The Law Debenture Pension Plan

Statement of Investment Principles

October 2026

1 Introduction

This Statement sets out the principles governing decisions relating to the investment of the assets of The Law Debenture Pension Plan (the Plan).

The Plan is a defined benefit arrangement set up under trust and registered with HM Revenue and Customs (HMRC). The Plan is subject to the Statutory Funding Objective (SFO) introduced by the Pensions Act 2004, i.e., that it should have sufficient and appropriate assets to cover its Technical Provisions, as calculated in accordance with the Trustee's Statement of Funding Principles.

This Statement has been prepared to comply with the following legislation and regulations:

- Section 35 of the Pensions Act 1995
- Section 244 of the Pensions Act 2004
- The Occupational Pension Schemes (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

A copy of this Statement will be made available to Plan members on request to the Trustee and online.

2 Investment Decision Making

The investment of the Plan's assets is the responsibility of the Trustee. The Trustee's investment powers are set out in Clause 20 of the Rules of the Plan dated 25 November 2015 (which came into force on 1 January 2016), as amended. The investment powers granted to the Trustee under this Clause are wide and this Statement is consistent with those powers.

The Trustee has obtained and considered professional advice on the content of this Statement from Broadstone Corporate Benefits Limited (Broadstone), its appointed investment adviser. Broadstone is authorised and regulated by the Financial Conduct Authority. Broadstone has confirmed to the Trustee that it has the appropriate knowledge and experience to give the advice required under legislation. Broadstone is remunerated a fee for its advice and its appointment is reviewed from time to time by the Trustee.

The Trustee has also consulted the Principal Employer, The Law Debenture Corporation p.l.c., when setting its investment objectives and strategy, and in the preparation of this Statement.

Responsibility for maintaining the Statement and determining the Plan's investment strategy rests solely with the Trustee. The Trustee will obtain such advice as it considers appropriate and necessary whenever it intends to review or revise this Statement.

3 Investment Objectives

In determining its investment objectives and strategy, the Trustee has considered the strength of the Principal Employer's willingness and ability to support the Plan. It has determined that it is reasonable to take a long-term view in determining its investment objectives and strategy.

The Trustee has determined that the funding position measured under the SFO (Technical Provisions) funding basis is the assessment of scheme funding that is of most importance to the Trustee, the Principal Employer, and the members, as it determines the Plan's funding requirements and members' long-term benefit security.

In addition, the Trustee has determined that the funding position measured under an indicative solvency funding basis will be considered in setting the investment objectives and strategy, based on the Plan's funding position at the date of this Statement.

The Trustee's primary investment objectives are as follows:

- The Plan should be able to meet benefit payments as they fall due.
- The Plan's funding position (i.e., the value of its assets relative to the assessed value of its liabilities) should remain at an appropriate level. The Trustee is aware that there are various measures of funding, and has given due weight to those considered most relevant to the Plan.

In addition to these primary objectives, the Trustee has the following objectives:

- The Plan should be and remain fully funded on a solvency basis.
- The expected return on the Plan's assets is maximised whilst managing and maintaining risk at an appropriate level.

The Trustee will also have regard to the Principal Employer's views on the potential costs and risks associated with the investment objectives set and their implementation through the practical strategy.

4 Setting the Investment Strategy

The Trustee has appointed Legal & General – Asset Management (L&G, 'the Investment Manager') to undertake the day-to-day investment management of the Plan's assets backing defined benefits. The Plan also holds Additional Voluntary Contributions (AVCs) separately from the assets backing defined benefits via investments held with ReAssure and Utmost Life & Pensions.

The Trustee's policies in setting the investment strategy are set out below:

Policy	
Selection of Investments	The Trustee may select investments from a wide range of asset classes from time to time, including, but not restricted to UK equities, overseas equities, government bonds, corporate bonds, commercial property, and alternative asset classes, such as hedge funds, private equity and infrastructure. The investments selected will generally be traded on regulated markets and, where this is not the case, any such investments will be kept to a prudent level. The Trustee may also: • Invest in products that use derivatives where this is for the purpose of risk management or to improve the efficiency of the management of the Plan's investments. • Hold insurance policies such as deferred or immediate annuities which provide income to the Plan, matching part or all of the future liabilities due from it. • Hold a working cash balance for the purpose of meeting benefit payments due to members.

