

# Conflicts Management Policy

Togethr Trustees Pty Ltd

Togethr Financial Planning Pty Ltd

Togethr Asset Management Pty Ltd

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## 1. Introduction

Togethr Trustees Pty Ltd (the Trustee) is committed to serving our members by delivering excellence in super, delivered with care. The Conflicts Management Policy establishes the standards of behaviour, analysis and review that is expected from all directors, employees and contractors of the Trustee, as trustee of the Equisuper Superannuation Fund (the Fund). Our commitment to excellence in governance is reflective of our intention to always act in the best financial interests of our members and to continue to build an innovative, responsive and customer-led organisation.

In relation to the identification and management of actual, potential or perceived Conflicts of Interests and Duties (Conflicts), requirements are imposed under:

- a) Superannuation Industry (Supervision) Act 1993 (SIS Act);
- b) APRA Prudential Standard SPS 521 – Conflicts of Interest (SPS 521);
- c) Corporations Act 2001 (Cth)
- d) ASIC Regulatory Guide 181 Licensing: Managing conflicts of interest;
- e) ASIC Regulatory Guide 175 Licensing: Financial product advisers – Conduct and disclosure and the Code of Ethics (established by the standards body for Part 7.6 of the Corporations Act 2001 (Cth));
- f) Australian Financial Services Licence (AFSL); and
- g) Registrable Superannuation Entity Licence (RSE Licence).

In response to these requirements, a framework of conflicts management documents has been developed. The Conflicts Management Policy (the Policy) forms part of the Governance Framework.

Documents comprising the framework for conflicts management:



Related policies include:

- a) Code of Conduct;
- b) Whistleblower Protection Policy; and
- c) Compliance Management Framework.

All of these documents should be considered together.

The Policy is designed to enable the identification and management of Conflicts that may arise for the Trustee and its related party entities Togethr Financial Planning Pty Limited (TFP) and Togethr Asset Management Pty Ltd (TAM), individually a Group Entity, and collectively the Group Entities or the Group, in their respective capacity as:

- a) Trustee of the Fund;
- b) product issuer and distributor;
- c) provider of advice to Members and Clients; and

- d) investment management services on behalf of the Fund.

In accordance with the Trustee's good corporate governance principles, the Group takes responsibility to identify and manage Conflicts very seriously. The proper management of Conflicts is important in protecting the best financial interests of the Beneficiaries of the Fund (Members) and the interests of TFP Advice Clients (Clients).

## 1.1 Policy Application

This Policy applies to:

- a) Directors;
- b) Responsible Persons;
- c) Responsible Managers;
- d) Employees, secondees, contractors (Employees); and
- e) representatives of the Group.

(Designated Persons)

Or an Associate of any of the above (Associate).

An Associate can be:

- a) your partner or spouse;
- b) children, children's partners or spouses;
- c) partner spouse's parents or family (in-laws);
- d) close family, personal or business connections; or
- e) as defined in section 12 of the SIS Act, which refers to the relevant definitions contained in sections 10 to 17 of the Corporations Act.

## 1.2 Objectives and priority to members and clients

Conflicts can improperly influence, and therefore interfere with the integrity of, decision-making and the exercise of unbiased judgment having regards to the best financial interests of the Members and interest of Clients. The objective of this Policy is to provide an effective structure to:

- a) identify Conflicts that may affect the integrity of decision-making by the Group, Designated Persons or the quality of the provision of financial services;
- b) ensure that the duties to, and best financial interests of, the Members and Clients receive priority over the duties to, and interests of, other persons;
- c) ensure the duties to Members and Clients are met despite the existence of Conflicts;
- d) ensure the best financial interests of Members and the interests of Clients are not adversely affected by Conflicts;
- e) ensure all identified Conflicts are managed in an appropriate, effective and consistent manner; and
- f) comply with the relevant legislative obligations in relation to managing Conflicts.

## 2. Conflicts Management Culture

### 2.1 Cultural values

The Group's Conflicts management culture may be demonstrated through:

- a) **Openness** – the requirement to disclose all interests and duties is well understood, accepted and followed throughout its business operations. All Designated Persons are expected to proactively disclose their interests and duties at the time of their appointment and on an ongoing basis;
- b) **Transparency** – a summary of the Group Conflicts Management Policy and the Register of Relevant Conflicts of Interests and Duties, will be made publicly available on relevant websites;
- c) **Recruitment and professional development** – there are procedures in place which require the initial disclosure of interests and duties upon appointment/employment/engagement, as well as ongoing disclosure through the term of appointment/employment/engagement.
- d) **Service provider engagement** – there are procedures in place which require the initial disclosure of all interests and duties by both the Group's respective contracting entity and the service provider (including arrangements for sponsorship by the Group and partnerships with third parties) upon appointment/engagement, as well as ongoing disclosure throughout the term of appointment/engagement.
- e) **Policies that encourage and support whistleblowing** – a Whistleblower Protection Policy is in place to encourage current and former employees, officers, contractors and service providers to speak up when they see something that they do not believe is right, including conflicts of interest. The policy sets out mechanisms whereby employees and others can report their concerns freely and without fear of repercussion. For more information, see the Whistleblower Protection Policy.

### 2.2 Maintaining a conflicts management culture

The Group is committed to maintaining an effective conflicts management framework at all times which:

- a) provides reasonable assurance that Conflicts that may result in a Group Entity or a Designated Person acting improperly to the detriment of the Members or Clients are being clearly identified and disclosed, then assessed and either avoided or prudently managed, in a timely manner and having regard to the size, business mix and complexity of its business operations;
- b) mitigates and manages the risk that a Group Entity may be perceived to have acted improperly, which may affect the reputation of its business operations; and
- c) meets with legislative and regulatory requirements.

### 2.3 Risk Culture

As reflected in the Group's Risk Appetite Statements, the Group is averse to governance risk. The Group has no appetite for failing to meet appropriate governance standards, significant regulatory breaches or deliberate failure to comply with Group or Trustee policies, including the Conflicts Management Policy.

The risks associated with failing to properly manage Conflicts include, but are not limited to:

- a) the risk of a Conflict arising in relation to the Trustee's relationship with other Group Entities;
- b) the risk of a Conflict arising when dealing with sponsorships by the Trustee and partnerships with promoters of value-added products and services to Members and Clients; and
- c) the risks of Conflicts arising for Designated Persons.

