

INVESTMENT SERVICES RULES FOR INVESTMENT SERVICES PROVIDERS

PART B: STANDARD LICENCE CONDITIONS

Appendix 12

Remuneration Policy

1 INTRODUCTION

- 1.01 The SLCs prescribed in this Appendix are applicable to Investment Services Licence Holders which have been authorised to provide the services of an AIFM and are required to comply with Part BIII of these Investment Services Rules.
- 1.02 The SLCs prescribed in this Appendix are also applicable to any Licence Holder which is a subsidiary of a credit institution.
- 1.03 Compliance with the sectoral remuneration principles outlined in this Appendix by Licence Holders which belong to banking, insurance, investment groups or financial conglomerates should be considered as ensuring the respect by such a group of the remuneration principles applicable to the group with specific regard to the Licence Holder.

2 REMUNERATION POLICY

- 2.01 In terms of SLC 3.05 of Part BIII of these Investment Services Rules, a Licence Holder shall have remuneration policies and practices for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the Licence Holder or of the AIFs it manages, that are consistent with and promote sound and effective risk management and do not encourage risk taking which is inconsistent with the risk profiles, fund rules, prospectus or offering documents of the AIFs it manages.
- 2.02 The AIFM shall further refer to and comply with the provisions of the ESMA Guidelines on sound remuneration policies and practices under the UCITS Directive and the AIFMD and the Guidance Notes on the application of the proportionality principle issued by the Authority.