

Conflicts Management Policy - Summary

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1. Introduction

1.1 Background

The Building Unions Superannuation Scheme (Queensland) (BUSSQ) is a registered superannuation entity and BUSS (Queensland) Pty Ltd is an Australian Financial Services Licensee which has been appointed as the trustee for BUSSQ (Trustee / Board).

There are a number of laws which set out BUSSQ and its related entities' obligations to identify, avoid and manage conflicts of interest. The key requirements that apply to BUSSQ are set out in:

- the Superannuation Industry (Supervision) Act 1993 (SIS Act)¹;
- relevant obligations and duties under the Corporations Act 2001 (Cth)²; and
- general law principles.

The Trustee is committed to ensuring that the financial services offered to members are provided efficiently, honestly and fairly, and is committed to building a culture that encourages and supports the identification and declaration of conflicts of interest.

The Trustee must undertake its business operations in the best interests of beneficiaries³. The Trustee and management of BUSSQ must act honestly, perform their duties with the required degree of care, skill and diligence, and perform their duties and powers in the best interests of members⁴. This includes performing duties in a fair and unbiased way, and making decisions that are not affected by self-interest, other affiliations or the likelihood of personal gain or loss.

The Trustee is committed to ensuring where there is a conflict between the duties of the Trustee to the beneficiaries, or the interests of the beneficiaries, and the duties of the Trustee to any other person or the interests of the Trustee or an associate of the Trustee, it will:

- give priority to the duties to, and interests of, the beneficiaries over the duties to, and interests of, other persons;
- ensure that the duties to the beneficiaries are met despite the conflict;
- ensure that the interests of the beneficiaries are not adversely affected by the conflict; and
- comply with the prudential standards in relation to conflicts⁵.

¹ s52(2)(d), 52A(2)(d) and s58A of the SIS Act

² s912A(1)(a) & (aa) Corporations Act

³ S52(2)(c) SIS Act

⁴ S52(2)(b) SIS Act

⁵ S52(2)(d) SIS Act

1.2 Purpose

This policy and procedure forms part of BUSSQ's Conflicts Management Framework (the Framework) and outlines the arrangements to be followed in order to ensure the quality of financial services provided to members is not compromised by conflict of interest and that BUSSQ's reputation is maintained.

The policy is approved by the Board and aims to ensure that BUSSQ identifies all perceived, potential and actual conflicts in its business operations and takes all practical actions to ensure they are disclosed, avoided and/or controlled.⁶

The Board is ultimately responsible for the development and maintenance of the Framework⁷ which consists of the systems, structures, policies, processes and controls within BUSSQ's business operations that identify, assess, mitigate, manage and monitor all conflicts.⁸ It is designed considering BUSSQ's size, business mix and complexity.⁹

1.3 Scope

This policy and any related procedures apply to the Trustee, its Responsible Persons, and employees.

The policy and procedure also apply to all other parties associated with the Trustee that may have the ability to influence decisions made, including but not limited to consultants and contractors.

In the context of personal investment transactions, the Policy extends to **related parties**.

A **Responsible Person** is defined under the provisions of the Fund's Fit and Proper Policy and Procedures and includes:

- Directors of the Trustee
- Chief Executive Officer (CEO)
- Chief Investment Officer (CIO)
- Executive Managers
- Fund/Company Secretary
- External Auditor
- Internal Auditor
- Actuary – if appointed.

Related parties in the context of this policy and procedures are individuals who do not have direct access to sensitive BUSSQ-related investment information but may have indirect access through their relationship to a Responsible Person or employee.

References in this Policy to **employees** include full-time, part-time, casual and voluntary employees, consultants and contractors.

⁶ SPS 521 (8) & (18)

⁸ SPS 521 (9)

⁹ SPS 521 (14)

2. Roles and Responsibilities¹⁰

2.1 Board

The role and responsibilities of the Board in respect of this policy include:

- developing and maintaining a Conflicts Management Framework
- overseeing effective implementation of this Policy
- reviewing reports made under this Policy, including the Register of Relevant Interests and Duties
- reviewing this Policy.