### 3. Roles and Responsibilities

The following key roles are important for the establishment, implementation and oversight of the Conflicts Management Policy:

<b>Role</b>	<b>Responsibilities</b>
Trustee Board (the Board)	<p>The Board is ultimately responsible for ensuring that the Trustee meets all legislative and regulatory requirements.</p> <p>The Board has delegated responsibility to the Governance and Rewards Committee for development, maintenance and approval of the Policy.</p>
TFP Board	<p>Adoption of this Conflicts Management Policy.</p> <p>Ensuring that all TFP Directors, employees and representatives understand the need to identify all potential Conflicts, the circumstances that might give rise to a Conflict, the content and purpose of this Policy and their obligations under the Policy.</p> <p>Ultimately responsible for ensuring that TFP meets all legislative and regulatory requirements.</p>
TAM Board	<p>Adoption of this Conflicts Management Policy.</p> <p>Ensuring that all TAM Directors, employees and representatives understand the need to identify all potential Conflicts, the circumstances that might give rise to a Conflict, the content and purpose of this Policy and their obligations under the Policy.</p> <p>Ultimately responsible for ensuring that TAM meets all legislative and regulatory requirements.</p>
Governance and Rewards Committee (GRC)	<p>The GRC is responsible for maintenance and approval of this Policy, in particular:</p> <ul style="list-style-type: none"> <li>a) ensuring that there are procedures in place that require incoming Responsible Persons to disclose all interests and duties before appointment;</li> <li>b) ensuring that all Designated Persons understand the need to identify all potential Conflicts, the circumstances that might give rise to a Conflict, the content and purpose of this Policy and their obligations under the Policy;</li> <li>c) approving the conflict management strategies and specific conflicts management controls for Conflicts that have been defined in the Register of Relevant Conflicts of Interests and Duties and considering any other conflict management issues that may otherwise come before the Board;</li> <li>d) receiving and monitoring reports about the operation of the conflicts management framework;</li> <li>e) considering any breaches or complaints that raise Conflicts issues;</li> <li>f) considering reports from the Conflicts Officer about the operation and effectiveness of the conflict management strategies and controls;</li> <li>g) reviewing this Policy and approving the changes recommended by the Conflicts Officer; and</li> </ul>

Role	Responsibilities
	h) reporting issues to the Chair or the relevant Board as it considers appropriate.
TFP Assurance, Risk & Compliance Committee (TFP ARCC)	<p>Responsible for the review of this Policy and for making a recommendation to the TFP Board for adoption of this Policy.</p> <p>Monitor and oversight the operation of the Policy and its associated supporting Policies in respect to TFP.</p> <p>Oversight the allocation of resources to enable compliance management.</p> <p>Obtain assurance that management monitoring and oversight of Policy compliance is occurring.</p>
Chief Executive Officer (CEO)	The CEO is responsible for promoting and supporting good corporate governance practices across the organisation.
Conflicts Officer (CO)	<p>Unless the Board determines otherwise, the Executive Officer, Governance and Risk (EOGR), will be the CO.</p> <p>The CO has direct access to all Group Entity Boards and Committees. The CO is responsible for:</p> <ul style="list-style-type: none"> <li>a) the implementation and operation of this Policy, including coordination of the identification, recording and management of conflicts in accordance with the Policy;</li> <li>b) maintaining the Conflicts Registers;</li> <li>c) reporting to the GRC in relation to the maintenance and operation of the Policy;</li> <li>d) in consultation with the CEO, considering and recommending to the GRC effective organisational arrangements and measures for managing conflicts (including any amendments to ensure the adequacy of this Policy); and</li> <li>e) annually reviewing the Policy (and its constituent documents) in accordance with clause 14.1 and making any recommendations to the GRC for changes.</li> </ul> <p>The CO will also provide guidance on conflicts management generally and arrange for external advice to be obtained to assist in determining whether there is a Conflict and the appropriate strategies and controls to manage the Conflict, where appropriate.</p> <p>As the Group Company Secretary, the EOGR is also responsible for ensuring that the minutes of meetings of each Board and Committee, disclose adequate and appropriate details of matters disclosed and discussed in relation to declarations of Conflicts that occur during meetings. The accuracy of the minutes of each Board and Committee meeting are ultimately the responsibility of the relevant Board and Committee Chairs.</p>
Head of Risk	Responsible for oversight of risk functions relating to the Policy, including ensuring that a comprehensive review of this Policy is undertaken at least every three years.



<b>Role</b>	<b>Responsibilities</b>
Head of Compliance	Responsible for monitoring and reporting compliance with this Policy, including the required disclosures and approved management controls under this Policy.
Responsible Managers	Appointed by each licensee, to enable the AFSL holder to demonstrate competence to provide the financial services under its license. Responsible for identifying Conflicts as part of overseeing the significant day-to-day decisions about the ongoing provision of financial services.
Risk and Compliance business resources (1 <sup>st</sup> line)	Take business line ownership for effective implementation of the Conflicts Management Policy, including its associated supporting policies. Identify and report incidents relating to conflicts management. Undertake monitoring and supervision activities and take action, including escalation, where failures are identified.
Compliance Team (2 <sup>nd</sup> line compliance)	Support business units in identifying, assessing and managing their conflict management obligations. Perform control testing and second line assurance activities.
Responsible Persons, Employees and Other Representatives	Have a direct personal responsibility to: <ul style="list-style-type: none"> <li>a) identify and report Conflicts that may affect them;</li> <li>b) comply with this Policy; and</li> <li>c) adhere to and observe the conflicts management controls determined under this Policy.</li> </ul> <p>Attestations of compliance with these obligations must be provided in accordance with the Compliance Management Framework.</p> <p>External Responsible Persons will provide an annual confirmation of compliance.</p>

## 4. Defining a Conflict

Conflicts can be of two main types:

- a) a conflict of interest arises when the personal interests of a Designated Person diverge or may diverge from those of the Members or Clients.

An example is where a Designated Person stands to gain financially from a particular decision.

- b) a conflict of duty arises when a decision maker has competing loyalties (i.e., when a duty owed to another party diverges or may diverge from the duty owed to the Members or Clients).

Examples include:

- a) if a Director is also a Director of a service provider to the Fund;
- b) if a Group Entity's Investment Committee were to consider any directly held asset investment opportunities in which a member of the Investment Committee held a material investment, or if a member of the Investment Committee had an investment vehicle which was also seeking to invest; and
- c) if a Financial Adviser recommends a group product without consideration of other alternatives.

## 4.1 Types of conflicts

The Group recognises that Conflicts can exist between:

- a) the relevant duties owed by a Group Entity or a Designated Person to the Members or Clients, and the duties owed by them to any other person or entity (i.e., competing duties);
- b) the relevant duties owed by a Group Entity, a Designated Person or their Associate to any other person or entity, and the interests of the Members and Clients (i.e., duty versus interest);
- c) the relevant interests of a Group Entity or a Designated Person or an employee and their duties owed to the Members or Clients (i.e., interests versus duty); and
- d) the relevant interests of a Group Entity, a Designated Person, an employee or their Associate, and the interests of the Members and Clients (i.e., competing interests).