Policy	
Balance of Investments	The Trustee will set a Target Asset Allocation from time to time, determined with the intention of meeting its investment objectives. The Target Asset Allocation will be set taking account of the characteristics of different asset classes available and will be reviewed in light of any changes to the Trustee's view of the Principal Employer's covenant, the nature of the Plan's liabilities or relevant regulations governing pension scheme investment. The Trustee has agreed the range of funds to be used in the investment strategy, taking into account the maturity of the Plan's liabilities, and to ensure the range is sufficiently robust to allow easy adjustment between the funds as the Trustee's risk appetite changes and the Plan matures.
Delegation to Investment Manager and AVC Providers	The Trustee will delegate the day-to-day management of the Plan's assets to professional investment managers and AVC providers and will not be involved in the buying or selling of investments.
Maintaining the Asset Allocation and Target Hedging Ratios	The Trustee has responsibility for maintaining the overall balance of the asset allocation relative to the Target Asset Allocation and Target Hedging Ratios. The Trustee will monitor the asset allocation and hedging ratios on a regular basis with the assistance of its adviser, Broadstone, and will consider switching assets between funds should the asset allocation or hedging ratios move significantly away from the Target Asset Allocation or Target Hedging Ratios. Maintaining the Target Hedging Ratios will take precedence over maintaining the Target Asset Allocation.
Employer Related Investments	The Plan does not directly hold any employer-related investments. However, the Plan could indirectly hold securities issued by the Principal Employer through the pooled funds in which it invests. Given the nature of the Plan's investments and the market capitalisation of securities issued by The Law Debenture Corporation p.l.c. relative to the wider market, the Trustee considers the risk of the value of such investments exceeding 5% of the Plan's total assets to be very small. However, the Trustee will monitor the position periodically and would take action to rectify the position should such a breach occur.

Details of the investment strategy are set out in **Appendix A** of this Statement.

5 Realisation and Rebalancing of Assets

The assets are held in a combination of pooled funds and are fully and readily realisable.

The Trustee makes disinvestments from the Investment Manager with the assistance of its administrators and adviser, Broadstone, as necessary, to meet the Plan's cashflow requirements.

Investments or disinvestments required in connection with the Plan's cashflow management will be made to maintain the Target Asset Allocation and Target Hedging Ratios, as far as possible.

6 Expected Returns

The Trustee expects the Plan's assets to produce a return in excess of the growth in the value of its liabilities calculated under the indicative solvency basis, in order to support the Trustee's funding plan.

Over the long-term, the Trustee's expectations are to achieve the following rates of return from the asset classes it makes use of:

Asset Class	Expected Returns
Equities	In excess of UK price inflation, as measured by the Retail Prices Index (RPI), and in excess of the yield available on long-dated gilts.
Corporate bonds	In excess of the yield available on a portfolio of fixed interest gilts, to compensate for the additional risk associated with investing in a diversified portfolio of corporate bonds.
Unconstrained bonds	In excess of the return expected on cash, using a diversified range of fixed income investments, with low levels of volatility.
Cash	Broadly in-line with the return on comparable money market funds and the prevailing rates of short-term interest rates.
Liability Driven Investment (LDI)	In-line with the sensitivity of the Plan's liabilities to changes in interest rates and inflation expectations, subject to the Target Hedging Ratios in place from time to time and in conjunction with any contributions to hedging exposure provided by any other hedging assets held.

7 Risks

The Trustee has considered various risks the Plan faces, including market risk, interest rate risk, inflation risk, duration mismatch risk, default risk, concentration risk, manager risk and currency risk, and considers that the Target Asset Allocation strikes a reasonable balance between risk mitigation and seeking an appropriate level of return, and taking account of the strength of the Principal Employer's covenant.

The Target Asset Allocation has been determined with due regard to the characteristics of the Plan's liabilities calculated on an indicative solvency funding basis.

The calculation of the Plan's indicative solvency liabilities uses assumptions for future investment returns and price inflation expectations that are based upon market values of financial securities such as fixed interest and index-linked government bonds. This means that the liabilities are sensitive to changes in the price of these assets as market conditions vary, and can have a volatile value.

The Trustee accepts that its investment strategy may result in volatility in the Plan's funding position. Furthermore, the Trustee accepts that there is a risk that the assets will not achieve the rates of investment return assumed in the calculation of the Plan's indicative solvency liabilities.

