



Institute of Chartered Secretaries and Administrators Pension and Assurance Scheme

Statement of Investment Principles

October 2026

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01 Introduction

Purpose

The Trustee of the Institute of Chartered Secretaries and Administrators Pension & Assurance Scheme ("the Scheme") has drawn up this Statement of Investment Principles ("the Statement") to comply with the requirements of the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Scheme's (Investment) Regulations 2005.

Scheme details

The exclusive purpose of the Scheme is to provide retirement benefits and death benefits to eligible participants and beneficiaries. It qualifies as a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004.

Advice and consultation

Before preparing this Statement, the Trustee has sought advice from the Scheme's investment consultant, XPS Investment Limited. The Trustee has also consulted the Principal Employer. The Trustee will consult the Principal Employer on any future changes in investment policy as set out in this Statement.

Investment powers

The Scheme's Trust Deed and Rules sets out the investment powers of the Trustee. This Statement is consistent with those powers. Neither this Statement nor the Trust Deed and Rules restrict the Trustee's investment powers by requiring the consent of the Principal Employer.

In accordance with the Financial Services and Markets Act 2000, the Trustee has set a general investment policy but delegates responsibility for the selection of the specific securities and any financial instruments in which the Scheme invests to the relevant Investment Managers.

Review of the Statement

The Trustee will review this Statement and their investment policy at least every three years in conjunction with each triennial valuation or immediately following any significant changes in investment policy.

The Trustee will also review this Statement in response to any material changes to any aspect of the Scheme, its liabilities, finances and attitude to risk of either the Trustee or Principal Employer which they judge to have a bearing on the stated investment policy.

The Trustee will receive confirmation from the Scheme's Investment Consultant of the continued appropriateness of this Statement annually, or more frequently if appropriate.

Definitions

Capitalised terms in this document mean the following:

Act - The Pensions Act 1995 (as amended by section 244 of the Pensions Act 2004)

AVCs – Additional Voluntary Contributions.

Buy-in - An insurance policy that covers some or all of a pension scheme's liabilities in the Trustee's name to mitigate the risk that the Scheme cannot pay the future benefits covered by the policy;

Buy-out - An insurance policy that covers all of the Scheme's liabilities, and assigns these to individual members thus completely removing the risk and liability from the Trustee and Sponsoring employer;

Insurance Providers - Legal & General Assurance Society Limited ("LGAS")

Investment Consultant - A person or organisation appointed to advise on investment issues for the Scheme.

Investment Manager(s) – The organisation(s) appointed by the Trustee to manage investments on behalf of the Scheme.

Principal Employer – The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators).

Regulations - The Occupational Pension Schemes (Investment) Regulations 2005 (as amended by the Occupational (Charges and Governance) Regulations 2015)

Scheme – The Institute of Chartered Secretaries and Administrators Pension & Assurance Scheme.

Statement - This document, including any appendices, which is the Trustee's Statement of Investment Principles.

Technical Provisions - The amount required, on an actuarial calculation, to make provision for the Scheme's liabilities.

Trustee

The Trustee has retained the following responsibilities and powers:

- The content and the reviewing of this Statement.
- Reviewing the investment policy.
- Assessing the performance and investment process of each Investment Manager.
- Consulting with the Principal Employer when reviewing investment policy issues.
- Monitoring compliance of the investment arrangements with this Statement on an ongoing basis.

In addition, the Trustee will make decisions relating to the Scheme's investments, including issues such as:

- The kinds of investments to be held.
- The balance between different kinds of investments.
- The level of risk to which the Scheme is exposed
- The Investment Manager arrangements.
- The performance target of the Investment Managers.

Investment Consultant

The Investment Consultant's responsibilities include:

- Participating with the Trustee in regular reviews of this Statement, and in the review of investment related issues as described in this Statement.
- Undertaking project work as required, including reviews of asset allocation policy, liability hedging and reviews or selection of Investment Managers.
- In consultation with the Scheme Actuary, advising the Trustee how any changes in the Scheme's benefits, membership and funding position may affect the way in which the Scheme's assets should be invested.