The Conflicts Management Toolkit on page 23, contains practical guidance and tools to assist in the recognition and proper management of conflicts. It also provides examples of how conflicts arise in certain circumstances and why they should be managed.

Conflicts may be:

- a) **Actual** – conflicts that already exist;
- b) **Potential** – conflicts that may arise in the future or in certain circumstances; or
- c) **Perceived** – conflicts where others may envision a conflict, even though technically one does not exist. For example, where a third party, who may not be privy to all relevant information to the situation at hand, may perceive that a conflict exists.

A reference to Conflicts in this Policy is to any form of Conflict.

## 4.2 Definition of relevant interests

The Group considers a relevant interest to be any interest,<sup>1</sup> gift, emolument or benefit, whether pecuniary or non-pecuniary,<sup>2</sup> that:

- a) is held or received by a Group Entity, a Designated Person or their Associate; and
- b) may conflict with the best financial interests of the Members or the interests of Clients.

Gifts, emoluments or benefits that meet the materiality threshold are recorded in the Gifts, Benefits and Hospitality Register.

## 4.3 Determining the materiality of relevant interests

The Trustee Board will from time to time agree a dollar amount (\$Amount) or percentage value (%Value) to be applied in determining whether relevant interests are considered to be material taking into consideration legislative and/or industry guidance. In determining the \$Amount or %Value, the Trustee Board will consider whether a relevant interest of that \$Amount or %Value is likely to have a significant impact on the capacity of a Group Entity or a Designated Person to act in the best financial interests of Members and the interests of Clients. In addition, an interest will be material if the Conflicts Officer considers it likely that a reasonable person would believe that they could be influenced by the interest.

The Trustee Board will periodically review the materiality thresholds having regard to the Group's business

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<sup>1</sup> an interest would include a shareholding or other ownership interest, right or entitlement.

<sup>2</sup> an interest would include a shareholding or other ownership interest, right or entitlement.

operations and the Fund's circumstances.

Until further review:

- a) the materiality threshold for gifts, benefits and hospitality is \$100 (whether one-off or cumulative total from the same person/organisation); and
- b) The following interests are regarded as material:
  - i) **Major shareholdings:** a shareholding in a company (private or public) or investment vehicle that has an aggregate value of at least \$100,000, or a shareholding greater than 10% of the total amount on issue (whichever is the lesser), either directly held by a Designated Person or their Associate, or held through a company or trust (including an SMSF or family trust) where a Designated Person or their Associate are a beneficiary.
  - ii) **Other material benefits:** a material financial or non-financial benefit, either personally held by a Designated Person or their Associate, in any entity which is or may be appointed as a service provider to a Group Entity, including any related party service provider; and
  - iii) **Contractual arrangements:** any contractual arrangement between a Designated Person or their Associate, where the Designated Person or their Associate receives a benefit (other than salary or fees paid by a Group Entity for their services as a Responsible Person).

#### 4.3.1 Materiality regardless of monetary discretion

Irrespective of the \$Amount of a particular interest, it is still possible that the interest could, or might be perceived to, affect the ability of a Designated Person to exercise independent judgment or to perform their duties or functions in the best financial interests of the Members and the interests of Clients. Interests of any \$Amount are therefore required to be declared, even if they are not ultimately considered to be material.

#### 4.3.2 Material personal interests

In addition to the identification, assessment, recording and management of interests and duties, each Director of a Group Entity has a statutory duty to notify the other Directors of that entity, of any material personal interest in a matter that relates to the affairs of the Group. The notice must give details of the nature and extent of the interest and how it relates to the affairs of the Group. Notice must be given at a Board or Committee meeting as soon as practicable (but no later than 7 days) after the Director becomes aware of their interest in the matter and the details must be recorded in the minutes of the meeting.

The requirement to give notice of material personal interests can be satisfied by a Director giving a standing notice of the nature and extent of the interest. This Policy acknowledges and facilitates the satisfaction of this duty, but the onus is on each Director to ensure that they comply with the statutory obligation.

The obligation to disclose material personal interests extends to material personal interests of an Associate of the Director.

In the case of material personal interests of an Associate of a Director, a confidential declaration may be made to the Chair of the relevant Board or Committee in the first instance. This is to balance disclosure requirements with any privacy implications for the Associate.

### 4.4 Definition of relevant duty

A relevant duty is defined as any duty owed to another person or entity that may conflict with the duty owed by a Designated Person to the Members or Clients (i.e., competing loyalties).

## 4.5 Determining the materiality of relevant duties

A relevant duty will be assessed as material if it is considered that the relevant duty could have a significant impact on the capacity of a Designated Person to exercise independent judgement and act in a manner that is consistent with prioritising the best financial interests of Members and the interests of Clients.

When in doubt as to whether a relevant duty is material, the Designated Person should disclose the duty, so that it can be properly assessed.

## 4.6 Switching between investment options

The Group considers that 'switching' between investment options may generate conditions that could be perceived as a Conflict.

Frequently, people assume that inside information only applies to shares, however Australian law has a much broader application. The Group identifies the following actions as 'switching' or 'trading':

- a) the transfer of money from one investment option to another (Switching);
- b) disposal of a holding within an investment option (Selling); and
- c) acquisition of a holding within an investment option (Buying).

An Improper Use of Information Policy has been established to prevent the improper use or perceived improper use of Equip's Inside Information.

# 5. Conflict Management Processes

## 5.1 Effective management of conflicts

Effective management of Conflicts involves the following processes:

- a) identification of the Conflict;
- b) application of a recognised range of strategies for the management of Conflicts;
- c) documenting in the meeting minutes the reasoning process for the applied conflict management strategy;
- d) periodic review of the effectiveness of the conflict management controls; and
- e) an attestation process to be completed by Designated Persons to declare their understanding of the Conflicts Management Policy and that they complied with the policy during the period of the attestation.