2.2 Audit and Risk Committee (Committee)

The role and responsibilities of the Committee in respect of this policy include:

- oversight and review of reports made to the Committee.

2.3 Executives

The role and responsibilities of the Executives in respect of this policy include:

- ensuring effective implementation of the Policy and Procedures
- reviewing and monitoring management arrangements for conflicts
- reviewing the Registers referred to in the Policy and Procedures.

2.4 Executive Manager, Governance, Risk & Compliance

The role and responsibilities of the Executive Manager, Governance, Risk & Compliance (or their delegate) in respect of this policy include:

- evaluating any conflicts and determining the management arrangements, in consultation with the Executive where necessary
- arranging induction and annual refresher training on conflicts for employees and for Responsible Persons
- keeping records of attendees at conflicts training
- conducting an annual review of the Framework
- arranging the triennial review of the Framework
- reporting to the Executive, Committee and the Board as required.

2.5 Company Secretary

The role and responsibilities of the Company Secretary in respect of this policy include:

- maintaining the gifts and hospitality register, and the conflicts register
- supporting the Executive Manager, Governance, Risk and Compliance in evaluating any conflicts and determining the management arrangements, in consultation with the Executive where necessary.

¹⁰ SPS 521 (15)(b)

2.6 Employees and Responsible Persons

The role and responsibilities of employees and Responsible Persons in respect of this Policy include:

- identifying and reporting conflicts including gifts and hospitality
- complying with any instructions from the Board and management to manage a conflict
- for advice-related roles, providing members and employers with disclosures of conflicts e.g. Financial Services Guide (FSG), as required.

Third parties with whom BUSSQ deals are encouraged to report misconduct in connection with a conflict or management of a conflict either directly to a manager or contact person at BUSSQ or as a whistleblower through the channels outlined in BUSSQ's Whistleblower Policy.

3. Policy Requirements

3.1 What is a conflict of interest?

A conflict arises where there is a conflict¹¹:

- between the duties owed by the Trustee, its Responsible Persons and employees to the Fund beneficiaries and the duties owed by them to any other person;
- between the interests of the beneficiaries and the duties owed by the Trustee, its Responsible Persons and employees to any other person.
- between an interest of the Trustee, an associate of the Trustee or a Responsible Person or an employee of the Trustee, and the Trustee's duties to beneficiaries; and
- between a relevant interest of the Trustee, a Responsible Person or an employee of BUSSQ, and the **interests** of beneficiaries.

A conflict includes actual, perceived and potential conflicts.

An actual conflict involves a direct conflict between the Responsible Person's or employee's BUSSQ duties/interests and their other duties/interests.

A potential conflict arises where a Responsible Person's or employee's other duties/interests, which do not normally conflict with their duty to, or the interests of, beneficiaries, may in certain circumstances conflict with their duties to, or the interests of, beneficiaries.

A perceived conflict can exist where it could be perceived or appear that a Responsible Person's or employee's other duties or interests could influence the performance of their duties. A perceived conflict may not be an actual conflict however perceptions are required to be prudentially managed.

3.2 When is a conflict material?

The relevant duties and interests of the Trustee, Responsible Persons and employees, and in the context of personal investment transactions, their related parties, must be assessed to ensure whether a particular duty or interest raises an actual, perceived or potential conflict and if so, whether that conflict of duty or interest is material. All interests or duties (irrespective of whether they are actual, perceived or potential) which are material must be included in BUSSQ's Register of relevant duties and interests.

¹¹ SPS 521 (7)

A **relevant duty** refers to any duty owed by the Trustee, its Responsible Persons and employees to beneficiaries or to any other person¹².

A **relevant interest** refers to any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held and which has been determined to be material¹³.

An individual's duty or interest is deemed to be '**material**' if it meets any one or more of the criteria in the table below.

