

Integrity Trust Expertise The Fiducian Way



Remuneration Policy

Fiducian Group Limited
Level 4, 1 York Street, Sydney

August 2023

Control Sheet

Policy	Remuneration Policy
Version	7.0
Entity	Fiducian Group Limited
Date Effective	14 August 2023
Policy Owner	Executive Chairman, Fiducian Services
Approved By	The Board of the Fiducian Group Limited
Review Requirement	At least every 3 years or as required by law

Modifications			
Version	Date of Modification	Brief Description of Modification	Approved By
1.0			FPSL Board (27 July 2004)
1.5	August 2010		FPSL Board (25 Aug 2010)
1.6	September 2013		FPSL Board (26 Sept 2013)
2.0	February 2017	Review and update to current practices	FGL Board (23 Feb 2017)
3.0	February 2020	Review and update to current practices	FGL Board (17 Feb 2020)
4.0	August 2021	Review – minor modifications	FGL Board (16 August 2021)
5.0	August 2022	Review – minor modifications to align with other policies	FGL Board (15 August 2022)
6.0	February 2023	Review and update to current practices	FGL Board (23 Feb 2023)
7.0	August 2023	Review – minor modifications to align with other policies	FGL Board (14 August 2023)

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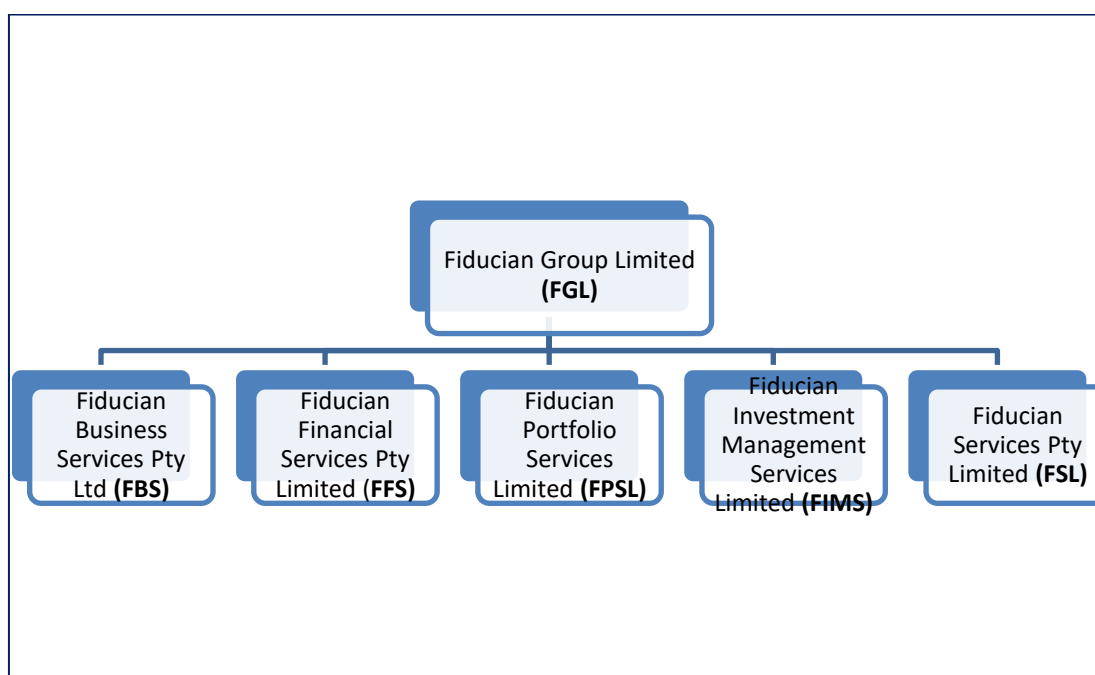
1. INTRODUCTION

1.1 Organisational context

1.1.1 Fiducian Group Limited (ABN 41 602 423 610) has the following wholly owned subsidiaries (collectively known as the Fiducian Group or **Fiducian**):

- (a) Fiducian Portfolio Services Limited (**FPSL**) ABN 13 073 845 931 – trustee for registered superannuation entity of Fiducian Superannuation Service regulated by the Australian Prudential Regulation Authority.
- (b) Fiducian Financial Services Pty Ltd (**FFS**) ABN 46 094 765 134 (AFSL No. 231103) – provider of financial planning services through its network of franchisees and employed financial planners;
- (c) Fiducian Investment Management Services Limited ABN 28 602 441 814 (AFSL No. 468211) – provider of funds management and investment services (including wrap platforms (Fiducian Investment Service), and also responsible entity of a suite of registered managed investment schemes known as the Fiducian Funds and the Fiducian SMA Fund in relation to separately managed accounts;
- (d) Fiducian Business Services Pty Ltd ABN 16 063 433 367 – provider of business development and distribution services to related companies of the Fiducian Group; and
- (e) Fiducian Services Pty Limited ABN 41 602 437 892 – provider of information technology solutions and administration services to administer superannuation and investment service platforms used by FFS financial planners and independent financial advisers. FSL also provides administrative services for the Fiducian Group such as platform administration, information technology, legal, risk management, finance, human resources, marketing and distribution support services.

1.1.2 The Fiducian Group is a specialist financial services organisation providing financial planning, funds management, investment platform administration, information technology and business development & distributed.



1.2 Overview

- 1.2.1 This Policy aims to assist Fiducian in considering and prudently managing the risks that may arise from remuneration arrangements currently in place within Fiducian, or to be put into place in the future.
- 1.2.2 This Policy will not apply to FPSL as it has implemented its own policy consistent with its obligations under the SIS Act.