Investment Managers

Each Investment Manager's responsibilities will include:

- Investing in diversified portfolios of assets suitable for pension schemes in accordance with any guidelines given by the Trustee.

- At their discretion, but in accordance with any guidelines given by the Trustee, implementing changes in the asset mix and selecting individual securities and financial instruments within each asset class.
- Providing regular portfolio valuations and records of transactions, along with a report at least annually, on actions and future intentions, and any changes to the processes, objectives and guidelines applied to their management of the Scheme's assets to enable the Trustee to review the Investment Manager's activities.
- Exercising, where appropriate, the rights attached to the underlying shareholdings so as to protect and enhance the long-term value.

Custodian

Each Custodian's responsibilities include some or all of the following:

- The safekeeping of assets of the Scheme.
- Providing the Investment Managers with statements as required of the assets, cash flows and schedules of transactions.
- Undertaking all appropriate administration relating to the Scheme's relevant assets.
- Processing all dividends and tax reclaims in a timely manner.
- Dealing with corporate actions.

For pooled assets, the custodian is invariably appointed by the Investment Managers with the above functions undertaken on behalf of the pooled fund as a whole. Record keeping of the Scheme's entitlement within the pooled fund is the responsibility of the pooled fund administrator or registrar.

The Trustee expects the Investment Managers to review custodian performance and to monitor AAF 01/20 reports (or the equivalent in other jurisdictions including ISAE 3402) on relevant controls at the custodian and administrator.

02 Strategic investment policy and objectives

Choosing investments

The Trustee has selected a buy-in policy through which benefits due under the Scheme are secured. The selection of the buy-in policy was made having taken written investment advice. The advice covered the suitability of insurance policy; whether there was any need for diversification, given Scheme circumstances; and the principles and objectives within this Statement.

In addition to the buy-in policy, the Trustee maintains a small allocation with an Investment Manager consisting of liquid investments to cover any additional expenses or potential 'true-up' payments required.

The Trustee's policy is to regularly review the investment decisions over which they retain control and to obtain written advice about them when necessary. When deciding whether or not to make any new investments the Trustee will obtain written advice and consider whether future decisions about those investments should be delegated to the Investment Manager. The written advice will consider suitability of the investments, the need for diversification and the principles within this Statement. The Investment Consultant will have the knowledge and experience required under Section 36(6) of the Act.

Long-term objectives

The primary investment objective of the Trustee is to seek to ensure the Scheme is able to meet the benefit payments promised as and when they fall due.

Whilst there is an expectation that the buy-in policy is expected to broadly meet ongoing benefit payments in the future, the Trustee's intention is that the Scheme will complete a full buy-out in due course.

Expected returns

By securing benefits through the buy-in policy, the Trustee expects that the change in value of the insurance policy will match the change in value of the benefits due under the Scheme.

The Trustee's revised objective for the residual assets is to preserve capital, maintain sufficient liquidity to meet Scheme expenses and other residual cash requirements, and avoid investment risks that are not expected to provide a material benefit to the Scheme; Any residual

assets outside the buy-in policy are expected to be small and only generate a modest cash return.

Investment Policy

Following advice from the Investment Consultant, the Trustee has set the investment policy and objectives with regard to the Scheme's liabilities and funding level.

This resulted in the Trustee completing a buy-in of the Scheme's liabilities with an Insurance Provider in October 2026. The residual assets are held with Legal and General and in the Trustee Bank Account.

Range of assets

The majority of the Scheme's assets are in a buy-in policy. The Trustee has no direct influence on the range of assets which support the payments due under the policy. The Insurance Provider will invest in an appropriate range of assets in line with the risk profile of their annuity business and the regulatory and capital regime with which they are required to comply.