# 6. Identification of Conflicts

## 6.1 Identifying conflicts of Designated Persons and their Associates

The following measures have been adopted to identify Conflicts:

- a) all new Directors must complete a formal declaration of interests and duties, and confirm that they are willing to comply with the Conflicts Management Policy, before taking up their appointment as a Director;
- b) all new Responsible Persons (other than a Director) and any existing employee who assumes the role of a Responsible Person, must complete a formal declaration of interests and duties, and confirm that they are willing to comply with the Conflicts Management Policy, before taking up their appointment;
- c) all new employees are required to confirm that they are willing to comply with the Conflicts

Management Policy at the time of employment;

- d) any Conflicts relevant to the business of the meeting must be declared as a standing agenda item at all Group Entity Board and Committee meetings;
- e) all Directors, Internal Responsible Persons and employees are required to enter all gifts, entertainment or other hospitality received in the course of performance of their role in the Gifts, Benefits and Hospitality Register, and to complete a declaration where:
  - i. they have received gifts, benefits or hospitality in excess of the materiality threshold; and
  - ii. they have given any gifts, benefits, or hospitality that was not approved by a person authorised to do so under the Gifts, Benefits and Hospitality Policy;
- f) all Directors are required to review their formal declaration of interests and duties on a quarterly basis; and
- g) all Responsible Persons (other than Directors) and employees are required to review their formal declaration of interests and duties annually.

#### **6.1.1 Notification by Designated Persons**

All Designated Persons have an ongoing obligation to advise the Conflicts Officer immediately when they become aware of any circumstance that may give rise to a Conflict.

If there is uncertainty as to whether a Conflict exists, it should be discussed with the Conflicts Officer.

The Conflicts Officer must assess the potential impact of identified Conflicts upon the Group and determine whether it should be referred to the relevant Board for consideration.

#### **6.1.2 Notification at Board and Committee meetings**

As a standing agenda item, Directors and relevant Responsible Persons have the opportunity to declare any specific Conflicts relating to a matter to be considered at a Board or Committee meeting. Any such declarations will be recorded in the minutes and, if it is a relevant interest or duty, the assessment and management strategy applied, in accordance with this Policy, will also be recorded in the minutes.

Where a conflict in relation to the matter scheduled to be considered is identified before the meeting, the Director or Responsible Person must disclose the matter to the Conflicts Officer before the meeting so that the Conflicts Officer can confer with the Chair of the meeting.

## **6.2 Identifying operational conflicts**

The Conflicts Officer will co-ordinate an annual survey of the Group's strategic initiatives and operating priorities with a view to identifying any structural or operational Conflicts, by making inquiries of the Group's internal Responsible Persons.

## **6.3 Service providers**

The Conflicts Officer will undertake regular and thorough enquiries to identify all Conflicts arising from the Group's relationships, and the relationships of its Responsible Persons and employees, with existing or prospective service providers or advisors, to identify relationships that have the potential to adversely affect a service provider's performance in respect of the obligations undertaken in relation to the Group's business operations.

### 6.3.1 Initial identification of conflicts

As part of the procurement due diligence process conducted prior to appointment, the Group requires each of its service providers to declare all Conflicts that they are aware of (including Conflicts they may have with other service providers of the Group). Service providers are also requested to confirm that they are willing to comply with this Policy.

Before the selection and appointment of a new external service provider or advisers, a notice will be circulated to all relevant Responsible Persons and employees seeking a declaration of any relationships (including relationships held by an Associates) or any other Conflict with respect to the proposed service provider or adviser.

Where a Director or Responsible Person also holds a responsible person role, or has a relationship, either directly or through an Associate, with a service provider, there is likely to be an inherent conflict of interest. This must be disclosed.

### 6.3.2 Ongoing identification

As part of the annual Fit and Proper assessment process, all Responsible Persons are provided with a list of material service providers and requested to disclose any contractual arrangements (financial or non-financial benefits) between themselves or an Associate, in any entity which is or may be appointed as a service provider to the Group or to a related company of the Group, including any related party service providers.

## 6.4 Identifying emerging conflicts

All Designated Persons must be vigilant in ensuring that all Conflicts are identified and managed in accordance with this Policy and, on an ongoing basis, must identify and notify the Conflicts Officer of:

- a) any new Conflicts that may affect them personally or their Associate; and
- b) any new Conflicts that may affect the Group's business operations.

as and when they arise and as soon as is practicable when the Designated Person becomes aware of a Conflict.

If in doubt as to whether the circumstances give rise to a Conflict, the person should consult the Conflicts Officer. Where necessary, the Conflicts Officer will arrange for external advice to be obtained.

In the event of an emerging Conflict held by an Associate of a Director, the Director may make a confidential disclosure to the Chair of the relevant Board or Committee in the first instance. In the event that an Associate of any other Designated Person has a Conflict, the Designated Person may make a confidential disclosure to the CEO in the first instance. Upon a confidential disclosure being made, the Chair of the relevant Board or the CEO (as the case may require) will make an assessment and determine whether the Conflict is required to be disclosed on the Standing Disclosures or to the Conflicts Officer.

## 7. Strategies for Managing Conflicts

The Group has approved a number of high-level strategies that may be used to manage identified Conflicts, with the appropriate approach to be determined having regard to the circumstances of each specific case.

The three main strategies that may be used, individually or in combination, are disclosure, control and avoidance.

### 7.1 Disclosure

Certain Conflicts can be managed through the use of clear, concise and effective disclosure of the Conflict.

Clear, concise and effective disclosure involves informing the Conflicts Officer and persons who may be affected

by the Conflict (for example, the Members and Clients, other Board members, or the parties involved in the particular transaction) about the nature of the Conflict, with sufficient detail to indicate how the existence of the Conflict might affect them.

Disclosure must be made in a timely manner (preferably in writing) and must not be expressed in vague or confusing terms.

Where disclosure of a Conflict is to be given to the relevant potentially impacted Members or Clients, it may be provided through a relevant product disclosure statement, an advice document, an annual statement or any other form of written communication.

Where disclosure of a Conflict is made at a meeting of a Board or a Committee, the Conflict, together with any measures by which it is proposed to be managed, will be recorded in the minutes of the meeting.

Disclosure alone may not be an appropriate strategy where a Conflict arises in relation to a commercially sensitive matter, depending on the nature, extent and timing of the proposed disclosure.

## 7.2 Control

Conflicts that are inherent in some business structures or transactions (for example, commercial dealings between related parties) can be managed through the use of effective controls.

An effective control is one that prevents the Conflict from compromising the quality or integrity of decision-making, compliance with relevant laws or the services provided to the Members and Clients.

Use of information barriers (Ethical Walls) to quarantine relevant information, and the creation of discrete teams to consider the separate interests of each party, are examples of effective controls. Where a Designated Person has a Conflict, exclusion of the individual from information and participation in decision-making about the matter giving rise to the Conflict is another example of an effective control.

Control may not be an appropriate strategy if a Conflict is serious, ongoing and widespread or, in the case of an individual Conflict, if the measures proposed to be used to control the Conflict would result in the individual being unable to properly perform their role for an extended period of time.

## 7.3 Avoidance

Avoidance of a Conflict will be necessary when there are no available means of managing it appropriately or if legislation prevents it. Avoidance means that the circumstances giving rise to the Conflict must not be allowed to occur.

