



Remuneration Policy

Astellas Ireland Kerry Plant Pension Plan

Prepared for: The Trustees of the Astellas Ireland Kerry Plant Pension Plan

Prepared by: Aon

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AON

Executive Summary

In brief

This Policy governs the remuneration of the Trustees, Key Function Holders (KFH), critical service providers and any other people or organisations of significant importance to the Scheme.

The Policy has been designed to ensure that the Scheme's remuneration practices do not create conflicts of interest and do not promote excessive risk taking.

Terminology

Explanations for key terms and abbreviations used throughout this Policy are set out in the Glossary on the following page.



Glossary

Board

Means the Board of the Trustees. May appear as 'Board' or 'Trustee Board'

Key Function Holder or KFH

Means the Risk Management and Internal Auditor Key Function Holders for the Scheme, as defined in in the IORP II Directive

Policy

Means this Remuneration Policy

SFDR

Means EU Regulation 2019/2088, 'Sustainable Finance Disclosure Regulation'

Trust Deed

Means the Definitive Trust Deed and Rules of the Scheme dated 12 July 1996 (as amended from time to time)

IORP II Directive

Means Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016

Pensions Act

Means the Pensions Act 1990, as amended

Scheme

Means the Astellas Ireland Kerry Plant Pension Plan

Sponsor

Means the Principal Employer, and any other employers participating in the Scheme, as recorded in the Trust Deed

Trustees

Means the Trustees of the Scheme from time to time

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1. Purpose, Scope, Disclosure & Review

1.1 Purpose

This Policy has been adopted by the Trustees for the purposes of Section 64AG of the Pensions Act as the Scheme's Remuneration Policy. The Trustees have also taken account of SFDR and the IORP II Directive in establishing and implementing this Policy.

This Policy is established by the Trustees and is intended to be implemented and maintained in accordance with Section 64AG of the Pensions Act and in particular in line with the activities, risk profile, objectives, and the long-term interest, financial stability and performance of the Scheme as a whole, and is intended to support the sound, prudent and effective management of the Scheme.

Objective

The objective of this Policy is to ensure that remuneration practices under the Scheme of those persons to whom this Policy applies do not generate conflicts of interest or excessive risk-taking in respect of the Scheme

1.2 Scope

This Policy applies to the following persons:

- The Trustees
- Persons who carry out key functions in respect of the Scheme
- Other categories of staff employed by the Trustees whose professional activities have a material impact on the risk profile of the Scheme
- Service providers to whom the Trustees have outsourced activities within the scope of Section 64AM(1)¹ of the Pensions Act other than those service providers that fall outside the scope of Section 64AG(4)(e) of the Pensions Act²

Review

The Policy will be reviewed:

- before the third anniversary of the date the Policy is adopted and at intervals of no longer than three years thereafter; and
- whenever there is a significant change in the Scheme which the Trustees consider requires this Policy to be reviewed (whether on foot of a recommendation from the Internal Audit or Risk Management KFHs or otherwise).

The review will be conducted by the Trustees or their properly appointed delegates and will include, in particular, consideration of any departures from the Policy by the Trustees in exceptional circumstances in the period between reviews. The Internal Audit and Risk Management functions will be closely involved with the Trustees in reviewing the Policy. The results of each Policy review will be recorded and any changes agreed to the Policy will be implemented as soon as practicable.

¹ Those that fall within the scope of Section 64AM(1) are outsourced activities relating to key functions and the management of the scheme

² Those that fall outside Section 64AG(4)(e) are currently UCITS; certain life assurance, non-life assurance and reinsurance providers; AIFMs; credit institutions; investment and related firms.

1.3 Disclosure and Transparency

The Trustees will comply with the disclosure requirements set out in Section 64AG(2) of the Pensions Act and the SFDR in so far as they relate to this Policy.

The Trustees will share this Policy with the Sponsor and request that the Sponsor applies the Policy in respect of any person that this Policy applies to for whom it determines, or partially determines, remuneration which is subject to this Policy.

2. General Principles

Remuneration of those persons that this Policy applies to is intended to be determined based on a consideration of the following criteria:

- The level and structure of remuneration should be consistent with the objectives of the Scheme.
- Remuneration determined in accordance with this Policy should be consistent with the powers, tasks, expertise and responsibilities of the persons to whom it relates and the long-term interests of the members and beneficiaries under the Scheme.
- The time commitment associated with the role being performed or service being provided.
- The size and internal organisation of the Scheme.
- The size, nature, scale and complexity of the activities of the Scheme.
- Remuneration should be in line with what others are receiving in the market for similar roles or services in similar circumstances.
- The principle of value for money balancing cost against quality of service.
- Remuneration may be set by reference to performance criteria and/or commission-based but should not be structured in a way as to encourage risk-taking which is inconsistent with the risk profiles and rules of the Scheme in a way which encourages conflicts of interest in respect of the Scheme.
- The level and structure of remuneration will not prevent, or act as a disincentive for, a Trustee or other person who is subject to this Policy taking a position which is in the best interests of the Scheme beneficiaries.
- Remuneration will generally be monetary and can include vouched out-of-pocket expenses. Non-monetary remuneration (e.g. laptop, mobile phone) may be provided, but only where considered necessary to assist the relevant person in the performance of their role.
- Where the Sponsor is responsible for remuneration, directly or indirectly, the Sponsor's views may also be taken into account.
- Payments related to early termination of a contract of any person to whom this Policy applies must reflect performance achieved over the long-term and be designed in such a way that they do not reward failure.
- Contracts with persons to whom this Policy applies shall specify the frequency, form, and content of reporting arrangements, including the receipt by the Trustees of updates and financial statements generated sufficient to enable the Trustees to assess performance of the contract and the remuneration payable in accordance with the terms of the contract.