Type of duty or interest	Materiality criteria
Directorships & other roles	<ul style="list-style-type: none"> other directorships or management roles in organisations or associations, past or present employee of a BUSSQ sponsor or related organization or association
Investments	<ul style="list-style-type: none"> shares in an Australian or overseas listed entity to the value of \$200,000 or more investments in commercial real estate, infrastructure, private equity, bonds or agriculture to the value of \$200,000 or more
Personal investment transactions including switches	<ul style="list-style-type: none"> personal investment transactions where the individual* may be a party to sensitive BUSSQ-related investment information not generally available, including but not limited to, information about the timing of revaluation of unlisted assets, product changes or any other non-public price sensitive information. <p>*Personal investment transactions extend to transactions by related parties where individuals who do not have direct access to sensitive BUSSQ-related investment information, may have indirect access by way of their relationship to a Responsible Person or employee.</p>
Member of BUSSQ	<ul style="list-style-type: none"> if account balance is \$300,000 or more if insurance cover is more than the default cover
Member of other fund	<ul style="list-style-type: none"> if a member, with an account balance of \$200,000 or more, of another regulated superannuation fund or Self-Managed Superannuation Fund
Gifts	<ul style="list-style-type: none"> Gifts one source or related source to the total value of \$1,000 or more over a financial year
Hospitality	<ul style="list-style-type: none"> Hospitality from one source or related source to the total value of \$1,000 or more over a financial year
Service providers	<ul style="list-style-type: none"> 10% or more ownership, direct or indirect, in a BUSSQ service provider director, officeholder, employee of a BUSSQ service provider close personal relationship (e.g. family, close friend, or close business relationship) with owners, directors or employees of a BUSSQ service provider

¹² SPS 521 (6)

¹³ SPS 521 (6)

The materiality thresholds will be reviewed at each review date according to the following criteria:

- based on the current investment portfolio of the Fund and the agreed investment strategy what level of dividends or investment income from an individual source would equate to an individual portfolio that may affect the investment decision making process of a Responsible Person.
- based on the level of decision-making responsibility within the Fund at what level would gifts and hospitality over a twelve-month period, from one source, be seen as supplementing an employee's or Responsible Person's personal entertainment budget.
- the regularity of gifts and hospitality received from one source over the last year.

4. Reporting and Monitoring

The Executive Manager, Governance, Risk & Compliance will:

- provide the Register of Relevant and Interest and Duties, Conflicts Register and the Gifts and Hospitality Register to each Committee and Board meeting, and any other reports requested
- report to the Committee and Board on reviews of the Framework, and any regulatory changes that may impact on the Framework.

5. Document Review

5.1 Policy Review¹⁴

The Executive Manager, Governance, Risk & Compliance will review the Framework as required and on a biennial basis, to determine whether the Framework remains effective, having regard to:

- any relevant changes to legislative requirements;
- developments in good governance practice;
- recommendations from regulators or auditors;
- ongoing monitoring processes and controls to manage potential and actual conflicts as well as broader compliance with the Framework; and
- any other matters requested by the Committee.

5.2 Independent Triennial Review¹⁵

The Executive Manager, Governance, Risk & Compliance must ensure the internal auditor or another operationally independent, appropriately trained and competent person conducts a comprehensive review of the Framework every three years, and provide a report to the Committee who will make recommendations for changes to the Board.

The comprehensive review will consider the following matters:

- the size, business mix and complexity of BUSS(Q)'s operations, along with any change to its operations and to the external environment.
- whether all relevant duties and all relevant interests have been identified and are being addressed in accordance with BUSS(Q)'s Framework.

¹⁴ SPS 521 (23)

¹⁵ SPS 521 (20), (21), (22)

- level of compliance with the policy, including reporting on the registers of relevant duties and relevant interests
- any non-compliance with the policy and steps taken to return to, and improve, compliance.
- if any changes to the business mix or fund operations have been addressed in the policy. Any review of this Policy will include a review of the Governance Framework, considering the impact of any changes to the Policy on the overall Governance Framework.

