

SPOTLIGHT ON THE UK PENSION MARKET: MEMBER NOMINATED TRUSTEES

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What is the role of a member nominated trustee?

Member nominated trustees have been around for a while, and I can speak with a little authority on the topic, insofar as I am one, and I have been one for about the last three years to Mellon's own plan. Their role is the same as any other trustee, they are there to safeguard the interests of the members and to ensure that the longer-term benefits can be paid across to those members. I think a common misconception is that they are slightly second-class in some ways, well, they are not. The only thing that is different between a member nominated trustee or director is the way that they are elected to the post, so they carry out those functions and carry out, as would an independent trustee, or indeed a company nominated trustee.

What is BNY Mellon doing to strengthen ties with member nominated trustees?

BNY Mellon has worked for the last four years with the Association of Member Nominated Trustees, an organisation that has been in existence since around 2010, so coming up for about eight years old now. When we joined with them, say, four years ago, they had about 400 members, well, they are now fast approaching 1,000 members, so they have seen some fantastic growth in terms of their exposure to the market.

What they are looking to do is educate people, educate their members, and ensure that they are properly equipped to deal with the role of being a trustee. As people will be aware, the function of a trustee is in the press quite frequently, and member nominated trustees quite often are laypeople with no experience of the trustee function before they step into the role, so that is what the AMNT is there to do, is to educate them and help fulfil their function properly.

We're proud to have been sponsors for the last four years and we help the AMNT by holding events, educating them in terms of what a custodian does, but equally important for us, we pick up on what is important to the trustee community and that helps guide our future thinking as well.



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