Examples of avoidance are that a conflicted transaction cannot proceed, a conflicted service provider or adviser cannot be appointed, or a person with conflicting roles or offices must resign from one or more of them to prevent the Conflict occurring.

In circumstances where a Responsible Person has a significant, ongoing and irreconcilable Conflict, which significantly impedes the individual's ability to carry out his or her fiduciary responsibility, resignation from their employment or the relevant Board may be appropriate and/or required.

# 8 Assessing the strategy to employ

The strategies approved for managing Conflicts are not mutually exclusive and may often be used in combination (for example, disclosure and control) to manage a particular Conflict.

Appendix A contains a register of the current organisational circumstances identified by the Conflicts Officer as likely to give rise to conflicts and the approved strategies and controls to manage them.

## 8.1 Relevant factors

To determine which strategy (or combination of strategies) will be most appropriate and effective in relation to a given Conflict, the following factors will be considered (not limited to):

- a) the nature of the interest or duty giving rise to the Conflict;
- b) the frequency of the Conflict manifesting itself;
- c) the role of the person with the Conflict in terms of a capacity to influence decisions;
- d) the impact of the Conflict on the person's capacity to make an unbiased decision giving priority to the best financial interests of Members and the interests of Clients;
- e) the seriousness of the conflict;
- f) the likelihood of the Conflict resulting in the Members or Clients being disadvantaged or impairing the integrity of the person's decision or the quality of a particular service;
- g) the extent to which the Conflict may result in the Members or Clients being disadvantaged or the integrity of the person's decision or the quality of a particular service being impaired;
- h) the impact on the Members or Clients if the Conflict does result in the Members or Clients being disadvantaged or the integrity of the person's decision or the quality of a particular service being impaired;
- i) the reputational risk to the Fund, the Group, the Trustee, an individual entity or the Equip brand if the Conflict is not managed appropriately and effectively;
- j) the practical options for the effective management of the Conflict; and
- k) the cost, implementation issues and commercial implications of the options for managing the Conflict, relative to the risks created by the Conflict.

## 8.2 Formulating conflicts management arrangements

The Conflicts Officer will:

- a) review the results of all surveys, reviews, declarations, notifications and other opportunities for identifying and reporting Conflicts;
- b) assess all identified individual Conflicts for relevance and materiality;
- c) consider each identified Conflict according to the relevant factors described in section 6 of this Policy and evaluate the adequacy of any strategies or controls already in place to manage the identified Conflicts;
- d) ensure that relevant Line Management are aware of an employee's material Conflicts and that appropriate action is taken to manage the Conflict;
- e) consider whether any specific conflict management controls should be put in place in respect of a particular identified Conflict and determine, in consultation with either or both of the CEO and the relevant Chair, as to how the particular Conflict should be managed; and
- f) if the CEO or the relevant Chair considers that the matter requires referral to the GRC or the relevant Board, make the necessary recommendations to the GRC or the relevant Board. Unless the Chair of the relevant Board elects to do so in the case of a Director or Responsible Person, the Conflicts Officer is responsible for informing a Designated Person of any specific Conflict management measures determined in relation to an identified Conflict.



### 8.3 Fund membership

A Designated Person will not be deemed to have a conflict of interest solely as a result of being a Member (including making voluntary contributions to the Fund, receiving standard employer contributions as a Member, or receiving standard, non-discretionary benefits as a Member).

Each Responsible Person is required to disclose their membership of the Fund, and that of an Associate. In addition, each Director is required to disclose their membership of other APRA-regulated superannuation funds, membership of a self-managed superannuation fund, and whether they are a trustee of a self-managed superannuation fund.

The Group acknowledges the fact that just because a Director is a member of the Fund, or has employees who are members of the Fund, does not necessarily, and of itself, mean that the Director has a conflict of interest and should be disqualified from participating in Board decisions on matters relating to the Fund.

### 8.4 Management of personal conflicts

Where a personal Conflict has been identified for a Designated Person, the Conflicts Officer must assess the potential impact of the Conflict and determine the ways in which the Conflict might be appropriately managed so that it does not affect the proper performance of the individual's duties to give priority to, and act in, the best financial interests of the Members and the interests of Clients.

To determine the appropriate conflict management strategies to be adopted, the recommendations of the Conflicts Officer and any external advice will be referred to the following:

- a) the CEO, in the case of personal Conflicts affecting Executives, employees and representatives;
- b) the Chair of the relevant Board, in the case of personal Conflicts affecting Directors or the CEO; and
- c) the Chairs of the GRC and the RCC, in the case of a personal Conflict affecting the Chair of the Trustee Board.

Conflict management strategies decisions are final and binding.

### 8.5 Management of conflicts arising in relation to the business of a meeting

Before the distribution of papers for Board and Committee meetings, the Conflicts Officer will review the relevant agenda, and consider whether, having regard to the matters disclosed in the Conflicts Registers, a Director or Responsible Person may have a Conflict in relation to a particular item of business.

In the case of a Responsible Person other than a Director, the Conflicts Officer will contact the relevant Responsible Person and seek clarification of the interest or duty. If, following clarification, the Responsible Person is identified as having a Conflict, the relevant item of business (and the subsequent section of the minutes of the meeting) will be withheld from the person's Board or Committee papers and the Board or Committee will be advised of the Conflict. Any actions taken in relation to the management of the Conflict, such as withholding papers from the conflicted person or the conflicted person being absent from all or part of a meeting, will be recorded in the minutes of the relevant meeting.

If it is identified that a Director has a conflict, the nature and extent of the Conflict must be disclosed to the meeting and it will, generally, be appropriate for the conflicted Director to absent themselves from the meeting for the duration of all discussion of the matter. A conflicted Director may only remain in the meeting where, after proper consideration, the Chair of the relevant Board or Committee determines, with the agreement of all relevant non-conflicted Directors, that the nature or extent of the Conflict is such that the conflicted person may remain in the meeting. However, even where a conflicted Director remains in a meeting, the Director will be precluded from participating in the discussion of, and from voting on the matter in relation to which the Director is conflicted.

If a Director or Responsible Person disagrees with an assessment that they have a Conflict in relation to an item of business or with the proposed strategy for managing the Conflict, the matter will be treated as a dispute and handled in accordance with this Policy.

## 8.6 Management of conflicts of external Responsible Persons

External Responsible Persons are required to report any Conflicts to the Conflicts Officer:

- a) before their engagement;
- b) by annual declaration; and
- c) whenever they become aware of a conflict.

As part of the annual Fit and Proper assessment process, External Responsible Persons are also required to confirm that they (or their organisation) have in place policies and procedures designed to identify and properly manage Conflicts.