6. Procedures for identifying, evaluation and managing conflicts of interest

6.1 Identifying Conflicts

6.1.1 Initial Declaration of Duties and Interests^{16, 17}

Before appointment as a Responsible Person of the Fund or employee, the individual must complete the Statement of Interests and Duties form and include all material duties and interests that meet the criteria set out in section 3.2. The form is provided by Governance, Risk and Compliance.

The Executive Manager, Governance, Risk & Compliance will assess any declared duties and interests and where applicable, record relevant duties and interests in the Register of Duties and Interests (refer to section 6.1.4 - Assessing and Evaluating Conflicts of Interest).

6.1.2 Annual Declaration

All existing Responsible Persons and employees must confirm their disclosed duties and interests remain accurate and up to date on an annual basis by completing the Annual Confirmation form.¹⁸

6.1.3 Notification of Variation of Conflicts

All Responsible Persons and employees must notify the Fund should their circumstances in relation to conflicts change after appointment and joining the Fund and the conflict is deemed material as set out in section 3.2.

Notification of a change in circumstances must be provided to the Executive Manager, Governance, Risk and Compliance by completing a Variation of Statement form. The notification must be provided as soon as practicable and not later than 14 working days from the change.

The Executive Manager, Governance, Risk & Compliance will report the change to the Committee and the Board and update the relevant Register.

6.1.4 Investment transactions disclosures

Responsible Persons, employees and their related parties intending to undertake an investment related transaction on their BUSSQ account must first obtain approval from the Chief Investment Officer (Chief Executive Officer in the case of the Chief Investment Officer). For more information, refer to the procedures within the Personal Superannuation Investment Trading Policy.

¹⁶ SPS 521 (12) & (18)

¹⁷ SPS 521 (19)

¹⁸ SPS 521 (19)

6.1.5 Assessing and Evaluating Conflicts

Except for personal investment transactions*, once a duty or interest has been disclosed, the Executive Manager, Governance, Risk & Compliance will assess and evaluate the disclosure to ensure appropriate action is taken to manage the conflict including, where applicable, recording the duty or interest in the Register of Duties and Interests.

In assessing whether a conflict of interest exists, an evaluation must be made as to whether a Responsible Person or employee of BUSSQ has a duty or interest which is an actual, perceived or potential conflict of interest and if so, whether the conflict is 'material' taking into account the criteria in section 3.2.

In particular, it should be assessed whether the duty or interest raises a perceived, potential or actual conflict between the declared relevant interests and/or duties owed by the Responsible Person to any other person or organisation and their duties to, and/or the interests of, the Fund's beneficiaries¹⁹.

Where this is the case, the Trustee must give priority to the duties to, and interests of, the beneficiaries over the duties to, and interests of, other persons.

*Personal investment transactions will be managed in accordance with the procedures in the Personal Superannuation Investment Trading Policy.

6.1.6 Managing conflicts of interest ²⁰

Once the duty or interest has been identified and assessed as a conflict, the conflict must be avoided if required, or managed and monitored in accordance with the procedures set out in this policy and any related policies, procedures and processes.

The controls used to manage each conflict must be recorded in the relevant Register.

6.1.7 Overview of Controls

Generally, a conflict can be managed by one or more of the following measures:

- a) disclose
- b) avoid
- c) manage

Usually a conflict will not be adequately managed through disclosure alone and other measures should be considered to manage conflicts (where they are not avoided).

Some of the key controls which may be applied for particular types of conflicts are set out below.²¹ Others are set out in the procedures below.