To reduce the risk of concentration within the portfolio, the Trustee will monitor the overall mix of asset classes in the investment strategy with its investment adviser, Broadstone.

The Trustee invests in a wide range of asset classes through the funds and strategies it uses and considers the Plan's strategy to be sufficiently diversified.

The Trustee will monitor the investment, covenant and funding risks faced by the Plan with the assistance of its investment adviser and the Scheme Actuary at least every three years. The Trustee will consider the appropriateness of implementing additional risk mitigation strategies as part of such reviews.

In addition, the Trustee will review wider operational risks as part of maintaining its risk register.

8 Security of Assets

The day-to-day activities that the Investment Manager carries out for the Trustee are subject to regular internal reviews and external audits by independent auditors to ensure that operating procedures and risk controls remain appropriate.

Safekeeping of the Plan's assets held with the Investment Manager is performed by custodians appointed by them.

The Trustee has considered the security of the Plan's holdings with the Investment Manager, allowing for its status as a reputable regulated firm, and considers the associated protection offered to be reasonable and appropriate.

9 Responsible Investment & Stewardship

The Trustee believes that in order to protect and enhance the value of the investments, during the period over which the benefits are paid, it must act as a responsible asset owner.

The Plan is comprised of a diverse membership, expected to hold a broad range of views on ethical, political, social, environmental, and quality of life issues. The Trustee therefore does not explicitly seek to reflect any specific views through the implementation of the investment strategy, both financial and non-financial.

The Trustee's policies in respect of responsible investment are set out below:

Policy	
Financially Material Considerations	The Trustee recognises that Environmental, Social and Governance (ESG) issues can and will have a material impact on the companies, governments and other organisations that issue or otherwise support the assets in which the Plan invests. In turn, ESG issues can be expected to have a material financial impact on the returns provided by those assets. The Trustee delegates responsibility for day-to-day decisions on the selection of investments to the Investment Manager. The Trustee has an expectation that the Investment Manager will consider ESG issues in selecting investments or will otherwise engage with the issuers of the Plan's underlying holdings on such matters in a way that is expected to improve the long-term return on the associated assets. The Trustee does not currently impose any specific restrictions on the Investment Manager with regard to ESG issues but will review this position from time to time. The Trustee receives information on request from the Investment Manager on its approach to selecting investments and engaging with issuers with reference to ESG issues. With regard to the specific risk to the performance of the Plan's investments associated with the impact of climate change, the Trustee takes the view that this falls within its general approach to ESG issues. The Trustee regards the potential impact of climate change on the Plan's assets as a longer-term risk and likely to be less material in the context of the short to medium term development of the Plan's funding position than other risks. The Trustee will continue to monitor market developments in this area with its investment adviser.

Policy	
Non-Financially Material Considerations	Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustee believes these should not drive investment decisions. The Trustee expects the Investment Manager, when exercising discretion in investment decision-making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment.
Engagement and Voting Rights	The Trustee's voting and engagement policy is to use its investments to improve the ESG behaviours of the underlying investee companies. This encompasses a range of priorities, and the Trustee's current ESG focus is on climate change, human rights and diversity, equity and inclusion. The Trustee believes that having this policy and aiming to improve how companies behave in the medium and long term will protect and enhance the value of its investments and is in the members' best interests. The Trustee will aim to monitor the actions taken by the Investment Manager on its behalf and if there are significant differences from the policy detailed above, it will escalate its concerns which could ultimately lead to disinvesting its assets from the Investment Manager.
Capital Structure of Underlying Companies	Responsibility for monitoring the capital structure of investee companies is delegated to the Investment Manager. The Trustee expects the extent to which the Investment Manager monitors capital structure to be appropriate to the nature of the mandate.

The Trustee's views on how ESG issues are taken account of in each asset class used is set out below:

Asset Class	Management Style	ESG Views
Equities	Passive	The Trustee acknowledges that the Investment Manager must invest in-line with specified indices and, therefore, may not be able to disinvest from a particular security if it has concerns relating to ESG. The Trustee does expect the Investment Manager to take into account ESG considerations by engaging with companies that form the indices, and by exercising voting rights on these companies.
Corporate bonds and unconstrained bonds	Active	The Trustee expects the Investment Manager to take financially material ESG factors into account, given the active management style of the funds and the ability of the manager to use its discretion to generate higher risk-adjusted returns. The Trustee also expects its Investment Manager to engage with investee companies, where possible, although it appreciates that fixed income assets do not typically attract voting rights.
Cash	Active	The Trustee believes there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.
LDI funds	Active	The underlying assets of the LDI funds consist of government bond funds and derivative contracts, with no underlying investee companies as such. Therefore, the Trustee believes there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.