# 9 Recording and Registering Conflicts

## 9.1 Conflicts Registers

The Trustee maintains two Group Conflicts Registers:

- a) The Register of Relevant Conflicts of Interests and Duties - captures all *relevant* (i.e., *material*) interests and duties of Directors and Responsible Persons. This register is made publicly available on relevant websites.
- b) The Register of Interests and Duties - captures *all* interests and duties of Designated Persons. This register will be for internal use only and managed by the Governance team.

Where a Conflict has been assessed as material, it will be recorded in the Register of Relevant Conflicts of Interests and Duties, together with any strategies or specific controls that have been determined to manage the Conflict.

The Register of Relevant Conflicts of Interests and Duties will be reported to the GRC as a standing agenda item. An extract of the Register of Interests and Duties will be a standing agenda item at every Board and Committee meeting (Standing Declarations). This provides an opportunity for Directors to review their declarations and advise the Conflicts Officer of any updates.

The Conflicts Officer will create and maintain the Conflicts Registers and update them each quarter.

As part of the annual Fit and Proper assessment process an extract of the Register of Interests and Duties will be circulated to all Responsible Persons for verification.

All Conflict declarations are also recorded by the Company Secretary in the minutes of meeting.

Interests and duties notified by employees are recorded in the Register of Interests and Duties.

## 9.2 Record keeping

The Conflicts Officer must ensure that adequate records are kept and maintained of the conflicts management process, from initial identification of Conflicts to implementation of approved conflicts management arrangements.

Conflicts Registers will be retained for at least seven (7) years.

## 10 Training

It is important that all Designated Persons understand the importance of recognising Conflicts and are sufficiently aware of the circumstances of the Group, the Trustee and the Fund, their role, and their own personal circumstances, to be able to recognise when a Conflict may arise.

To assist in fostering an understanding of their obligations under this Policy, the following training measures are in place:

- a) **Induction** – an overview and discussion of this Policy will be provided at induction to all Designated Persons. Copies of this Policy will be made available prior to induction; and
- b) **Annual refresher** – compliance training will be provided to all relevant Designated Persons annually.

## 11 Monitoring and Compliance

The Conflicts Officer will generally be responsible for monitoring the implementation of conflicts management strategies and controls for managing identified Conflicts and reporting to the GRC about their effectiveness.

The Conflicts Officer will coordinate the following certifications:

- a) as part of the annual Fit and Proper assessment process all Responsible Persons are required to provide an annual sign-off that they have read and understood the Policy; and
- b) all employees and representatives are required to provide regular compliance sign offs, including sign offs in relation to the disclosure of interests and duties and management of conflicts.

These declarations are reviewed by the Conflicts Officer with any concerns arising from the review escalated to the GRC, RCC, TFP ARCC or the relevant Board.

If, as a result of conflict monitoring activities, the Conflicts Officer considers that the approved strategies or controls for managing a particular Conflict are, or have become, ineffective, the Conflicts Officer will refer the matter to the GRC, who may escalate the matter to the relevant Board.

Interests or duties declared in relation to an item of business arising at a Board or a Committee meeting are monitored by that Board through approval of the minutes of the meeting and the ongoing consideration of actions arising from the meeting.

The Head of Compliance will maintain records of compliance monitoring in auditable form and inform the Conflicts Officer of any breaches of this Policy and the approved conflicts management arrangements detected in the course of compliance monitoring.

## 12 Breaches, Complaints and Disputes

### 12.1 Breaches and complaints

Responsible Persons and employees must report any breaches of this Policy or of any approved conflicts management arrangements to the Head of Compliance or the Conflicts Officer, who will inform the relevant Committee.

The Complaints Officer will also inform the Conflicts Officer of any complaints received that raise issues about the adequacy of the Conflicts Management Policy or approved conflicts management arrangements.

The Conflicts Officer will review all breaches and complaints referred and make recommendations to the GRC for further management of the relevant conflict. The further management controls may include:

- a) additional or targeted training;

- b) modification or upgrading of specific conflicts management controls; and
- c) in extreme cases, disciplinary action or termination of offending personnel.

If, during the course of investigation the Conflicts Officer believes that there may be a reportable breach of law, conditions of the Group's licences or the Fund's governing rules, the Conflicts Officer will inform the Head of Compliance for escalation in accordance with the Group's breach reporting procedures.

## 12.2 Disputes

Where there is a dispute about the management of a Conflict, the matter should be escalated to the Conflicts Officer. The Conflicts Officer will, as necessary, liaise with the Chair of the Trustee Board (in relation to Conflicts held by Trustee Directors or the CEO) or the CEO (in relation to Conflicts held by other Responsible Persons and employees) to determine the appropriate action.

If the dispute involves the Conflicts Officer personally, the matter should be referred to the CEO, who will liaise with the Chair of the Trustee Board to determine the appropriate action.

If the dispute involves the Chair of the Trustee Board, the matter should be referred to the Chairs of the RCC and the GRC to determine the appropriate action.

## 13 Review

### 13.1 Annual review

This Policy will be reviewed annually by the GRC.

The Conflicts Officer, with the support of Management, is responsible for undertaking reviews of the Policy. Following the review, changes to the Policy will be presented to the GRC for consideration and approval. The Policy will be reviewed more frequently in the event of one of the following triggers:

- a) at any time when there is a significant change in the business or in any significant part of it;
- b) any change to the relevant requirements of the SIS Act or the Corporations Act 2001 (Cth), or
- c) any change to the relevant APRA prudential requirements and guidance;
- d) any change to relevant ASIC regulatory guides;
- e) any changes to the conditions of the AFSL;
- f) any changes to the conditions of RSE Licence;
- g) any material change to the business of any Group Entity, and, in particular, any change to the business which would, or might reasonably be expected to, affect the role, obligations or duties of Directors;
- h) any relevant change to a Group Entity's Constitution or the Constitution of Togethr Holdings Pty Limited;  
or
- i) any other time determined by the GRC or the Trustee.

Any revision to the Policy takes effect on the date on which the GRC approves any variation to, or replaces a previous version of, the Policy, or such other date as the GRC or the Trustee Board determines.

### 13.2 Comprehensive review

This Policy will be comprehensively reviewed for appropriateness, effectiveness and adequacy by operationally independent and competent persons at least every three years. The Head of Risk is responsible for ensuring that the comprehensive review is undertaken.

The comprehensive review will include, at a minimum, an assessment of the following:

- a) whether all relevant interests and all relevant duties have been identified and addressed in accordance with this Policy;
- b) the level of compliance with this Policy, including reporting on the Register of Relevant Conflicts of Interests and Duties; and
- c) any non-compliance with this Policy, including steps taken to restore, and improve, ongoing compliance.