Category	Control
Disclose	<ul style="list-style-type: none">• An employee must disclose the conflict to the member or employer receiving the advice and before providing that advice.• Conflicts must be disclosed as they arise in Board meetings so they may be managed in an appropriate manner. To ensure this occurs,

¹⁹ SPS 521 (19)

²⁰ SPS 521 (18) & (19)

²¹ SPS 521 (18)

	<p>the Chair of the Board and Committees must ask for conflicts arising out of the agenda to be disclosed at the beginning of any meeting.</p> <ul style="list-style-type: none"> • Material relationships that affect advice to members are clearly disclosed in the Financial Services Guide (FSG).
Avoid	<ul style="list-style-type: none"> • A Responsible Person cannot be a Responsible Person of another APRA regulated superannuation fund. • A Responsible Person does not participate in any discussion on the affected matter. • A Responsible Person leaves the room while the matter is being discussed. • A Responsible Person does not vote on the matter. • An employee should not provide advice to a member or employer where a conflict exists. • An employee or Responsible Person should not engage in any online activity (including social media, blog posts and review posts) that is in conflict with the Code of Conduct or their BUSSQ employment or Responsible Person role, as applicable. • If the Board deems the conflict cannot be managed, subject to obtaining legal advice the Board may direct the conflicted person to avoid the conflict by either disposing of the relevant interest or resigning from the position that gives rise to the conflicting duties. • The conflicted person must take no part in the decision-making process when a service provider, investment manager is being appointed or a budget decision is being made that concerns the conflict e.g. where a Director holds a position, whether paid or otherwise, with another APRA regulated superannuation fund.
Manage	<ul style="list-style-type: none"> • Conflicts arising in relation to service providers may be managed in accordance with section 6.1.7. • Conflicts arising in relation to an employee and additional employment held outside of BUSSQ can be managed through approval from the employee's direct supervising manager, provided the other employment activity is not with another Fund or is otherwise related or associated with the Fund or its activities, or in conflict with their employment at BUSSQ. • Managing conflicts arising during Board meetings in accordance with section 6.1.8. • Conflicts arising in connection with advice or services provided to members will be managed in accordance with section 6.1.9.

6.1.8 Managing Conflicts arising in relation to Service Providers

Generally, only independent parties are permitted to be appointed as service providers and the decision makers in respect of any appointments must declare that no conflict exists.

However, there may be circumstances where it is appropriate that a service provider that is associated with BUSSQ, its Responsible Persons or employees can be considered for appointment (e.g. where there are a limited number of service providers or the service provider has a pre-existing relationship prior to the conflict arising or where the service provider offers the best value or service to beneficiaries).

To ensure that a potential or actual conflict arising in these circumstances is appropriately dealt with, the following control measures will apply:

- The Responsible Person or employee who has the conflict must disclose it and is prohibited from receiving any benefit (financial or nonfinancial, direct or indirect) as a result of the Fund appointing that service provider;
- The Responsible Person or employee who has the conflict is prohibited from being the decision-maker or otherwise being involved in the decision-making process, during the tender process or during any contract or pricing discussions and is prohibited from being the decision-maker or otherwise being involved any subsequent processes to renew the contract.

6.1.9 Managing Conflicts arising during Board Meetings or Meetings of any Committee of the Board

Disclosures relating to conflicts must be a standing item on the agenda. The Chair of the Board or any Committee will seek disclosure of conflicts at the start of each Board/Committee meeting. If the conflict was not identified by the Responsible Person from the Board/Committee materials but becomes apparent during the meeting, the Responsible Person must immediately make the disclosure upon becoming aware that there is a conflict.

If a conflict is disclosed the following control measures will apply: ²²

- The conflict must be recorded in the minutes.
- A decision should be made by the other Board/Committee members not affected if they believe the conflict is material to the subject being discussed.
- If the Board/Committee decide that the conflict is material, the person affected by the conflict must then be requested to not participate in any discussion on the affected matter or leave the room while the matter is being discussed, and not vote on the matter.
- If the conflict is material, the Board's/Committee's actions to manage the conflict must be recorded in the minutes and the Conflicts Register.
- If the conflict is not material, it should be recorded in the minutes but no further action is required.

Should a Responsible Person not attend a Board meeting they should declare their conflict to the Executive Manager, Governance, Risk and Compliance who will advise the Board at the next meeting.

Persons reporting potential instances of conflicts under this Clause will be protected under the provisions of the Fund's Whistle Blowers Policy and Procedures.

6.1.10 Managing conflicts arising in connection with services provided to members

Employees must provide a member or potential member with an FSG before providing advice.