The Trustee considers the investment arrangements with the Insurance Provider to be aligned with the Scheme's overall strategic objectives. The Insurance Provider is contractually obliged to invest the assets for which they are responsible in such a way that ensure they meet all of the benefits insured and comply with regulatory and capital requirements.

The Scheme also retains assets with Legal and General and in the Trustee Bank Account, alongside the insurance policy. The Investment Manager responsible for the non-buy-in assets are incentivised to perform in line with expectations for their specific mandate as their continued involvement as Investment Managers as part of the Scheme's investment strategy – and hence the fees they receive – are dependent upon them doing so. They are therefore subject to performance monitoring and reviews based on a number of factors linked to the Trustee's expectations, including the selection / deselection criteria set out in Section 6.

03 Responsible investment

The Trustee has considered their approach to environmental, social and corporate governance ("ESG") factors for the long term time horizon of the Scheme and believe there can be financially material risks relating to them. The Trustee has delegated the ongoing monitoring and management of ESG risks and those related to climate change to the Scheme's Investment Manager and Insurance Provider.

The majority of the Scheme's assets have been used to purchase a buy-in policy. The Trustee has no direct influence on the range of assets which support payments due under the policy. However, prior to entering into the buy-in policy the Trustee did consider ESG and responsible investing criteria as a factor in determining its suitability as the Insurance Provider of the policy.

Therefore, the Trustee's ongoing policy on responsible investment relates to the residual assets that remain invested with the Investment Managers, that the Trustee can control. Where the residual assets are invested in a liquidity fund (cash fund), the Trustee may choose to take a more pragmatic and proportionate approach where there is an expectation that the impact of ESG and climate factors is limited.

Where the residual assets are invested in a way that is expected to generate more meaningful investment return, and hence ESG and climate factors are expected to be more impactful, the Trustee has outlined the following approach.

The Trustee requires the Scheme's Investment Managers to take ESG and climate change risks into consideration within their decision-making, in relation to the selection, retention or realisation of investments, recognising that how they do this will be dependent on factors including the characteristics of the asset classes in which they invest.

The Trustee will seek advice from the Investment Consultant on the extent to which its views on ESG and climate change risks may be taken into account in any future Investment Manager selection exercises. Furthermore, the Trustee, with the assistance of the Investment Consultant, will monitor the processes and operational behaviour of the Investment Managers from time to time, to ensure they remain appropriate and in line with the Trustee's requirements as set out in this Statement.

As the Scheme invests in pooled funds, the Trustee acknowledges that they cannot directly influence the policies and practices of the companies in which the pooled funds invest. They have therefore delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme's investments to the Investment Managers. The Trustee encourages

them to engage with investee companies and vote whenever it is practical to do so on financially material matters such as strategy, capital structure, conflicts of interest policies, risks, social and environmental impact and corporate governance as part of their decision-making processes. The Trustee requires the Investment Managers to report on significant votes made on behalf of the Trustee to help with its understanding of how those companies take account of ESG issues in their businesses.

When considering the selection, retention or realisation of investments, the Trustee has a fiduciary responsibility to act in the best interests of the beneficiaries of the Scheme, although they have neither sought, nor taken into account, the views of Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life of the members and beneficiaries of the Scheme (referred to as "non-financial matters" in the relevant Regulations) in the selection, retention and realisation of investments.

The Trustee will review its policy on whether or not to take account of non-financial matters from time to time.

Investment managers will be asked to provide details of their stewardship policy and engagement activities on at least an annual basis. The Trustee will, with input from their Investment Consultant, monitor and review the information provided by the Investment Managers. Where possible and appropriate, the Trustee will, through the Scheme's Investment Consultant, engage with their Investment Managers for more information and ask them to confirm that their policies comply with the principles set out in the Financial Reporting Council's UK Stewardship Code.