The Trustee will review the stewardship policies of any new investment managers appointed, as well as assessing the stewardship and engagement activity of the current Investment Manager on an ongoing basis.

10 Conflicts of Interest

The Trustee maintains a separate conflicts of interest policy and a conflicts register.

Subject to reasonable levels of materiality, these documents record any actual or potential conflicts of interest in relation to investee companies or the Investment Manager, whilst also setting out a process for their management.

11 Duration of Investment Arrangements

The Trustee has not set an explicit target to review the duration of its arrangement with the Investment Manager. However, the arrangements will be reviewed in conjunction with any review of the investment strategy.

12 Incentivisation of the Investment Manager

The Investment Manager is primarily remunerated based on an agreed fixed annual percentage of the asset value for each underlying fund.

The Trustee does not directly incentivise the Investment Manager to align the approach it adopts for a particular fund with the Trustee's policies and objectives. Instead, the Investment Manager and the funds are selected so that, in aggregate, the risk-adjusted returns produced are expected to meet the Trustee's objectives.

Neither does the Trustee directly incentivise the Investment Manager to make decisions about the medium to long-term performance of an issuer of debt or equity, or to engage with those issues to improve their performance. The Trustee expects such assessment of performance and engagement to be undertaken as appropriate and necessary to meet the investment objectives of the funds used by the Plan.

13 Portfolio Turnover Costs

The Trustee expects the Investment Manager to change underlying holdings only to an extent required to meet its investment objectives. The reasonableness of such turnover will vary by fund and change according to market conditions. The Trustee therefore does not set a specific portfolio turnover target for its strategy or the underlying funds.

The Investment Manager provides information on portfolio turnover and associated costs to the Trustee so that this can be monitored, as appropriate.

14 Monitoring

The Trustee employs Broadstone to assist it in monitoring the performance of the Plan's investment strategy and Investment Manager.

The Trustee receives quarterly reports from the Investment Manager and meets with its representatives periodically to review its investment performance and processes.

The Trustee and Broadstone will monitor the Investment Manager's performance against its performance objectives.

The appropriateness of the Investment Manager's remuneration will be assessed relative to market costs for similar strategies, the skill and resources required to manage the strategy, and the success or otherwise the manager has had in meeting its objectives, both financial and non-financial.

The Trustee will consider on a regular basis whether or not the Investment Manager and AVC Providers remain appropriate to continue to manage the Plan's investments and AVCs.

15 Review of Statement

The Trustee will review this Statement if there is a significant change in the Plan's investment strategy or a significant change in the regulations that govern pension scheme investment.

On behalf of the Trustee of The Law Debenture Pension Plan

Date: 21 October 2026

Appendix A Investment Strategy Implementation Summary

A.1 Target Asset Allocation

The Target Asset Allocation for the Plan's invested assets is as follows:

Asset Class	Target Asset Allocation
Growth Assets	
Equities	***15.0%***
L&G UK Equity Index Fund	8.0%
L&G North America Equity Index Fund	3.0%
L&G Europe (ex UK) Equity Index Fund	2.0%
L&G Japan Equity Index Fund	1.0%
L&G Asia Pacific (ex Japan) Equity Index Fund	1.0%
Total Growth Asset Allocation	**15.0%**
Protection Assets	
Corporate bonds	***25.0%***
L&G Active Corporate Bond – All Stocks – Fund	25.0%
Unconstrained bonds	***12.5%***
L&G Global Unconstrained Bond Fund	12.5%
LDI solution (including Cash)	***47.5%***
L&G Sterling Liquidity Fund	47.5%
L&G Matching Core Funds	
Total Protection Asset Allocation	**85.0%**
Total Asset Allocation	**100.0%**

The LDI solution includes holdings in the L&G Matching Core Funds and the L&G Sterling Liquidity Fund, where the latter is in place to provide a collateral pool to facilitate effective management of collateral calls and distributions made by the LDI manager.

The balance between these funds will vary with market conditions and will be maintained to target the agreed hedging levels against changes in long-term interest rates and inflation expectations.

