



STM Fidecs Pension Trustees Limited (‘FPT’ or ‘The Company’) Remuneration Policy

Dated May 2021



Table of Contents

- 1. Policy Statement 1
- 2. Purpose 1
- 3. Scope 1
- 4. Employees 1
- 5. Third Parties, Scheme Service Providers and Outsourced Activity (“Service Providers”) 2
- 6. Management Responsibility and Review 2

1. Policy Statement

The purpose of this remuneration policy is to balance the Company's long-term financial performance and create long-lasting shareholder value with the need to take into account and benefit the long-term interests of members and beneficiaries of pension schemes for which administration services are provided.

2. Purpose

The purpose of this Policy is to establish a remuneration strategy which:

- Is consistent with FPT's ethos of treating customers fairly;
- Takes account of the long-term interests of FPT and any pension schemes for which FPT provides trustee services;
- Takes account of the financial stability of FPT and any pension schemes for which it provides trustee services;
- Supports the sound, prudent and effective management of FPT and any pension schemes for which it provides trustee services;
- Is in the long-term interests of members and beneficiaries of the any pension schemes for which it provides trustee services;
- Avoids conflict of interest;
- Avoids risk taking which is not consistent with FPT's risk appetite statement or the risk profile of any scheme document or scheme particulars in relation to any scheme for which it provides trustee services.

3. Scope

This Policy shall apply to the Executive Directors of FPT and any staff whose professional activities have a material impact on any pension schemes or risk profiles of any pension schemes for which FPT is trustee.

FPT shall only engage the services of third parties, scheme service providers and outsourced activity ("Service Providers") who confirm that they will operate in accordance with this policy, or, pursuant to a remuneration policy consistent with this policy, such consistency to be reviewed and decided upon by FPT.

4. Employees

FPT will seek to pay employees a remuneration package consisting of a monthly salary and such other benefits as the Company may determine from time to time which is fair and consistent with market rates for similar positions taking account of the experience, service, performance and responsibilities of the individual concerned.

In assessing the level of remuneration, the Company shall have due regard to the financial stability of the Company and shall ensure that the remuneration is not paid in such a way as to be detrimental to the members or beneficiaries of any scheme for which FPT is trustee.

The level of remuneration will be reviewed at least once per year taking account of performance, market conditions and the cost of living.

Ordinarily, the Company will pay fixed remuneration. Where the Company agrees to pay part of the Remuneration Package as variable remuneration, the level of the variable remuneration shall not be so great so as, in the opinion of the FPT Board, to incentivise risk taking that is not within the risk tolerance or customer acceptance policy of FPT.

No employee shall provide services to FPT or any pension scheme for which FPT is trustee, other than as an employee of the Company or of a Service Provider.

No employee shall engage in employment other than with FPT except with the express approval of a Director of FPT.

Each employee shall be employed subject to a specific contract of employment.

5. Third Parties, Scheme Service Providers and Outsourced Activity (“Service Providers”)

FPT shall pay market levels of remuneration to Service Providers.

Where the Service Provider is paid directly by a pension scheme for which FPT is trustee, FPT shall consider the impact of any such charges on the members and beneficiaries of the scheme.

Any Service Provider shall be engaged subject to an agreement that it does not perform its obligations in any manner which constitutes or could be deemed to constitute a breach of trustee obligations under the Financial Services Act 2019 and the Financial Services (Occupational Pensions Institutions) Regulations 2020.

Where a Service Provider’s remuneration is linked to the value of investments under a pension scheme, any agreement with the Service Provider shall contain further provisions to discourage excessive risk-taking by the Service Provider.

6. Management Responsibility and Review

The Board of Directors is responsible for this Policy.

Save for legislative and regulatory changes or significant changes in the systems of FPT or its related companies, the Policy will be reviewed **every 3 years**.



STM Fidecs Pension Trustees Limited

3rd Floor
55 Line Wall Road
Gibraltar, GX11 1AA
T: 00350 200 45877
T: 00350 200 42686

enquiries@stmfidecs.gi
www.stmgrouplc.com