



## Remuneration Policy

<b>Governance</b>	
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Approved by	GPIM Limited Board
Policy Owner	GPIM Limited Board
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# **Remuneration Policy**

## **1. Introduction**

GPIM Limited ('the firm') is a small independent company that provides an uncomplex bespoke discretionary management and execution only trading service predominantly to retail clients based in the UK. It does not facilitate financial income from creating and marketing financial products, propriety trading or lending and does not benefit from exceptional Government intervention.

The Investment Firms Prudential Regime (IFPR) came into effect on 1<sup>st</sup> January 2022 requiring all firms to adopt a remuneration policy. This Policy has been drafted to state the firm's compliance with the IFPR requirements.

Under the IFPR, GPIM Limited is classified as a small and non-interconnected (SNI) firm and therefore the policy has been drafted to be proportionate to the nature, scale and complexity of the risks inherent in the firm's business model and activities. A significant proportion of the remuneration requirements under IFPR are not applicable to SNI firms.

For the purposes of this Policy, 'staff' is interpreted broadly and means any individuals that are for example, employees of the firm itself, partners or members (in the case of partnership structures), Directors, employees of other entities in the group, employees of joint service companies, and secondees.

## **2. Principles**

This policy is based on the following principles (in no particular order) that guide the remuneration at GPIM Limited and any consequent actions:

- Acting within the firm's ordinary course of business and not exposing the firm to unnecessary risk
- Fairness and consistency with the responsibilities assigned and the capabilities demonstrated;
- Alignment with the firm's strategies, its purpose and its culture;
- Competitiveness with regard to practices and market trends;
- Enhancement of merit and performance, in terms of results, behaviours and virtues acted;
- Clear governance and compliance with the regulatory framework.

## **3. Remuneration at GPIM Limited**

GPIM Limited staff are paid a fixed salary and are eligible for a single year discretionary bonus. There are currently no share awards/plans in place and it is not intended that a high proportion of remuneration packages for any staff member is made up by incentives. The firm offers a workplace pension scheme to all staff and provides the minimum contributions as determined by the Government.

Fixed salary/remuneration is defined as:

- (i) should primarily reflect a staff member's professional experience and organisational responsibility as set out in the staff member's job description and terms of employment;
- and

(ii) should be permanent, pre-determined, non-discretionary, non-revocable and not dependent on performance.

Bonuses (also known as variable remuneration) are not fixed or guaranteed. Any bonus that is available is clearly based upon the performance of the firm as a whole and should ensure all staff are focusing on the same overall objective. The calculation methodology of the overall discretionary bonus pot protects the firm in difficult economic conditions whilst still encouraging collegiate behaviour. All bonuses and dividends are paid at the discretion of the Board taking into account the financial health and profitability of the company.

A percentage of pre-tax profits is unanimously agreed by the Board to be used as a bonus pool after the end of the firm's tax year. The cash bonus considers individual effort and performance which include compliance with the firm's policies and procedures and is not solely linked to investment performance.

When setting remuneration levels, the firm recognises the importance of attracting and retaining experienced staff. Remuneration is reviewed by the Board annually.

All staff remuneration is based on equal pay for that individual's work or work of equal value, irrespective of gender, racial/ethnic origin, political opinion or religious belief.

During 2022, the total remuneration awarded was £714,636 fixed and £40,318 variable. No deferred remuneration was awarded.

#### **4. Conflicts of interest**

This Policy outlines GPIM Limited's remuneration arrangements and the controls in place to ensure that they do not encourage or reward behaviour which represents a conflict of interest or is not in the best interests of clients.

GPIM Limited intends to pay staff remuneration not from point of sale but from revenues derived from the ordinary course of carrying out investment management services. It is not the firm's intention to reward staff with schemes that encourage product bias or are based on accelerated bonus rates or thresholds being met.

Discretionary bonus payments are discretionary based on the performance of the firm and individual performance rather than AUM growth targets or an incentive based approach and are not excessive compared to fixed salary. No remuneration is paid to any staff member on the basis of sales/trading volumes achieved by the staff they manage.

Separate policies are in place to govern personal account trading, in particular all personal account trades where the staff member makes the investment decision are required to be reported to the Compliance Department for independent review and analysis.

Any significant regulatory breaches, complaints and inappropriate conduct will be considered as part of any staff bonus review. The Board is able to request and consider such information upon request from the Head of Compliance. The Board will consider for example;

- Building and maintaining positive customer relationships (where relevant)
- Fair treatment of customers

- Results of training and competence monitoring
- Complaints
- General and specific instances of conduct
- Adherence to the firm's policies and procedures
- Adherence to regulatory requirements

As GPIM Limited is a small firm, there are individuals who will be responsible for managing staff whilst also being involved with the determination of remuneration. The firm manages this conflict by ensuring that the Board vote unanimously on any remuneration package so that there is sufficient challenge from other Board members who are not involved with the day to day oversight of the staff being considered.

Payments made on early termination of a contract must reflect performance over time and must not reward failure. In the case of early termination of a contract any payments will reflect performance achieved over the relevant time period based on the same qualitative criteria describe above. GPIM Limited does not reward failure.

## **5. Governance and oversight**

GPIM Limited is a small firm and does not have a separate Remuneration Committee. The firm's Board is responsible for drafting the Remuneration Policy, reviewing it regularly (at least annually, but may be more frequent if required) and overseeing its implementation when considering remuneration.

The Board reviews all staff remuneration on an annual basis in accordance with this Policy but reserves the right to review remuneration at any other time to consider particular circumstances that may need consideration. The Board will require input from the relevant business areas from time to time to make informed decisions, including Compliance and Finance.