

Conflicts Management Policy - Summary

The Trustee of Nationwide Super has implemented a Conflicts Management Policy to comply with its obligations under the *Superannuation Industry (Supervision) Act 1993* (Cth) and Prudential Standard 521 *Conflicts of Interests*.

This document provides a summary of the Conflicts Management Policy.

1. Purpose

The purpose of the Conflicts Management Policy is to formalise and communicate the Trustee's approach to identifying, assessing and managing any actual, potential or received conflicts of duty and interest across its business operations.

2. Objectives

The main objectives of the Conflicts Management Policy are to:

- Protect the integrity and objectivity of the decision making process of the trustee;
- Maintain decision-making processes that are transparent, accountable, equitable and unbiased;
- Protect the reputation of Nationwide Super by maintaining ethical standards of good judgement, fairness, honesty and professionalism in all its dealings; and
- Ensure compliance with relevant laws, regulations and Prudential Standards.

3. Roles and Responsibilities

The Conflicts Management Policy clearly defines the roles, responsibilities and resources required for the identification, oversight and management of conflicts of interest.

4. Conflicts Management Framework

The conflicts management framework comprises of:

- Conflicts Management Policy, approved by the Board;
- Register of Conflicts;
- Register of Relevant Duties; and
- Register of Relevant Interests (including Gifts).

5. What is a conflict of duty and interest?

A conflict arises when a company or person is faced with two or more different interests, or duties owed, and therefore cannot act (or cannot be perceived to act) in the best interests of all parties.

Examples of conflicts include:

- Having a financial or personal interest in an organisation with which the Trustee does business with and you could be perceived to be in a position to influence business decisions between both organisations
- Awarding a contract on behalf of the Trustee to a person who you have a close relationship with (spouse, parent, sibling etc.)
- Sitting on multiple superannuation fund boards
- Holding a consulting position at a competing organisation
- Using Trustee resources for private or unauthorised professional advancement

6. Registers of Relevant Duties and Relevant Interests

A *relevant duty* refers to any duty owed by the Trustee, or a responsible person of the Trustee, to members or to any other person. The Trustee considers these to be relevant duties:

- Company directorships, board memberships or other offices e.g. Company Secretary, Chief Executive Officer, Chief Financial Officer;
- Trustee or Trustee Director of Self-Managed Superannuation Funds;
- Paid employment or contracting work, including consulting, commissions and advisory work, whether as an individual or on behalf of another organisation or person;
- Affiliation or relationships with persons employed by material or non-material service providers;
- Affiliation with an association representing a specific industry, employer group or a trade union;;
- Affiliation with a special interest group campaigning on issues affecting superannuation.

A *relevant interest* of the Trustee, an associate of the Trustee, a responsible person of the Trustee refers to any interest, gift, payment or benefit, whether financial or non-financial, directly or indirectly held by the Trustee, the associate or the responsible person that the Trustee has determined to be material. The Trustee considers these to be material relevant interests:

- A controlling interest in any organisation that is currently trading/operational; and
- Gifts and benefits valued in excess of \$300 in accumulated value over a 1 year period.

Registers of Relevant Duties and Relevant Interests have been developed to record the relevant duties and interests of the Trustee and responsible persons. These registers will assist in identifying actual and potential conflicts.

7. Obligations of Responsible Persons

The Trustee has determined that the holders of the following positions are responsible persons of the Trustee:

- All Directors – executive, non-executive and independent;
- Non-Director Committee members;
- CEO;
- COO;
- Risk and Compliance Manager; and
- External Auditor.

Conflicts Management Policy imposes the following rules upon responsible persons:

- Responsible persons must avoid conflicts of interest where possible; and where it is not possible, the conflict of interest must be managed;
- Responsible persons must identify and report relevant interests, duties and conflicts; and
- Responsible persons are required to declare any gifts, favours or entertainment above the materiality threshold of \$300 (in accumulated value over 1 year).

8. Compliance with Conflicts Management Framework

There are measures in place to ensure that any non-compliance with the conflicts management framework is identified and appropriately acted on.