Should an employee be in a situation where the advice to be given to a member or potential member may represent a conflict of interest due to that employee's relationship with a Fund sponsor or service provider, the employee should:

- disclose the conflict of interest to the member; and
- offer the member another employee to deal with.

²² SPS 521 (18) (e)

6.1.11 Dealing with Suspicions of Conflict

It is important that all duties and interests are identified to ensure the Trustee complies with its paramount duty to members and to ensure all conflicts are appropriately controlled. All persons are encouraged to raise conflicts or duties or interests irrespective of whether it involves them or not. Persons reporting potential instances of conflicts of interest under this Clause will be protected under the provisions of the Fund's Whistleblowers Policy and Procedures.

6.1.12 Procedure for reporting a suspicion arising with a Responsible Persons

If there is a reasonable basis for suspecting that a Responsible Person has a conflict that has not been disclosed, this concern should be raised in confidence with the Chair who must then discuss the conflict with the Responsible Person. If a conflict arises, it must be disclosed at the next Board meeting.

Should it be suspected that the Chair has a conflict that has not been declared it should be raised in confidence with the Chair of the Committee who will then discuss it with the Chair. If a conflict arises, it must be disclosed at the next Board meeting.

If a Responsible Person is unwilling to explain the nature of the conflict in sufficient detail for the Chair/Chair of the Committee to deal with it appropriately, then that person will be required to withdraw from further meetings where that conflict could jeopardise the Fund providing its financial services efficiently, honestly and fairly and not be in receipt any further communications regarding the matter.

Non-compliance by a Responsible Person with any policy or procedure under the Framework or any refusal to obey the direction of the Board regarding management of conflict should be addressed by the Board. If the Responsible Person is unwilling to give priority to the duties to, and interests of, the beneficiaries then the Chair will be responsible for raising the Responsible Person's ongoing fitness with the Board and a decision made on their ongoing position with the Fund.

6.1.13 Procedure for reporting a suspicion arising with an Employee

If there is a reasonable basis for suspecting that an Employee has a conflict that has not been declared, the matter should be raised with the Executive Manager, Governance, Risk & Compliance who will decide on a course of action after consulting the CEO.

If an employee is unwilling to explain the nature of the conflict in sufficient detail for the CEO to deal with it, then that person will be prohibited from taking any further actions that may jeopardise the Fund providing its financial services efficiently, honestly and fairly. The CEO will be responsible for deciding if the conflict makes the employee unsuitable for their current duties or position within the Fund. If the CEO deems that the conflict makes the employee unsuitable for their current duties or position and the employee will not take steps to manage the conflict, then the employee will be managed as per the Fund's relevant HR policies and procedures.

Employees are required to disclose conflicts as they arise to the Executive Manager, Governance, Risk & Compliance, who in conjunction with that person's manager and the CEO, will agree on what actions should be taken to protect beneficiaries' interests.

If there is a reasonable basis for suspecting that an employee has a conflict that has not been declared, the matter should be raised with the Executive Manager, Governance, Risk and Compliance who will decide on a course of action after consultation with the CEO.

The CEO will be responsible for deciding if the conflict makes the employee unsuitable for their position within the Fund. If the CEO deems that the conflict makes the employee unsuitable for their position and the employee will not take steps to manage the conflict, then the employee will be managed as per the Fund's relevant HR policies and procedures.

Non-compliance by a Representative or employee with any policy or procedure under the Framework, or any refusal to obey the direction of the CEO regarding management of a conflict, should be addressed by the CEO and if the employee is unwilling to give priority to the duties to and interests of the beneficiaries then the CEO will be responsible for deciding if the conflict makes the employee unsuitable for their current duties or position and manage the person as per the Fund's HR Policy.

Persons reporting potential instances of conflicts under this Clause will be protected under the provisions of the Fund's Whistle Blowers Policy and Procedures.