The comprehensive review will also consider the size, mix and complexity of the Groups' business operations, the extent of any change to those operations and any changes to the external environment in which the Fund operate.

## 14 Publication

Subject to privacy requirements and to the extent required by law, the Register of Relevant Conflicts of Interests and Duties and a summary of the Group's Conflicts Management Policy will be published on the relevant websites.

## CONFLICTS MANAGEMENT TOOLKIT

The Conflicts Management Toolkit contains practical guidance and tools to assist in the recognition and proper management of conflicts. It also provides examples of how conflicts arise in certain circumstances and why they should be managed.

### 1. What is the difference between an actual conflict, a potential conflict and a perceived conflict?

**Actual conflicts** are those where the conflict already exists. For example, conflicts arising from a personal interest or stake that the person already has, such as where:

- a) a Group entity may be contracting with a company and a Designated Person or their Associate already has an association with the company; or
- b) an investment is proposed in an entity with which a Designated Person or their Associate has an association or holds a personal stake in the entity.

It is preferable to identify and manage potential Conflicts and perceived conflicts before they become an issue. It will often be much easier and more effective to put procedures in place on a matter to avoid the conflict arising, than it is to try to deal with it once the conflict has arisen.

For example, there could be a **perceived conflict** if a Group entity proposed to appoint an outsourced provider with whom a Designated Person or their Associate has a connection with, even though the Designated Person or their Associate may be in no position to influence the provider's decision making and gains no personal interest in or benefit from the appointment.

There could be a **potential conflict** if the Designated Person or their Associate were in line for a promotion such that the Designated Person or their Associate might shortly become able to influence decision-making.

It is therefore prudent to manage perceived or potential conflicts in the same way as if a conflict actually exists.

For the purposes of the Conflicts Management Toolkit, all actual, potential and perceived conflicts are referred to as Conflicts.

### 2. When does a Director have an interest to declare in relation to the business of a Board or Board Committee meeting?

Circumstances where a Director might be considered to have a Conflict to declare at a meeting include where a Board or Board Committee decision is to be made that:

- a) specifically affects the Director as a member of the Fund (either individually or as one of a cohort of members) – for example a decision to increase the fees payable for that cohort of members;
- b) affects any entity that is an employer in relation to the Fund, where the Director is in a management position within the employer, which could or might be relevant or result in the Director having information regarding the employer's decisions in relation to superannuation;
- c) concerns a member's benefit claim, where the Director has knowledge about the claim that is not otherwise available to the Trustee;

- d) concerns any third party with which a Director or their Associate has a connection, for example where the third party entity might be engaged as a service provider or professional adviser; and
- e) concerns a third party in relation to which the Director, in another capacity, has some association and, accordingly, has knowledge which could be of benefit to the Group or of detriment to the other party.

### 3. How do I identify a conflict?

The following questions may help in identifying a Conflict:

- a) is there a competing interest between your role for the Group and your personal interests or duties?
- b) Is the outcome of your decision likely to be in the long-term best financial interests of the collective members of the Fund?
- c) Are you prioritising the interests of one cohort of members over the interests of another cohort of members?
- d) Is there a realistic expectation that you will, directly or indirectly, gain a financial, personal or professional benefit or suffer a financial personal or professional loss from your interest or role?
- e) Does the matter have the potential to affect the personal, professional or business relationship of an Associate?
- f) Does the matter have the potential to impact on the value of assets owned by you or an Associate?
- g) Does the matter have the potential to affect your private business interests (or those of an Associate)?
- h) Does the matter have the potential to affect any debts you owe?
- i) Will you (or an Associate) benefit from, or be detrimentally affected by, your decision or action on behalf of the Trustee or be otherwise influenced as a consequence of your position or role with the Trustee?

### 4. Examples of conflicts and why they should be managed

Type of conflict	Why it should be managed
Owe fiduciary duties to more than one group of members and beneficiaries	May influence the objectivity of decision making. May create a perception of bias towards one group of members and/or beneficiaries.
Receipt of material gifts and hospitality	May influence the objectivity of decision making or create a perception of obligation towards the donor.
Association with a service provider or investment entity	May influence the objectivity of decision making.

<p>Directorship or other executive role with another company that:</p> <ul style="list-style-type: none"> <li>(a) Provides a service to the Trustee</li> <li>(b) Operates an investment entity in which the Trustee invests Fund assets</li> <li>(c) Is being considered as a possible service provider or investment entity</li> <li>(d) Is being considered as a potential merger partner</li> <li>(e) Operates as a competitor in the same market as the Fund</li> </ul>	<p>May influence the objectivity of decision making.</p>
<p>Position or involvement with industry association, tribunal or personal services firm</p>	<p>May require the person to:</p> <ul style="list-style-type: none"> <li>a) Take part in decisions that impact the Trustee or the Fund</li> <li>b) Adjudicate on a Fund matter</li> <li>c) Provide services to a competitor of the Fund</li> </ul>
<p>Membership of the Fund Employment with a participating employer</p>	<p>May mean that the person is personally impacted by a decision of the Trustee.</p>
<p>Close relatives are members of the Fund</p>	<p>May mean that the person is involved in decisions that affect his or her close relatives e.g., payment of death or disability benefits, setting fees or crediting rates, payment of pension benefits.</p>
<p>Holding shares or other financial interests in companies in which the Trustee invests.</p>	<p>May affect the objectivity of investment decisions about the Trustee's investment in those shares or financial interests.</p>

Once a Conflict has been identified, it will then be assessed for both relevance and materiality before considering how it should be managed in all of the circumstances.



## Appendix A: Register of organisational circumstances that may give rise to conflicts and approved management strategies

Conflict	Management Strategy	Management Measures
<b>Licensee Client Relationship</b>		
<p><b><u>Charging asset-based management fees</u></b> This creates a perceived conflict between the Trustee's interest in maximising fees and members' interest in minimising fees.</p>	Disclose and Control	<ul style="list-style-type: none"> <li>• Fees charged are comprehensively and transparently disclosed in the Fund's disclosure documents.</li> <li>• Equip is a 'profit for member' fund. The Trustee does not charge members fees in excess of what is prudently required to meet the costs of operating the Fund.</li> </ul>
<p><b><u>Providing scaled (limited) advice</u></b> This creates a potential conflict between the Trustee's interest in retaining and maximising Funds Under Management (FUM) and a member's interest in receiving appropriate advice for their circumstances.</p>	Disclose and Control	<ul style="list-style-type: none"> <li>• The Fund's disclosure documents make it clear that Trustee representatives can only give general advice about the Fund.</li> <li>• Trustee representatives are generally permitted to give factual information and limited general advice only.</li> <li>• Trustee representatives are paid salary but these are not linked to volume of FUM.</li> </ul>
<p><b><u>Financial planning</u></b> This creates a conflict between the Trustee's interest in retaining and maximising FUM by having an affiliated financial planner to promote the Fund and member's interest in receiving appropriate advice for their circumstances.</p>	Disclose and Control	<ul style="list-style-type: none"> <li>• The Trustee and TFP clearly disclose the fee arrangements between them in their disclosure documents.</li> <li>• TFP must comply with its obligations as a licensee, including to act in the interests of the client and to give priority to the client's interests.</li> <li>• All profits of TFP will form part of the Fund's income and be available for distribution to Fund members.</li> </ul>