In order to ensure sufficient oversight of the engagement and voting practices of their managers, the Trustee may periodically meet with their Investment Managers to discuss engagement which has taken place. The Trustee will also expect their Investment Consultant to engage with the managers from time to time as needed and report back to the Trustee on the stewardship credentials of their managers. The Trustee will then discuss the findings with the investment adviser, in the context of their own preferences, where relevant. This will include considering whether the manager is a signatory to the UK Stewardship Code. The Trustee recognises the Code as an indication of a manager's compliance with best practice stewardship standards.

04 Risk measurement and management

The Trustee recognises a number of risks involved in the investment of the assets of the Scheme. The Trustee measures and manages these risks as follows:

Solvency risk and mismatching risk - The risk that the assets do not respond to market changes in the same way as the liabilities, resulting in volatility in the funding position is addressed through the purchase of buy-in policies with a reputable insurance provider which is expected to match the payments of the benefits due.

Liquidity risk - The risk that assets cannot be sold quickly enough to enable benefits to be paid or that the Trustee cannot exit a particular investment is addressed through the process by which the administrator estimates the monthly benefit outgo and ensures that sufficient cash balances are available, and through the Trustee's policy on realisation of assets (see below).

Inappropriate investments - The risk that an Investment Manager invests in assets or instruments that are not considered to be appropriate by the Trustee is addressed through the Trustee's policy on the range of assets in which the Scheme can invest (see section 2).

Counterparty risk - The risk that a third party fails to deliver cash or other assets owed to the Scheme is addressed through the Investment Managers and Insurer guidelines with respect to cash and counterparty management.

Political risk - The risk of an adverse influence on investment values from political intervention.

Manager risk - The risk that an Investment Manager fails to meet their stated objective is addressed through the performance objectives set out in Appendix I and through the monitoring of the Investment Managers as set out in section 6. In monitoring the performance of the Investment Managers, the Trustee measures the returns relative to the benchmark, objective and the volatility of returns. In addition, the Trustee will

regularly review each Investment Manager's approach to risk within each fund in order to highlight any unintended risk being taken.

Custodian risk - The risk that the custodian fails to provide the services expected is addressed through the agreement with the third party custodian and ongoing monitoring of the custodial arrangements. In pooled arrangements this is invariably delegated to the Investment Managers.

Fraud/Dishonesty - The risk that the Scheme assets are reduced by illegal actions is addressed through restrictions applied as to who can authorise transfer of cash and the account to which transfers can be made.

ESG risk - The risk that environmental, social and governance factors can have a material effect on the ability of meeting long-term investment objectives is addressed, to the extent that it is possible, by delegating to the Investment Managers. Further detail is provided in this Statement.

05 Realisation of assets and investment restrictions

Realisation of investments

The Scheme has secured a buy-in insurance policy with an Insurance Provider which provides payments to cover the benefits due to be paid from the Scheme; the policies themselves are not realisable assets.

The Trustee also has a small allocation to a liquidity fund in order to meet impending anticipated expenses.

The Trustee recognises that these non-buy-in assets may need to be realised for a number of unanticipated reasons at any time.

The Trustee has considered how easily these investments can be realised and believes that the Scheme currently holds an acceptable level of readily realisable assets.

The Trustee will monitor closely the extent to which any assets not readily realisable are held by the Investment Managers and will limit such assets to a level where they are not expected to prejudice the proper operation of the Scheme.

The Trustee will also take into account how easily investments can be realised for any new investment classes it considers investing in, to ensure that this position is maintained in the future.

The Trustee will hold cash to the extent that they consider is necessary to meet impending anticipated liability outflows, working with the Investment

Consultant to determine amounts and frequency of such payments. A bank account is used to facilitate the holding of cash awaiting investment or payment.

The Scheme has secured a buy-in insurance policy with the Insurance Provider which provides payments.