6.2 Gifts and Hospitality

Often gifts and hospitality are offered as part of normal business to business relationship building. The Trustee promotes a culture of integrity and transparency where gifts or hospitality that imply a conflict of interests are not accepted. As a guiding principle, gifts and hospitality should be nominal in value.

All hospitality and gifts to the value of \$250 or more received by Responsible Persons, or employees are to be advised to the Company Secretary and entered in the Gifts and Hospitality Register. Hospitality and gifts under \$250 do not need to be declared. Declarations need to include provider name and relationship to Trustee, date, approximate value and details of each gift and/or hospitality.

Hospitality is deemed to be any function where the employee of the organisation providing the hospitality is also present. This includes invitations to sporting matches, entertainment and functions.

If the hospitality, such as tickets to a sporting match, is to be used at a time or date to be decided by the recipient or, the organisation providing the tickets is not present and hosting the function, then it is deemed to be a gift.

Gifts (such as pens, bottles of wine and hampers) to be used by an individual in a private capacity are deemed to be gifts. Gifts provided to the Trustee as a whole (such as Christmas hampers) should be included in the Register but not allocated to a particular person.

Hospitality with a value of over \$1,000 per person should not be accepted. Gifts with a value of more than \$500 should not be accepted. Gifts of cash or gift cards or certificates must not be accepted. Gifts and hospitality are not to be solicited.

Conference costs sponsorship that includes airfares and accommodation should not be accepted without prior approval by the Board. Acceptance of conference costs sponsorship should be assessed in line with the type of conference, relevance to the Trustee and the development and training requirements of the Responsible Person or employee.

Gifts or hospitality should not be accepted where there is a tender process in place.

In cases where a gift or hospitality exceeds \$1,000 across a financial year this information will be recorded in the Gift and Hospitality Register and the Register of Relevant Interests and Duties. This will ensure transparency in that regular gifts or hospitality may give rise to a potential or actual material conflict. While the Company Secretary will use the disclosure of individual gifts and hospitality (i.e. needed when it is over \$250) to update the Register of Interests and Duties, Responsible Persons and employees are expected to abide by the

intent of this Policy.

The Gifts and Hospitality Register is to be reviewed at each People, Culture, Remuneration and Nominations Committee meeting to help identify where gifts and hospitality may result in a potential or actual conflict of interest.

6.3 Record Keeping

6.3.1 Register of Duties and Interests

The following registers are to be maintained and used by the Board to identify, assess, manage or avoid any actual and potential conflicts. The registers of relevant duties and interests are to include details of the duty or interest, the nature of the conflict and the controls used.

- Register of Relevant Interests and Duties ²³
- Register of Relevant Interests – Trustee Level
- Conflicts Register (date, conflict and how it is to be managed) which will document actual conflicts as they arise. This will allow ease of oversight for the Committee to ensure conflicts are dealt with as per the registers and policy and that all conflicts are correctly documented in the registers.
- Register of Gifts and Hospitality.

Registers are to be updated as required by legislation – within 20 business days for most changes.

6.3.2 Other Record Keeping

The Executive Manager, Governance, Risk & Compliance must ensure implementation of this Framework is evidenced by appropriate records and those records are securely maintained and kept confidential, for a minimum of 7 years. At a minimum, the following types of records should be maintained:

- all declarations and notifications of conflicts
- records of any assessment or evaluation of conflicts including correspondence
- records evidencing actions taken to respond to conflicts
- all Registers referred to in this Policy
- minutes of meetings disclosing or discussing management of conflicts.

6.4 Training and Awareness ²⁴

The Executive Manager, Governance, Risk & Compliance must make the policy available to all potential Responsible Persons and Representatives to ensure they understand the need to declare all potential and actual conflicts before appointment, the circumstances that might give rise to a conflict, and their obligations under this policy.

All Responsible Persons will be provided with copies of the policy and procedures within the Framework whenever there is a change.

The Executive Manager, Governance, Risk & Compliance must ensure employees and Responsible Managers receive induction and annual refresher training on the Framework.

²³ SPS 521 (15) (c) and (d)

²⁴ SPS 521 (11) and (17)