

**ROYAL COLLEGE OF MUSIC PENSION AND  
ASSURANCE SCHEME**

**Statement of Investment Principles**

**July 2025**

## 1. Introduction

This statement has been drafted to record the Trustee's investment principles and to provide details of the investment strategy adopted for the Scheme.

In preparing this statement, the Trustee received advice from their Investment Adviser (First Actuarial LLP) and have consulted with the sponsoring employer. The Trustee has considered the legislative requirements regarding the production of a Statement of Investment Principles, in particular, consideration has been given to:

- the Pensions Act 1995
- the Occupational Pensions (Investment) Regulations 2005
- the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018
- the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

The Trustee has also considered The Pension Regulator's guidance with regard to the contents of a Statement of Investment Principles.

However, following the purchase of a bulk annuity policy through which the Scheme's liabilities have been insured, the Scheme's investment strategy is very simple and responsibility for the day-to-day investment of the vast majority of the Scheme's assets has been delegated to the insurer providing the bulk annuity policy. Accordingly, the Trustee has concluded that this statement only needs to be brief.

## **2. Investment Strategy**

The Trustee has invested in a bulk annuity policy provided by Just. This insurance policy provides income which is expected to fully cover the future benefit payments due to all members of the Scheme.

The Trustee may also hold cash in the Trustee's bank account.

The investment strategy is expected to ensure that all members will receive the benefits to which they are entitled as those benefits fall due.

### **Environmental Social and Governance considerations**

Since the Scheme's assets are invested entirely in an insurance policy and cash, the Trustee does not consider ESG risks to be material for the Scheme.

### **Stewardship**

The Scheme does not invest directly in equities and therefore there are no voting rights associated with the Scheme's investments directly. For the Scheme's assets which are invested in an insurance policy, responsibility for voting and engagement with underlying companies in respect of the assets held by Just to back the insurance policy has been delegated to Just. The Trustees recognise the ability to influence Just's behaviour will be limited.

### **Non-financial matters**

Legislation defines non-financial matters as meaning the views of the members and beneficiaries including (but not limited to) ESG matters and the present and future quality of life of the members and beneficiaries of the Scheme.

The Trustee does not expect to make future changes to the Scheme's investment strategy, other than to secure benefits on an individual basis with Just, at the point the Scheme is wound up. The Trustee is of the view that the approach adopted is in members' best interests.

## **Monitoring**

Under the terms of the contract, the Trustee has delegated responsibility for meeting members' benefit payments to the insurer. The Trustee undertook due diligence and received legal advice on the appropriateness of the insurer as an ongoing benefit provider. The Trustee therefore do not expect to carry out ongoing monitoring of the Scheme's investments.

## **3. Risks**

The nature of the Scheme's investment strategy means that the Trustee considers the investment risks to have been effectively mitigated. This means that there is a high likelihood of all members receiving their benefits in full as they fall due.

One risk that remains is the risk of the insurer defaulting on the payments due under the terms of the bulk annuity policy. This risk is mitigated by the legislative framework under which the insurer operates, and the reserves held by the insurer.

## **4. Future Amendments**

The Trustee will review this statement at least every three years and without delay after any significant change in circumstances or investment strategy.

The Trustee will consult with the sponsoring employer before amending this statement.

The Trustee will obtain and consider written advice from the Investment Adviser before amending this statement.

The principles set out in this statement have been agreed by the Trustee:

Signed: [Jacqueline Woods](#)

Date: [30 July 2025](#)

For and on behalf of the Trustee of the Royal College of Music Pension and Assurance