Investment Restrictions

The Trustee has established the following investment restrictions:

- The Trustee may not hold in excess of 5% of the Scheme's assets in investments related to the Principal Employer.
- Whilst the Trustee recognises that borrowing on a temporary basis is permitted, this option will only be utilised where it is deemed absolutely necessary or where the Trustee has received advice from the Investment Consultant that the Scheme's overall exposure to risk can be reduced through temporary borrowing, e.g. during an asset transfer.
- Investment in derivative instruments may be made only insofar as they contribute to the reduction in risk or facilitate efficient portfolio management.
- The Investment Managers impose internal restrictions that are consistent with their house style.

06 Investment Manager Arrangements and fee structure

Delegation to Investment Manager(s)

The Trustee has appointed the Investment Managers and delegated to them the responsibility for investing the Scheme's assets in a manner consistent with this Statement.

Furthermore, the Trustee has purchased an insurance policy with the Insurance Provider, with the ultimate intention of buying-out the Scheme's liabilities in full. The insurance policy is intended to be in place to meet all of the benefits payable to members until such time as the buy-out has been finalised.

The Investment Managers are authorised and regulated to provide investment management services to the Scheme. Within the UK, the authorisation and regulation of the Investment Managers falls under the Financial Conduct Authority (FCA). Specific products in which the Scheme invests may also be regulated by the Prudential Regulatory Authority (PRA). For non-UK Investment Managers, authorisation and regulation is undertaken by the home state regulator.

Where Investment Managers are delegated discretion under section 34 of the Pensions Act 1995, the Investment Managers will exercise their investment powers with a view to giving effect to the principles contained in this Statement so far as reasonably practicable. In particular, the Investment Managers must have regard to the suitability and diversification of the investments made on behalf of the Scheme.

The Investment Managers will ensure that suitable internal operating procedures are in place to control individuals making investments for the Scheme.

Performance objectives

The individual benchmarks and objectives against which each pooled fund is assessed are given in Appendix I.

Review process

Appointments of Investment Managers are expected to be in existence until the point at which the ultimate buy-out of the Scheme's liabilities is secured. The Trustee will, however, review the appointment of the Investment Managers in accordance with their responsibilities. Such reviews will include analysis of each Investment Manager's performance and processes and an assessment of the diversification of the assets held by the Investment

Manager. The review will include consideration of the continued appropriateness of the mandate given to the Investment Manager within the framework of the Trustee's/s' investment policies.

The Trustee will receive regular performance monitoring reports from the Investment Consultant which consider performance over the quarter, one and three year periods. In addition, any significant changes relating to the criteria below that the Investment Consultant is aware of will be highlighted, which may lead to a change in the Investment Consultant's rating for a particular mandate. These ratings help to determine an Investment Manager's ongoing role in implementing the investment strategy. If there are concerns, the Trustee may carry out a more in-depth review of a particular Investment Manager. Investment Managers will also attend Trustee meetings as requested.

The Investment Consultant has also carried out a review of how well ESG factors are incorporated into each Investment Manager's processes and the Trustee will re-assess progress on ESG issues periodically.

Fund manager remuneration is considered as part of the manager selection process. It is also monitored regularly with the help of the Investment Consultant to ensure it is in line with the Trustee's policies and with fee levels deemed by the Investment Consultant to be appropriate for the particular asset class and fund type.

Selection / De-selection Criteria

The criteria by which the Trustee will select (or deselect) the Investment Managers include:

- > Parent - Ownership of the business;
- > People - Leadership/team managing the strategy and client service;
- > Product - Key features of the investment and the role it performs in a portfolio;
- > Process - Philosophy and approach to selecting underlying investments including operational risk management and systems;
- > Positioning - Current and historical asset allocation of the fund;
- > Performance - Past performance and track record;
- > Pricing - The underlying cost structure of the strategy;

> ESG – Consistency and extent to which ESG analysis is incorporated into the process of selecting underlying investments.

