



CONFLICT OF INTERESTS POLICY / MANAGEMENT OF CONFLICTS FRAMEWORK

ABN: 42 053 498 472

AFSL#: 223988

RSEL#: L0003049

RSER #: R1067385

Trustee Name	First Super Pty Ltd, Trustee of First Super
Document Name	Conflict of Interests Policy / Management of Conflicts Framework
Version	9
Document Number	G04 – 003 -1 -100 - 107
Date Prepared	August 2011
Date of Next Review	December 2022
Special Status	Commercial-in-Confidence
Document Owner	Executive Manager Governance
Document Posting	<input checked="" type="checkbox"/> Website (Registers Only) <input checked="" type="checkbox"/> Directors Website (Policy and Register)
Relates to	<ul style="list-style-type: none"> • Policy Calendar • Register of Relevant Interests, Gifts and Hospitality Register and Conflicts of Interest Register • Governance Charter • Fit and Proper Policy • Whistleblower Policy • Outsourcing Policy

Amendment History

The following history and amendments have been made to this document:

Version	Date & Prepared By	Date & Reviewed By	Date & Approved By Board
Version 1	Operations & Risk Manager June 2009	Audit & Compliance Committee 10 September 2009	Board September 29 2009
Version 2	Operations and Risk Manager July 2012	Audit & Compliance Committee 7 August 2012	Board 12 December 2012
Version 3	Operations and Risk Manager June 2013		Board 25 June 2013
Version 4	CEO, June 2015	Audit & Compliance Committee 23 June 2015	Board 7 July 2015
Version 4.1	Operations & Governance Manager, Oct 2015	Minor Changes	N/A
Version 4.2	Operations & Governance Manager, April 2017	Minor Changes - Section "9" and Appendices	N/A
Version 5	Corporate Services Manager, July 2017	Audit & Compliance Committee 5 September 2017	Board 19 September 2017
Version 6	Compliance Officer, June 2018	Audit & Compliance Committee	Board 27 June 2018
Version 7	Compliance Officer, June 2019	Audit & Compliance Committee 11 June 2019	Board 26 June 2019
Version 8	Executive Manager Governance	Audit & Compliance Committee 12 November 2019	Board 3 December 2019
Version 9	Executive Manager Governance	Audit & Compliance Committee 3 November 2021	Board 14 December 2021

1 Glossary

Board	The Board of Directors of First Super Pty Limited.
CA	<i>Corporations Act 2001</i> (Cth) & Regulations.
CEO	Chief Executive Officer
Company	First Super Pty Limited
Conflicted	A person is conflicted in relation to an issue from the time she or he becomes aware of an actual or potential conflict of interests.
Directors	The Directors of First Super Pty Limited.
Fit and Proper	Refers to the Trustee's processes and policies for meeting the Fit & Proper standard under SIS.
Fund	First Super.
Governance Charter	The Governance Charter and Directors' Manual
Material Conflict	A conflict will be "material" if there is a real and sensible possibility it will have a real effect on the exercise of a duty, task or discretion, even if the affect is less than significant. See sections 5, 6 & 7 for more information.
Relevant Duty	A 'relevant duty' refers to any duty owed by the RSE licensee, or a responsible person of the RSE licensee, to beneficiaries or to any other person.
Relevant Interest	A 'relevant interest' of an RSE licensee, an associate of the RSE licensee or a responsible person of the RSE licensee refers to any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the RSE licensee, the associate or the responsible person that the RSE licensee has determined to be relevant.
Relevant Law	Any Act, Regulation, Contract, Trust Deed, Document or precedent relevant as circumstance requires.
Responsible Person	As defined in the Prudential standard SPS 510 Governance. Includes all persons in Responsible Person positions under the Fit & Proper Policy.
RSE Licensee	RSE Licensee means a constitutional corporation that holds a Registrable Superannuation Licence which has been granted under section 29D of the SIS Act. The RSE Licensee for the fund is First Super Pty Ltd.
Shared Service	Shared Services are services to deliver generic corporate, compliance, human resource management, internal audit, legal, marketing, payroll, project management, or other business services for First Super and other likeminded superannuation fund trustee secretariats. This arrangement is designed to deliver economies of scale and to enable changes to be made more rapidly than would otherwise occur with less expense and disruption; allowing First Super's Trustee Secretariat to concentrate and focus on specific value-add trustee and superannuation business operations.
SIS	<i>Superannuation Industry (Supervision Act) 1993</i> (Cth) & Regulations.
Trustee	First Super Pty Ltd acting in its capacity as Trustee of the Fund.

2 About This Policy

This Policy is intended to ensure that the Trustee identifies and takes all reasonably practicable actions to avoid, or prudently manage, all potential and actual conflicts in the Trustee's business operations.

The Governance Charter explains the nature of duties and conflicts of interests in some depth, while this policy is intended to provide a clear statement of what a person affected by the policy must do to meet their obligations in relation to a conflict of interests.

The Governance Charter also explains why Directors must not have regard to the interest of a nominating body (such as an employer or union) when acting as Directors of the Trustee, and must be read by all Directors and Responsible Persons.

3 Effect of This Policy

The Board has adopted and approved this Policy to ensure that all Directors, Responsible Persons and employees clearly understand in practical terms:

- (a) the need to identify all potential conflicts;
- (b) the circumstances that might give rise to a conflict;
- (c) the content and purpose of the conflict management framework; and
- (d) their obligations as a responsible person of the RSE licensee.