1.3 Definitions

1.3.1 Unless otherwise stated:

- (a) **CFO** means the Chief Financial Officer of the Fiducian Group and its associated entities;
- (b) **Employee** means a person employed within the Fiducian Group as an employee and/or a staff member who directly reports to a Senior Manager, other than a Senior Manager;
- (c) **Executive Chairman FGL** means the person appointed by the FGL Board as the executive chairman of the Fiducian Group;
- (d) **Executive Chairman FSL** means the person appointed by the FSL Board as the executive chairman of FSL;
- (e) **Executive Leadership Team (ELT)** means a person in a role within the Fiducian Group who is an Executive Chairman of a Fiducian Group company or is a person nominated by the by the Executive Chairman FGL to be a member of the team; and
- (f) **Senior Managers** means a person employed in a role within the Fiducian Group who is nominated by an ELT member and approved by the ELT to be a Senior Manager.

2. IMPLEMENTATION OF FIDUCIAN'S REMUNERATION POLICY

The Fiducian Board has:

- a) established, and will maintain a Remuneration Committee to make recommendations to the Board on the individual remuneration of any executives and non-executives of Fiducian; and
- b) delegated to the Executive Chairman FGL the responsibility for setting the remuneration of all staff who are employed by Fiducian.

3. TO WHOM THE POLICY APPLIES

This Policy applies to:

- a) the Executive Chairman FGL and Senior Managers; and
- b) all Employees and non-executive Directors.

In dealing with matters relating to remuneration, the Board is expected to ensure that:

- a) Executive Chairman FGL; and

- b) Senior Managers qualifying for performance based remuneration, are not placed in a position of actual or perceived conflict of interest.

4. FIDUCIAN'S APPROACH TO REMUNERATION

- a) Remuneration of staff is to be paid at levels in accordance with prevailing market conditions and industry benchmarks, and accurately calculated with only agreed packaging arrangements and applicable deductions for taxation.
- b) Employees or others who receive equity linked deferred remuneration must not hedge economic exposure to the equity price risk before the equity is sold for cash. All employees must observe Fiducian's Security Trading Policy which describes actions in the event of a breach of the said Policy.
- c) Fiducian is committed to ensure that any performance-based components of remuneration are designed to encourage behaviour which supports:
 - (i) Protecting the interests, and meeting the reasonable expectations of its clients; and
 - (ii) The long-term financial soundness of Fiducian; and
 - (iii) The risk management framework of Fiducian.

5. SETTING REMUNERATION, AND EXTERNAL ASSISTANCE

5.1 Remuneration Committee

- a) The Remuneration Committee shall ensure it has the necessary experience and expertise to perform its duties. The Committee:
 - (i) may supplement its expertise with appropriate external expert advice;
 - (ii) may rely on administrative support from internal or external parties when conducting reviews;
 - (iii) must consider, among other matters the balance between fixed (salary) and variable (performance-based) components of remuneration in designing remuneration arrangements.
- b) The Remuneration Committee is responsible for setting the terms, conditions and remuneration of the Executive Chairman FGL and must review these arrangements on an annual basis.
- c) The Remuneration Committee may request the Executive Chairman FGL to provide a report in respect of the remuneration arrangements of Senior Managers and Employees for review.

5.2 Executive Chairman FGL

- a) In setting the Remuneration for Senior Managers, other staff and the approval of Employee remuneration requested by Senior Managers, the Executive Chairman FGL may seek such advice as he determines from the CFO and/or external HR Consultants so as to ensure remuneration of staff is comparable with industry benchmarks. In carrying out any process regarding remuneration, staff should not be placed in a position of actual or perceived conflict of interest.
- b) The FGL Board delegates the responsibility for the approval of the appointment, terms of employment and salary reviews of the Executive Leadership Team to the Executive Chairman FGL.

5.3 CFO

- a) The CFO will provide assistance as requested by the Board for the review of the Executive Chairman FGL's remuneration.
- b) The CFO will provide assistance as requested by the Executive Chairman FGL for the review of Senior Manager remuneration.
- c) The CFO facilitates the review and approval of all Employee salaries which includes, but not limited to, the following:
 - (i) The collection of salary surveys, benchmarking and any other data to assist with a comparison between Fiducian salaries and market salaries for similar positions;
 - (ii) Discuss Employee salaries with Senior Managers and managers and seek confirmation from Senior Managers of proposed salary changes for approval;
 - (iii) Facilitate the approval of Employee Salaries with the Executive Chairman FGL;
 - (iv) Any other action to facilitate the salary review process.

5.4 Senior Managers

- a) The FGL Board delegates to Senior Managers, subject to the approval of the relevant ELT member:
 - (i) the appointment of Employees and their terms of employment;
 - (ii) Employee salary reviews; and
 - (iii) Employee incentive payments.

5.5 Review Guidelines

When undertaking any remuneration reviews under this policy, the following matters are to be considered:

- a) Due care must be taken to encourage behaviour that supports the protection of interests of beneficiaries of Fiducian's investment and superannuation products, the long term financial soundness of Fiducian and Fiducian's risk management framework.
- b) Performance based incentive remuneration must be set in a manner that does not encourage risk taking that could damage the best interests of beneficiaries of Fiducian investment and superannuation products or the financial soundness of Fiducian.
- c) Salary increases, if applicable, will be applied from 1 July in the relevant year, unless another day is approved by the Executive Chairman FGL and / or the Executive Chairman FSL; and
- d) Any other relevant matter that the relevant person needs to consider when setting the remuneration for an individual.

6. REPORTING AND REVIEW

- a) The Executive Chairman FGL shall, when requested so to do by the Board, report to it the details of remuneration of staff.
- b) The Remuneration Policy is to be provided to the regulatory Authorities on request.
- c) The Remuneration Policy is to be reviewed every three years.