An Investment Manager may be replaced, for example (but not exclusively), for one or more of the following:

- The Investment Manager fails to meet the performance objectives set out in Appendix I.
- The Trustee believes that the Investment Manager is not capable of achieving the performance objectives in the future.
- The Investment Manager fails to comply with this Statement.

Insurance providers' fee structure

The Insurance Providers' fees are met through a combination of one or both of the following:

- > A margin added to the cost of securing the benefits at the time of securing the buy-in policy.
- > Any assets that exceed the required Scheme benefits paid out, throughout the life of the policy.

Investment Managers' fee structure

The Investment Managers responsible for the non-buy-in assets are remunerated by receiving a percentage of the Scheme's assets under management and, in some cases, through the application of a flat fee. Details of the fee arrangements are set out in Appendix I. It is felt that this method of remuneration provides appropriate incentives for the Investment Managers to target performance in line with the Trustee's objectives whilst also adhering to the level of risk specified by the Trustee.

Portfolio turnover - Insurance Provider

Given that the Trustee has secured buy-in policies with the Insurance Provider, the portfolio turnover on the underlying assets and the associated costs are a matter for the Insurance Provider.

Portfolio turnover - Investment Manager

The Trustee requires the Investment Managers to report on actual portfolio turnover at least annually, including details of the costs associated with turnover, how turnover compares with the range that the Investment Manager expects and the reasons for any divergence.

Investment Consultant's fee structure

The Investment Consultant is remunerated by a combination of fixed fees and work completed on a project-fee or time-cost arrangement.

It is felt that this method of remuneration is appropriate because it enables the Investment Consultant to provide

the necessary advice and information to facilitate the Trustee undertaking its responsibilities as described in Division of Responsibilities.

Oversight of Investment Manager approach

In order to ensure sufficient oversight of the engagement and voting practices of their managers, the Trustee may periodically meet with their Investment Managers to discuss engagement which has taken place. The Trustee will also expect their Investment Consultant to engage with the managers from time to time as needed and report back to the Trustee on the stewardship credentials of their managers.

The Trustee will then discuss the findings with the Investment Consultant, in the context of their own preferences, where relevant. This will include considering whether the manager is a signatory to the UK Stewardship Code. The Trustee recognises the Code as an indication of a manager's compliance with best practice stewardship standards.

Trustee

The Professional Trustee is paid directly for its duties.

07 Compliance Statement

Confirmation of advice

Before a Statement of Investment Principles, as required by the Pensions Act 1995, is prepared or revised by the Trustee of a pension scheme, they must have consulted with the Principal Employer and obtained and considered the written advice of a person who is reasonably believed by them to be qualified by his ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of the investments of such schemes.

The Investment Consultant hereby confirms to the Trustee that they have the appropriate knowledge and experience to give the advice required by the Act and has provided the necessary written advice to the Trustee.

Signatures

On behalf of XPS Investment Limited



James Stewart, CFA
Head of Investment, Reading
Date: 19.10.2026

Trustee declaration

The Trustee confirms that this Statement of Investment Principles reflects the Investment Strategy they have decided to implement. The Trustee acknowledges that it is their responsibility, with guidance from the Investment Consultant, to ensure the assets of the Scheme are invested in accordance with these Principles.

On behalf of the Trustee

Date:

08 Appendix I

Investment Strategy & Structure - benchmarks, objectives & fees

Overall strategy

Following the purchase of the insurance buy-in contract the Trustee has adopted a strategy where it invests the remainder of the assets in a cash fund.

Benchmarks & Objectives

Legal & General Sterling Liquidity Fund

Benchmark: 7-day GBP SONIA

Objective: To provide capital stability and a return in line with money market rates whilst providing daily access to liquidity and providing an income.

