems will require significant controls and, in many cases, a conformity assessment before the rules become enforceable. This clarity will drive your next steps.



3 Strengthen Due Diligence for AI Vendors and New HR Tools



Organizations often rely on external vendors for AI-driven HR solutions: AI assessments for hiring, SaaS platforms with built-in algorithms, or people analytics tools.

Under the Act, employers cannot simply rely on vendors' assurances. You remain responsible for how any AI is used in your organizational context. This requires a rigorous due diligence process for new and existing HR AI tools.

Under the EU AI Act, organizations using AI-enabled tools in their HR processes typically act as "deployers" and are responsible for determining how the law, and other applicable regulations, apply to their specific use cases. Aon provides general guidance and insights but does not provide legal advice or determine clients' legal or regulatory compliance. We therefore recommend that clients involve

their own legal, compliance and data protection experts when assessing and implementing AI-enabled HR tools.

Before adopting or continuing with any AI tool, demand transparency from the provider by getting answers to these types of questions:

- How was the model developed and what data was it trained on?
- What bias testing has been carried out and what were the results?
- Does the system allow for human override?
- How are models updated and incidents handled?

The Act requires providers of high-risk AI tools to supply detailed technical documentation.

Ensure you obtain, review and understand this documentation. You might also build contractual protections into any vendor agreement, including clauses on EU AI Act compliance and the right to audit or request information.

Thorough due diligence will identify whether any specific tool carries functionalities that increase your exposure. In some cases, you might decide not to deploy a particular AI tool if the vendor cannot demonstrate compliance or the risk is too great.

Finally, due diligence does not end at deployment. Treat vendor relationships as ongoing partnerships and review performance; monitor for emerging risks; and revisit compliance as the tool and your use evolve.



4 Set Clear Boundaries to Prevent High-Risk Scope Creep



Ensuring your HR AI tools are used only for their intended, approved purpose is as important as identifying and classifying them. Scope creep is a real and often unintentional risk.

Clear governance guardrails are essential. Define what each system should and should not be used for, require formal approval for any changes to purpose or functionality, and limit and document who has the authority to alter system settings or repurpose tools. Regularly review usage logs to confirm each system is operating within its assessed scope.

Where a new use case is identified, treat it as a fresh deployment and run a new risk assessment, updating compliance measures before proceeding.

5 Build a Robust AI Governance Framework Across HR and the Organization



Putting in place a governance structure will help ensure that your ongoing use of AI in your HR processes remains ethical, effective and legally compliant. [Aon's 2026 Human Capital Trends Study](#) finds that only 28% of organizations have fully operational AI guidelines with oversight mechanisms in place.

The EU AI Act explicitly requires deployers to ensure that those working with AI systems are adequately trained. HR teams and managers who rely on AI outputs must understand how those systems work, their limitations and how to interpret their results.

Finally, be aware of your obligations around employee consultation. In some jurisdictions, works councils have formal rights regarding the introduction of tools that affect staff, including AI tools, so it's important to engage with them early.



Takeaways

Five Key Actions for EU AI Act Readiness

1

Map the use of your HR AI algorithmic tools and build a register so you have a complete and accurate view of your AI exposure.

2

Classify your HR AI systems against EU AI Act criteria to identify which tools carry the greatest compliance obligations.

3

Strengthen due diligence for current and new HR AI vendors to better understand risk exposure and ensure you can demonstrate compliance with the Act.

4

Set clear boundaries around your HR AI tools to prevent high-risk scope creep that might unintentionally push you into a higher risk category or trigger additional legal obligations.

5

Build a robust AI governance framework across HR and the organization to ensure your use of AI remains ethical, accountable and compliant.

Partner With Aon

The Pillars of AI Workforce Readiness to Enable Better Outcomes

Translating AI investment into meaningful outcomes requires a deliberate approach to workforce readiness focused on four pillars. These pillars shape how work gets done, how people are empowered to do the work and how performance is measured. Delivering this requires close alignment across HR, finance, risk and IT functions.

Skills and Learning

HR leaders are well positioned to drive transformation through a continuous culture of learning. Define core competencies and technical skills that produce successful outcomes. Aon's research finds that people with critical thinking, creativity and collaboration skills are better equipped to navigate change and leverage fast-moving technology.

Job Design and Job Architecture

Job architecture will never be static again. As capabilities of AI models evolve, so will the classification of jobs to more dynamic, skills-based models with built-in AI competencies and AI-native job families. Employers will need to move beyond static benchmarks to accurately classify and properly level these skill-based roles. Market data will matter more, not less.



Metrics and Incentives

For skills to translate into performance, they need to connect to how work gets done every day. Applying a skills lens across all roles reveals where AI amplifies performance and where differentiation emerges. As a result, organizations will need to rethink how performance and rewards reflect these shifts while maintaining fairness and transparency.

Governance and Trust

Corporate governance of AI is an important but overlooked area. Only 28% of organizations in [Aon's 2026 Human Capital Trends Study](#) have fully operational AI guidelines with oversight mechanisms in place. Governance defines where and how AI should – and should not – be used. But governance alone is insufficient. Companies also need clear guidance that enables employees to apply AI effectively in their day-to-day work. This is where an AI workforce playbook becomes critical.

Aon helps organizations diagnose readiness, design workforce strategies and implement the operating models required to translate AI investment into sustained business outcomes.

[Aon's AI Risk Diagnostic](#) is an enterprise-level assessment of AI risk, controls and maturity. It evaluates how mature your AI governance, AI lifecycle management and control frameworks are, while also identifying where the most material AI risks and exposures sit across your organization. The diagnostic is aligned with leading international frameworks and guidance, including ISO standards, the EU AI Act and the NIST AI Risk Management Framework.

To start a conversation around AI and workforce readiness, please [contact us](#).





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