Irish Life

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Irish Life EMPOWER Master Trust

"The Scheme"

Remuneration Policy

Feb 2025 | Version 3

1 Purpose of Policy

1.1 The purpose of this policy statement (the "Policy") is to outline the current policy of the Trustee of the Scheme with respect to providing effective governance of remuneration and the management of the risks associated with the application of remuneration.

2. The Policy is intended to promote the achievement of the Scheme's goals in a manner consistent with the requirements set out under the terms of Directive (EU) 2016/1341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs), as transposed into Irish Law, and consistent with the 'Code of Practice for trustees of occupational pension schemes and trust retirement annuity contracts' issued by the Pensions Authority.

3. In particular, this Policy is intended to achieve or contribute towards the following objectives:

- Set out the Scheme's overall approach to remuneration in a manner which providestransparency on the basis for remunerating those parties providing services to theScheme in an official capacity;
- Identify key services to the Scheme where remuneration of third parties may berequired;
- Identify the governance and control measures which will be deployed to help mitigatethe risks associated with remuneration.

1.4 The Policy is not, nor is it intended to be, a legal document with legally binding terms and conditions. The Trustee may at any time, and subject to due regard to any legal, regulatory or other requirements or guidance that may arise from time to time, amend this Policy as its sees fit.

2 Overall Approach to Remuneration

1. The Trustee has identified an approach to remuneration which is based on five guiding principles:

(i) Support the Scheme's objectives of providing value for members, the Trustee and the Participating Employers over the long term;

(ii) Attract and retain qualified and experienced providers who contribute to the achievement of the Scheme's goals;

(iii) Align with regulatory requirements and sound risk management practices and constitutes value for money when compared to other available options;

(iv) Avoid, manage and/or mitigate Conflicts of Interest, in the manner prescribed by the Scheme's Conflicts of Interest Policy;

(v) Provide clear, effective and transparent governance in relation to remuneration.

2.2 The Trustee and Scheme Sponsor will agree reasonable remuneration, and agree the remuneration with the service providers.

3 Applicability

3.1 This Policy applies to all services provided to the Trustee of the Scheme, including but not limited to those listed below, and is applicable to the remuneration of all those providing remunerated services directly to the Trustee:

- Trustee;
- Key Function Holders;
- Registered Administrator Services;
- Investment Management Services;
- Legal and Consultancy Services;
- Audit Services;
- Such other professional services as may be required from time to time, or on an ongoing basis.

3.2 The Policy does not cover remuneration of indirect service providers, for example outsourced service providers, sub-contractors or sub-processors of the service providers listed above.

4 Remuneration Governance and Risk Management

1. The Scheme has implemented a Risk Management Policy and associated Risk Register to reliably identify, measure, manage, monitor and report risks which might impact on the achievement of its objectives. This Remuneration Policy is consistent with the requirements set out in the Risk Management Policy.

2. This Remuneration Policy will be considered in conjunction with the following additional Scheme Policies:

- Conflicts of Interest Policy
- Risk Management Policy
- Statement of Investment Policy Principles
- Policy setting out scheme information required to manage the Scheme
- Member Engagement Policy
- Internal Audit Policy
- Fit and Proper Policy
- Administration Policy

5 Remuneration of Trustee?

5.1 The Professional Trustee Company, who is actively employed by the Scheme Sponsor is bound by the agreement between both parties. It is deemed to exclusively carry out their duties of Board membership, and are subject to the Scheme's Conflicts of Interest Policy.

5.2 The Professional Trustee Company will be entitled to claim reasonable out-of-pocket expenses incurred in performing their role, subject to the Scheme Sponsor's approval being granted and evidence being provided.

5.3 For the Professional Trustee Company appointed to the Scheme, market conformity is the starting point when determining the Remuneration Policy. Directors of the Professional Trustee Company are external pension professionals who may fulfil a role at various pension funds and financial institutions.

(i) In selecting a Professional Trustee, the Scheme Sponsor will carry out a formal process, including a cost comparison across providers.

(ii) The Scheme Sponsor will agree the compensation and fee arrangements to apply, in consultation with the Trustee.

(iii) Additional fees may be payable for specific additional services required from time to time. Any such fees will be agreed prior to commencement of work.

(iv) Expenses may only be claimed by the Professional Trustee Company with the Scheme Sponsor's prior approval, and subject to provision of evidence.