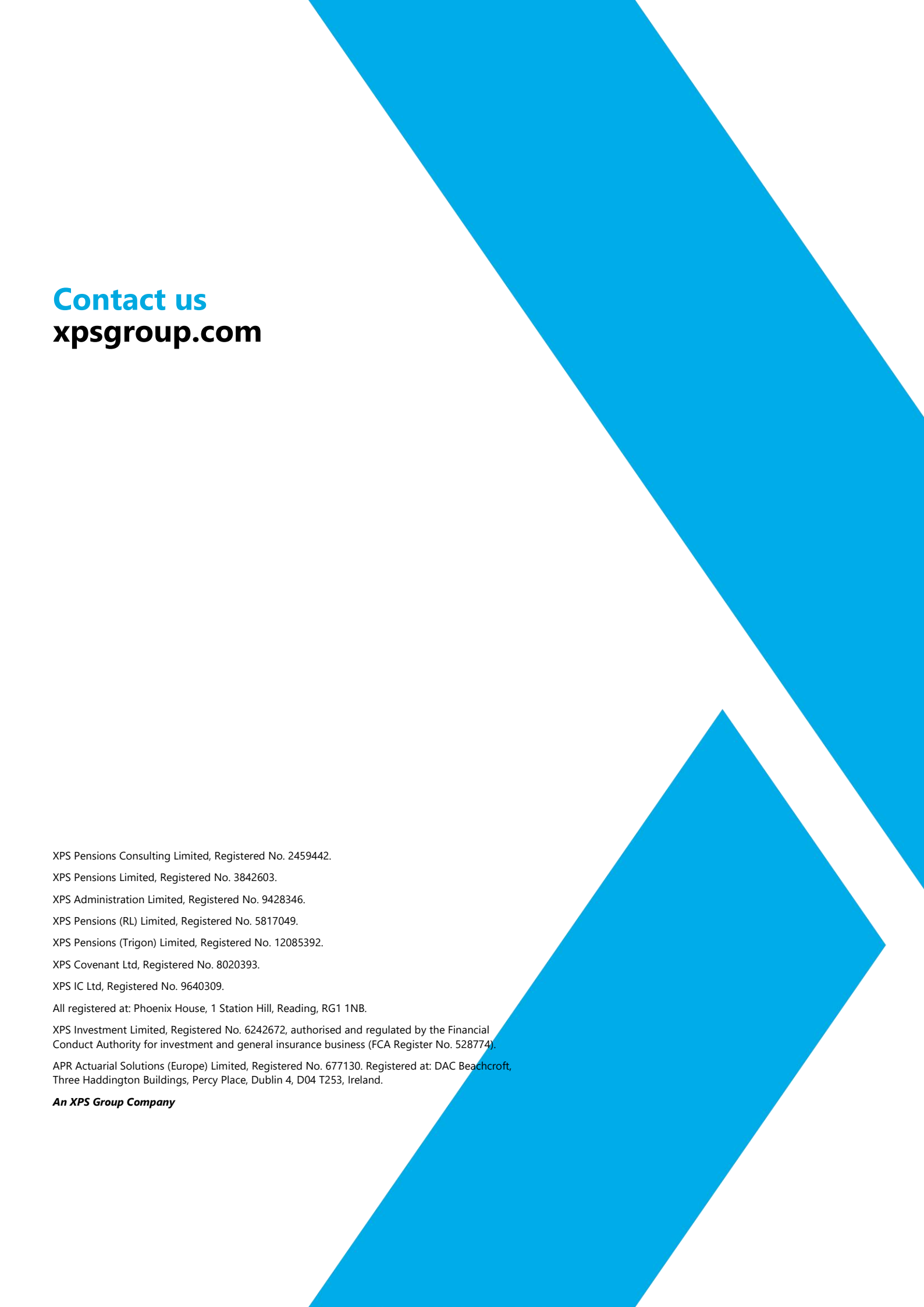
Fees: AMC: 0.125% p.a. of the first £5 million

Execution costs: N/A

Note:

AMC: Annual Management Charge

Fees are correct as at 19 October 2026.



Contact us
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