Conflict	Management Strategy	Management Measures
<b>Internal Structure</b>		
<p><b><u>Protection of Confidential Information</u></b></p> <p>The location of the TFP adviser on Equip premises creates a potential conflict between the interests of the Trustee and the Fund's members as a whole and the interests of a particular TFP client if the adviser becomes aware of confidential information about the Fund.</p>	Control	<ul style="list-style-type: none"> <li>• TFP advisers have separate email addresses and are required to use secure printing facilities.</li> </ul> <p>TFP advisers must comply with the confidentiality obligations of the TFP compliance manual.</p>
<p><b><u>Structure of Investment Committee</u></b></p> <p>The Board has delegated responsibility for the management of FUM to the Investment Committee, whose members may have their own investment portfolios or self-managed superannuation funds with material shareholdings. This may create a personal conflict of interest for those Committee members.</p>	Disclose and Control	<ul style="list-style-type: none"> <li>• All investment trades are done on an arms-length basis via external fund managers.</li> <li>• Each Responsible Person discloses any major shareholdings (as defined in this Policy), which is captured in the Conflicts Registers.</li> <li>• Each Committee member must declare any Conflicts as a standing agenda item at each Investment Committee meeting.</li> </ul> <p>The Investment Committee Chair is responsible for determining the appropriate strategy for managing any identified Conflicts in accordance with this Policy.</p>
<p><b><u>Misuse of information</u></b></p> <p>Employees may also be members of the Fund and may seek to take advantage of information gained in the course of their employment to switch investment options.</p>	Control	<ul style="list-style-type: none"> <li>• An Improper Use of Information Policy has been established to manage this Conflict.</li> <li>• The following controls have been developed: <ul style="list-style-type: none"> <li>a) a pre-approval process;</li> <li>b) an audit protocol; and</li> <li>c) staff training.</li> </ul> </li> </ul> <p>Any evidence of misuse of information would be dealt with by disciplinary action in the absence of a reasonable explanation.</p>

Conflict	Management Strategy	Management Measures
<b>Investment Management</b>		
<p><b><u>Soft dollar commissions</u></b></p> <p>Equity brokers may rebate commissions to investment managers rather than to the Fund. This creates a conflict between the interests of the investment manager and the interests of Fund’s members, who may be paying higher investment fees.</p>	Control	<ul style="list-style-type: none"> <li>• The Trustee has guidelines approved by the Investment Team which stipulate that the Fund will not allow the use of “soft dollar” arrangements by the Fund’s investment managers.</li> <li>• The Trustee’s standard form of Investment Management Agreement does not permit the use of “soft dollar” arrangements.</li> </ul>
<b>Service Providers</b>		
<p><b><u>Engagement of Auditors</u></b></p> <p>The independent judgment of the auditor may be compromised by other relationships between the auditor’s firm and the Trustee or the Fund.</p>	Avoid	<ul style="list-style-type: none"> <li>• The Trustee uses different audit firms for internal and external audit function.</li> <li>• External audit firms are only used for non-audit services in limited circumstances.</li> </ul>
<p><b><u>Sponsorship arrangements</u></b></p> <p>Directors and employees may have a personal interest in the outcome of a sponsorship decision. For example, a person may have a relationship or affiliation with a person / organisation seeking sponsorship of an event, which could influence the decision-making process.</p>	Manage	<ul style="list-style-type: none"> <li>• Relationships/interests must be declared, and the person must not take any part in the decision-making process and/or sponsorship transaction.</li> <li>• Responsible Persons and employees involved in sponsorship management or decision-making must maintain high levels of integrity at all times.</li> <li>• Sponsorship should only be introduced where it would not reasonably be seen to compromise the best financial interests of members of the Fund or affect the ability of the Trustee to perform its duties impartially. Sponsorship should be confined to value-adding and supplementary activities, such as supporting events, rather than for delivery or replacement of core services to the Trustee and/or Fund.</li> <li>• Sponsorship is not provided to individuals or political parties.</li> <li>• Sponsorship should not be provided for purposes which do not relate to the business’ objectives or members’ interests.</li> <li>• Sponsorship agreements should enable sponsorships to be terminated or suspended in the event of material Conflicts.</li> </ul>

Conflict	Management Strategy	Management Measures
<b>Competing Interests and Duties</b>		
<p><b><u>Decision makers may have a personal interest</u></b> Directors and employees may have a personal interest in the outcome of a decision or transaction.</p>	Avoid	Personal interests must be declared and the person must not take any part in the decision-making process and/or transaction.
<p><b><u>Decision makers may have conflicting loyalties</u></b> Directors and employees may have an allegiance to parties other than the Fund's members and the Trustee. For example, this can arise where a Director is an officer, employee or adviser to another organisation with which the Trustee may transact or in which it may invest.</p>	Avoid	<ul style="list-style-type: none"> <li>• Decisions must only be made in the best financial interests of the beneficiaries of the Fund as a whole. If a decision maker is unable to comply with this requirement, he or she must abstain from participation in the particular decision.</li> <li>• If a Director has a relevant duty that frequently conflicts with their duty to, or the interests of, members, it may be necessary or prudent for the Director to relinquish their role as a member of the relevant Committee or cease to act as a Director on a Group Board.</li> </ul>
<p><b><u>Joint Directorships / management positions</u></b> Certain Directors or executive officers may have roles with both the Trustee and TFP or other subsidiaries. This creates a potential conflict of duty between the obligations owed to both entities.</p>	Control	<ul style="list-style-type: none"> <li>• Where it is necessary for the two companies to deal at arm's length, Directors / officers who have participated in a decision on behalf of one company must not participate in that decision on behalf of the other company.</li> </ul>
<p><b><u>Independence of the Risk and Compliance function</u></b> The judgment of the employees in the Risk and Compliance function may be compromised if they are also involved in the operation of the business.</p>	Control	<ul style="list-style-type: none"> <li>• The Executive Officer, Governance and Risk, as well as the Head of Risk and Head of Compliance, have direct access to the Risk and Compliance Committee.</li> </ul>