(v) Remuneration of the Professional Trustee Company will be set by reference to the terms of this Policy..

6 Remuneration of Third Parties

1. The Scheme has appointed external parties to provide administration, investment management functions, legal and Key Function Holders services to the Scheme.

2. Where applicable, the remuneration of external parties is agreed on a fixed basis, with no variable performance-related component, and contained in the terms of engagement for each party.

3. Additional fees may be payable for specific additional services required from time to time. Any such fees will be agreed prior to commencement of work.

4. When agreeing, monitoring or reviewing remuneration the Trustee and Scheme Sponsor will ensure that remuneration is not solely based on financial metrics.

5. Investment manager remuneration will typically at least partly reflect the value of the assets invested. Consideration of how these costs compare to those paid by other pension arrangements will be undertaken as part of the critical review of the investment managers.

6. The Trustee will discuss the costs, and value for money, with the Scheme Sponsor at least annually at a Trustee meeting. The Scheme Sponsor will provide information on the relevant costs paid in the most recent period in advance of the meeting.

7. The Scheme expects all external parties to have implemented remuneration policies which do not encourage excessive risk taking.

8. Where any third-party contract incorporates payments related to early termination of that contract, any payments related to such termination must reflect performance achieved over the long-term.

7 Key Remuneration Processes

1. There are three key processes in remuneration where the Trustee have identified risks which require management, and roles which require clarity.

(i) In making appointments, all parties will ensure that the remuneration approach takes into account the Scheme's objectives, conflicts of interest and risk management.

(ii) In monitoring remunerated positions, the same objectives, potential conflicts of interest and risk management will be considered on an ongoing basis and as changes occur.

(iii) Remuneration arrangements will be reviewed on a regular basis, in light of time elapsed, and changes occurring to the services required, or to the role of providers, in the interim.

The table below summarises how each of these processes should be addressed:

Key Requirements	Roles & Responsibilities	Risk Description
1. Appointment In evaluating remuneration, consideration is given to the short term and long-term Scheme objectives as well as its risk management strategy.	Trustee Scheme Sponsor	Remuneration approach is inadequate, promoting poor services, controls or risk management
2. Monitoring Processes are in place to assess the effectiveness of remuneration, taking into account performance and changes to roles and external environment.	Trustee Scheme Sponsor	Changes to risk profile, strategy, external factors or performance of remunerated parties are not considered
3. Review All remuneration agreements are reviewed as part of the normal strategic review of services and of this policy.	Trustee Scheme Sponsor	Remuneration approach does not evolve to take account of strategic changes to providers, scheme or external environment

8 Policy Review

8.1 This policy shall be reviewed periodically, but not less than every three years.

Version Number	Date Adopted	Updates
Version 1.0	23/11/2021	
Version 2.0	27/04/2022	Updated for Code of Practice
Version3.0	02/02/2024	Updated for formatting and drafting, information on providers and setting and reviewing remuneration

Appendix 1 – Scheme Remuneration Summary

		Payment Method
Scheme Sponsor	Irish Life Financial Services (ILFS)	
Professional Trustee	Law Debenture Master Trust Trustees (Ireland) DAC	The Trustee is paid in accordance with a fee structure agreed with the Scheme Sponsor.
Scheme Secretary	Fiona Byrne, Irish Life	The cost of the Scheme Secretary is borne by the Scheme Sponsor.
Registered Administrator	Irish Life Assurance Plc	Invoiced to Participating Employers and/or paid from scheme assets
Investment Manager	Irish Life Investment Managers (ILIM)	Paid from scheme assets
Auditor	Mazars	The cost of preparation and audit of the financial statements is borne by the Scheme Sponsor
Life Assurance	Irish Life Assurance plc	Rhe Life Assurance Premiums are paid by the Participating Employers as appropriate
Legal Advisor	Byrne Wallace	The cost of any legal work required in relation to the Scheme is borne by the Scheme Sponsor
Risk Management Key Function Holder	Fergus Collis, LCP	Remuneration of Key Function Holders is determined according to the terms of engagement and borne by the Scheme Sponsor
Internal Audit Key Function Holder	Frankie Cronin, Grant Thornton	Remuneration of Key Function Holders will be determined according to the terms of engagement and borne by the Scheme Sponsor

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Information correct as at February 2025.

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