The L&G Sterling Liquidity Fund is the first source of capital in the Plan's 'collateral waterfall', followed successively by the L&G Global Unconstrained Bond Fund, L&G Active Corporate Bond – All Stocks – Fund, and L&G UK Equity Index Fund.

A.2 Investment Manager

The Trustee entered into contract with Legal & General – Asset Management in October 2008.

The Investment Manager is authorised and regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2000.

A.3 Target Hedging Ratios

The L&G Matching Core Funds and L&G Active Corporate Bond – All Stocks – Fund provide the Plan's hedging exposure. The Target Hedging Ratios against the interest rate risk and inflation risk associated with the Plan's total indicative solvency liabilities are summarised below:

	Target Hedging Ratio
Interest rate risk	100%
Inflation risk	100%

A.4 Fund Performance Benchmarks and Objectives

The regional equity funds are passively managed index-tracking funds, meaning that their objectives are to track the total return on a specified market index within an agreed margin over a specified timescale. The benchmarks and tracking criterions for these funds are given below:

Fund	Benchmark	Performance Objective
L&G UK Equity Index Fund	FTSE All-Share Index	To track the benchmark to within ±0.25% p.a. for every two years out of three
L&G North America Equity Index Fund	FTSE North America Index	To track the benchmark to within ±0.50% p.a. for every two years out of three*
L&G Europe (ex UK) Equity Index Fund	FTSE Developed Europe ex UK Index	To track the benchmark to within ±0.50% p.a. for every two years out of three*
L&G Japan Equity Index Fund	FTSE Japan Index	To track the benchmark to within ±0.50% p.a. for every two years out of three*
L&G Asia Pacific (ex Japan) Equity Index Fund	FTSE World Asia Pacific ex Japan Index	To track the benchmark to within ±0.75% p.a. for every two years out of three*

*Net of withholding taxes, where applicable.

The corporate bond fund and unconstrained bond fund are actively managed, with an objective to outperform a specified market benchmark. The cash fund is actively managed and aims to broadly match its benchmark. These are summarised below.

Fund	Benchmark	Performance Objective
L&G Active Corporate Bond – All Stocks – Fund	Markit iBoxx GBP Non-Gilts Index	To outperform the benchmark by 0.75% p.a. (gross of fees) on a rolling three year basis
L&G Global Unconstrained Bond Fund	ICE Bank of America Sterling Overnight Index Average (SONIA) 3-Month Constant Maturity Total Return Index	To outperform the benchmark by 1.50% p.a. (gross of fees) on a rolling three year basis
L&G Sterling Liquidity Fund	SONIA	To provide a cash-like return, comparable with the benchmark

The LDI funds are actively managed and have objectives to provide prescribed levels of hedging against changes in the value of liabilities for a typical defined benefit pension scheme caused by interest rate risk, and inflation risk in the case of the 'real' funds. The practical method of implementing the levels of hedging is delegated the LDI manager, with the expectation that L&G will choose the most cost-effective method.

A.5 Investment Management Charges

The annual management charges for each of the funds used, based on the assets under management at the date of this Statement, are given below:

Fund	Annual Management Charge (p.a.)
L&G UK Equity Index Fund	0.100%
L&G North America Equity Index Fund	0.200% on the first £1.0 million under management, 0.175% on the next £1.5 million under management
L&G Europe (ex UK) Equity Index Fund	0.250% on the first £1.0 million under management, 0.225% on the next £1.5 million under management
L&G Japan Equity Index Fund	0.225% on the first £1.0 million under management, 0.200% on the next £1.5 million under management
L&G Asia Pacific (ex Japan) Equity Index Fund	0.275% on the first £1.0 million under management, 0.250% on the next £1.5 million under management
L&G Active Corporate Bond – All Stocks – Fund	0.200%
L&G Global Unconstrained Bond Fund	0.225%*
L&G Sterling Liquidity Fund	0.110%**
L&G Matching Core Funds	0.110%***

*Discounted from 0.250% p.a. until further notice.
**Discounted from 0.125% p.a. until further notice.
***Discounted from 0.240% p.a. until further notice.

A.6 Additional Voluntary Contributions (AVCs)

The Plan holds AVCs separately from the assets backing defined benefits via investments held with ReAssure and Utmost Life & Pensions. The liability in respect of these AVC funds is equal to the value of the investments bought by the contributions. The Trustee's intention is to leave the AVC funds invested with the AVC Providers until all affected members have retired.