3. Application

The remuneration of all persons to whom this Policy applies will be determined having regard to this Policy and documented in a clear and transparent manner in a formal legal agreement with that person.



Trustees

Trustees who are also employees of the Sponsor do not receive separate / additional remuneration for their trustee role. Nothing in this Policy will impact on the amount, structure, nature or type of remuneration that such Trustees receive as employees of the Sponsor except to the extent that it would create a conflict of interest which would be likely to prevent that Trustee from acting independently in the best interests of the Scheme's beneficiaries.

All Trustees are reimbursed for properly incurred and vouched out-of-pocket expenses.



Key Function Holders (KFH)

Risk Management KFH

The Risk Management KFH is not an employee of the Sponsor. The remuneration of the Risk Management KFH is set out in the agreement with the Trustee appointing that person.

Internal Audit KFH

The Internal Audit KFH is not an employee of the Sponsor. The remuneration of the Internal Audit KFH is set out in the agreement with the Trustee appointing that person.



Other Service Providers

Services provided by third parties

The remuneration of service providers and other third parties to whom this Policy applies is set out in the agreement with the Trustees appointing that person.

The Scheme's Internal Audit KFH will be responsible for determining whether this Policy is being applied in each case and on a consistent basis.

In all cases, remuneration of any person to whom this Policy applies will also be subject to the requirements, if any, of the Scheme's governing documentation and any overriding legislation or binding regulatory guidance.

While it is intended that the general principles of this Policy will be followed by the Trustees in most circumstances, the Trustees retain flexibility to adapt the principles to the needs of specific situations in exceptional circumstances and where they consider that doing so represents the best interests of the Scheme's beneficiaries.

4. Proportionality and Suitability

Given its internal organisation and having regard to the nature, scale and complexity of the Scheme's activities, it is considered that the measures described in this Policy are appropriate for the Scheme.

4.1 Internal organisation

The Scheme is managed by the Trustees, who may be employees or former employees of the Sponsor, professional pension scheme trustees or other persons qualified to act as pension scheme trustees. The Trustees hold regular Trustee meetings as well as special meetings where necessary or desirable and take decisions in accordance with the Scheme's governing documentation. From time to time the Trustees may, in accordance with the Scheme's governing documentation, establish committees or sub-committees or appoint delegates to take or give effect to Trustee decisions or consider certain matters.

The Trustees have appointed Aon Solutions Ireland Limited ("Aon") as the Scheme's administrator and registered administrator. As administrator and registered administrator, Aon takes responsibility for the day-to-day administration of the Scheme and discharges the obligations imposed on the registered administrator under applicable legislation.

Other persons appointed by the Trustees in respect of the Scheme who provide services that may have a material impact on the risk profile of the Scheme include the Risk Management and Internal Audit KFHs, external auditor and the Scheme's investment advisers, actuary and legal advisers.

4.2 Size, type and activity

The Scheme is a medium size defined benefit plan. The scale and nature of the Scheme means that its activities are generally not complex. This Policy has been prepared accordingly.

5. Sustainability

Under Article 5(1) of the SFDR, the Scheme is required to include in its remuneration policy information on how the Policy is consistent with the integration of sustainability risks.

A 'sustainability risk' is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of Scheme investments.

5.1 Integration

This Policy applies to the persons listed in section 1, including those persons who make Scheme investment decisions or who advise on the Scheme's investment strategy and decisions. In some cases, those persons or others who provide services to the Scheme may be required under legislation to include in their own remuneration policy information on how their policy is consistent with the integration of sustainability risks. The Trustees rely on the statements made by such persons in their own remuneration policies in considering whether this Policy is consistent with remuneration provided to those persons. For other persons that this Policy applies to, remuneration is not dependent upon the performance of Scheme investments and this Policy does not encourage excessive risk-taking, including in respect of sustainability risks.

The Trustees consider that, given the nature, scale, size and complexity of the Scheme, as well as the Scheme's system of governance and Conflicts of Interest Policy, the Policy is consistent with the integration of sustainability risks.



6. Conflicts of Interest

The Trustees have adopted a Conflicts of Interest Policy which describes the manner in which conflicts of interest in relation to the Scheme are managed and the steps that the Trustees take and require to be taken to avoid conflicts of interest arising which might prevent them from acting in the best interests of Scheme's beneficiaries.

6.1 Measures aimed at avoiding conflicts of interest

The following specific measures are applied to avoid conflicts of interest arising in the manner that the Trustees or others subject to this Policy are remunerated.



Remuneration basis

Remuneration is fixed or, where performance-based and/or commission-based, should not be structured in a way as to encourage risk-taking which is inconsistent with the risk profiles and rules of the Scheme or in a way which encourages conflicts of interest in respect of the Scheme.



Best interests of beneficiaries

Remuneration will not prevent, or act as a disincentive for, a Trustee or other person who is subject to this Policy taking a position which is in the best interests of the Scheme's beneficiaries



Agreements

The remuneration of all persons to whom this Policy applies will be determined having regard to this Policy and documented in a clear and transparent manner in a formal legal agreement with that person



Application

The Scheme's Internal Audit KFH will be responsible for determining whether this Policy is being applied in each case and on a consistent basis

Version Control

Policy Owner:	Internal Audit KFH
Review Frequency:	This document is reviewed on a triennial basis or whenever there is a significant change in the Scheme which the Trustees consider requires this Policy to be reviewed
Revisions:	Revisions to this Policy are subject to the approval of the Trustees in all cases and must be tracked in the table below

Version No.	Revision Date	Revised By	Revision Description	Approval Date
1.0	DD MM YYYY	Forename Surname		DD MM YYYY



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