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## CODE OF CONDUCT

The Board gives effect to Duties of Directors and Trustees through (among other things) setting standards for conduct and operations. Standards for conduct are set out in this part and in the Fit and Proper Policy.

### Directors and Officers

The Directors and Officers are bound by this Code of Conduct at all times. A material failure to observe the code of conduct may be taken as evidence a failure to meet the Proper limb or the Fit & Proper Standard.

### The Directors and Officers of First Super must:

- act honestly in good faith and in the best interests of the Board and the Fund as a whole;
- use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- recognise that their primary responsibility is to all the Fund's beneficiaries equally;
- refrain from making improper use of information acquired;
- refrain from taking improper advantage of their position;
- refrain from allowing personal interests, or the interests of an associated person, or associated body, to conflict with the interests of the Board or Fund;
- maintain the confidentiality of information obtained during the course of exercising their duties unless disclosure is authorised or required by law;
- be independent in judgement and actions and take all reasonable steps to be satisfied as to the soundness of all decisions;
- refrain from conduct likely to bring discredit upon the Board or Fund;
- comply with the spirit and letter of the law and with the principles of this Code;
- observe the Compliance Program;
- behave with integrity in all its dealings with members, employers, shareholders, employees, suppliers, business partners and the community;
- maintain and implement policies that will enable employees to avoid situations where conflicts of interest could arise;
- not engage in any activity that could be construed to involve improper inducement; and
- promote a working environment where:
  - a. equal opportunity is highly valued;
  - b. harassment and other offensive behaviour are not tolerated.

Employees are encouraged to discuss concerns about ethical behaviour with their supervisor.

### Directors

Each Director shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings.

This includes, but is not limited to:

- acting in a business-like manner;
- acting in accordance with the Constitution;
- participating actively in all discussions and recognising their duty to question, request information, request access to independent professional advice, raise any issue, fully canvas all aspects of any issue confronting the Board and cast their vote on any resolution according to their own decision;
- addressing issues in a confident and firm, yet friendly manner;
- using judgement, common sense and tact when discussing issues;
- minimising chatter and irrelevant remarks;
- being attentive to any request or indication from the Chairperson that aims to ensure the orderly and good-spirited conduct of the meeting;
- ensuring that others are given a reasonable opportunity to put forward their views;
- supporting the letter and spirit of Board decisions during and outside Board meetings;
- keeping confidential all Board discussions and deliberations; and
- reading all material circulated by the Secretariat and raising any pertinent issues with the Chairperson or CEO.

#### Acceptance of gifts and hospitality

Directors, Officers and Secretariat staff may be offered gifts, invitations to sporting and cultural events or hospitality from time to time (collectively Gifts). In respect of these, the Board has placed strict rules around what Gifts may be accepted. The rules are in the Hospitality and Gifts Policy.

Regardless of what is permitted by following the Hospitality and Gifts Policy, no Gift may be accepted in circumstances that are likely to cause a breach of duty to occur.

#### Insider Trading Policy

Insider trading occurs when people buy or sell shares in a company knowing something about it that the public/market does not know, and which may affect the shares price. Possession of knowledge gained ahead of the public/market provides a person with 'inside' knowledge that confers an advantage over others.

The law regards it as unconscionable for a person to use this advantage to enrich themselves or others, and legislation has been passed to ban trading in securities based on inside knowledge. Insider trading can occur even if the information is gained as a result of involvement with a superannuation fund that has no direct relationship with the relevant company. This could occur at a briefing by an investment manager. Involvement with insider trading is inconsistent with the level of conduct expected from Directors, Officers and employees of First Super, and may result in a failure to comply with the "Proper" limb of the Fit and Proper Standard.

The Trustee maintains a detailed Insider Trading Policy, with which all Responsible Persons should be familiar.

#### Review of Director and Board Performance

The Board reviews its own performance in managing its powers, duties and obligations using the processes set out in its Fit and Proper Policy. These include annual consideration of Board performance, Board Committee performance, and assessment of Directors and Officers against pre-set criteria for evaluating fitness and propriety.

The purpose of this review is to ensure that the Directors and senior management:

- collectively, have the full range of skills needed for the effective and prudent operation of the Trustee's business operations;
- possess skills that allow them to make an effective contribution to the Trustee's business operations; and
- are operating efficiently and effectively.

When reviewing the Board and committees, emphasis is placed on operational performance, including the efficacy with which the Board and committees operate and whether:

- the Board is operating effectively against reasonable expectations for a competent board of the same type in similar circumstances;
- individual Directors conscientiously attend meetings as required;
- each committee has attended to the business allocated to it; and
- each committee has access to the skills and expertise required to meet its core obligations.

The Trustee monitors Operational Performance:

- annually by examining attendance of Individual Directors at board and committee meetings as part of the Fit and Proper Review
- annually by considering, to the extent it is reasonably possible to do so, whether committees have effectively attended to the business allocated to them as part of the Fit and Proper Review
- annually by considering whether each Committee has the particular skills and expertise needed to operate effectively as part of the Fit & Proper Review.
- annually by considering the conduct of the Board against key principles as part of the Fit and Proper Review
- every two years by commissioning an external review of Board Performance. The procedure and methods used in the external review are largely left to the discretion of the external party contracted, since knowledge of what procedures and methods are likely to be most effective is part of the expertise relied upon.

A party contracted to perform an external review of Board Performance must have clear expertise in relevant disciplines and may include organisations or a consulting firm that is able to demonstrate relevant expertise.

Issues to be considered upon completion of the Fit and Proper review each year include:

- whether further action is needed to improve the operational efficacy of the Board and/or committees;
- whether committee charters ought to be reviewed.
- whether the committee structure adopted by the Trustee remains relevant and effective; and
- who should fill the chairperson(s) role(s) for following period.