

# Institute of Chartered Accountants' Staff Pensions Fund - Implementation Statement for the 31 March 2025 Annual Accounts

**Statement of Compliance with the Institute of Chartered Accountants' Staff Pensions Fund's Stewardship Policy for the year ending 31 March 2025.**

## **Introduction**

This is the Trustee statement prepared in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. This statement sets out how the Trustee has complied with the Fund's Stewardship Policy during the period from 1 April 2024 to 31 March 2025.

In summary these regulations require trustees to set out how they engage with appointed investment managers, and the companies they invest in, to create long term value for investments through:

- The consideration of stock specific issues;
- Meeting and monitoring managers on both investment and Environmental, Social, and Governance (ESG) issues;
- Adopting a policy on voting decisions;
- The Trustee reviewing the voting policy of their investment managers and determining if the policy is satisfactory; and
- Management of potential conflicts of interest arising in the management of the Fund assets.

The Fund's assets are invested in liability-hedging assets, insurance policies, bonds and other debt-based investments. The Fund did not hold any equities over the reporting period and therefore does not have the ability to exercise voting rights attached to assets.

## **The Trustee's responsible investment beliefs**

The Trustee has established a set of responsible investment beliefs which were agreed during the February 2024 Trustee meeting. The Trustee's responsible investment beliefs are outlined in the Responsible Investment Beliefs Policy and will be taken into consideration when meeting the Fund's asset manager to review the portfolio or whenever any investment strategy decisions are made.

## **Stewardship policy**

The Fund's Stewardship Policy sets out how the Trustee will behave as an active owner of the Fund's assets, which includes the Trustee's approach to undertaking engagement activity with their investment manager and any other stakeholders.

The Fund's Stewardship Policy is reviewed on a regular basis in line with the Fund's Statement of Investment Principles (SIP), which was last updated in May 2024. The SIP is due to be reviewed again in Q4 2025.

No changes were made to the Stewardship Policy during the last year.

You can review the Fund's Stewardship Policy, which can be found within the Fund's Statement of Investment Principles, at <https://www.icaew.com/-/media/corporate/files/staff-pension-fund/statement-of-investment-principles.ashx>

The Trustee has delegated engagement activity in respect of the underlying assets to the Fund's investment manager. The Trustee believes it is important, in general, that investment managers take an active role in the supervision of the companies in which they invest. However, they recognise in the Fund's specific circumstances, they have limited influence as the Fund does not hold equities.

The Trustee's own engagement activity is focused on their dialogue with their investment manager, which is undertaken in conjunction with their investment advisers. The Trustee meets regularly with their manager and the Trustee considers the manager's exercise of their stewardship of assets both during these meetings and through reporting provided by the manager and their investment adviser.

The Trustee also monitors their compliance with their Stewardship Policy on a regular basis and is satisfied that they have complied with the Fund's Stewardship Policy over the last year.

### **Engagement activity**

The Trustee holds meetings with the Fund's investment manager on a regular basis where stewardship issues are discussed in further detail. Over the last 12 months, the Trustee has met with their investment manager, Insight, twice (although more regular monitoring of the manager and performance is undertaken).

Discussions over the course of the last year have involved reviewing the mandate, investment performance, Insight's ongoing management of their LDI funds including leverage, portfolio positioning and risks, responsible investment in LDI and fixed income, and engagement activity. In those discussions the Trustee was satisfied that the investment manager was performing in line with expectations.

### **Review of policies**

The Trustee has committed to reviewing the manager's Responsible Investment (RI) policies by holding meetings with their manager on a regular basis. Following establishing a set of Responsible Investment beliefs, the Trustee considers, on an ongoing basis, how to effectively engage with the Fund's investment manager in relation to these beliefs.

The Trustee, and its advisors, remain satisfied that the RI policies of the manager remain appropriate.