The Board considers the management and control of conflicts of interest to be a paramount obligation, and specifically advises that wilful, careless or reckless disregard for the processes and procedures in this Policy may activate disciplinary measures up to and including termination.

If a staff member, contractor or supplier is concerned about any behaviour that appears to contrary to this policy and they are uncomfortable about reporting this or escalating their concerns, they should feel free to avail themselves of protections of the Fund's the Whistle-blowers' Policy.

4 Using this Policy

This Policy sets out procedures to identify and deal with potential and actual conflicts of interests that may arise in relation to management of the Fund. All conflicts should be declared, and failure to declare a material conflict of interest is likely to result in a breach of duty or otherwise indicate that a person may not be fit and proper.

5 General information on Conflicts of Interest

5.1 What is a Conflict of Interest?

The Trustee, its Directors and Responsible Persons¹ owe fiduciary and statutory duties to the Fund, its members and beneficiaries² such that they must act in the best interests of each with undivided loyalty.³ A conflict of interest arises whenever such a person cannot or does not act in relation to the Fund, members or beneficiaries with undivided loyalty.⁴

APRA Prudential Standard SPS 521 offers a more limited but practical view of what constitutes a conflict of interests.⁵ By SPS 521 a conflict is a reference to a conflict:

- (a) between the duties owed by the Trustee, or a Responsible Person, to beneficiaries and the duties owed by them to any other person;
- (b) between the interests of beneficiaries and the duties owed by the Trustee, or a Responsible Person, to any other person;
- (c) 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
- (d) between an interest of the Trustee, an associate of the Trustee or a Responsible Person or an employee and the interests of beneficiaries.

In addition, s52A (2) of the SIS Act documents covenants relating to individual Directors (see the Governance Charter and Fit & Proper Policy for more information) including:

- To perform the Director's duties and exercise the Director's powers as director of the corporate trustee in the best interests of the beneficiaries;
- Where there is a conflict between the duties of the director to the beneficiaries, or the interests of the beneficiaries, and the duties of the director to any other person or the interests of the director, the corporate trustee or an associate of the director or corporate trustee:

¹ Including employees exercising control or influence over trust matters.

² See the Governance Charter for more information on the nature and content of these duties.

³ This is a condensed but widely recognised expression of the General Law duty to avoid conflicts of interest. Court cases concerning trustee duties and conflicts are often decided on whether a person's conduct evidenced undivided loyalty.

⁴ If a question arises as to which duty of undivided loyalty is superior, the duty of undivided loyalty to beneficiaries of First Super is always the superior obligation, followed by members, then the Fund then the Trustee Corporation.

⁵ Note that SPS 521 does not displace the General Law.

1. priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and
2. to ensure that the duties to the beneficiaries are met despite the conflict; and
3. to ensure that the interests of the beneficiaries are not adversely affected by the conflict; and
4. to comply with the prudential standards in relation to conflicts;

While neither SPS 521 nor s. 52A (2) appear broader than the general law duty of undivided loyalty, both express similar obligations and are more easily enforceable because they are statutory in nature.

In theory, a conflict of interests could also arise where a Director or Officer of First Super Pty Ltd does not, or is unable to, act in the best interests of the Company and shareholders with undivided loyalty; though this would be rare for First Super Pty Ltd.⁶

Generally the Trustee seeks to manage conflicts by ensuring they are:

- (a) disclosed;
- (b) controlled; and / or
- (c) avoided.

5.2 How do I know if I have a conflict?

Conflicts of interest are not always obvious; but this makes them no less important.

There is a strong obligation on each individual to disclose actual or potential conflicts, and a strong obligation on the Board to ensure that they are controlled or avoided if material.

Because conflicts can arise in unexpected ways, the Trustee has formulated a Gifts and Hospitality Policy.

Directors and officers should make themselves familiar with and adhere to the Gifts and Hospitality policy.

The Trustee has devised the following test to help people assess whether a potential conflict of interest exists in a particular situation. If, in relation to an issue, you answer “yes” to one or more of the statements below in the list of examples; a potential conflict of interests exists that must be disclosed as provided for in this Policy.

⁶ This is because duties owed to trust beneficiaries are superior to duties owed to the Trustee Corporation. This is explained in some detail in the Duties section of the Governance Charter.

Below is a list of examples of potential conflicts of interest designed to support Directors, Officers and staff in disclosure and decision making (note the list is not exhaustive)*:

Does a course of action or situation that you could influence have the potential to:

- Affect the Trustee's ability to act efficiently, honestly and fairly towards members and beneficiaries?
- Compromise the quality of services provided to members and beneficiaries?
- Make members, beneficiaries or regulators ask, "why weren't we told"?
- Adversely affect responsible management of risks?
- Cost beneficiaries, members or the Fund more than they would otherwise have had to pay for the same result?
- Increase operational costs above what is reasonably necessary for the good management of the Trustee and/or Fund?
- Cause the Trustee to breach a duty owed to one or more beneficiaries or members?
- Breach a policy of the Trustee?
- Cause a contractual dispute?
- Create a private profit or advantage from information obtained in managing the Trust?

If so, then you may have a conflict of interest if you or an associate would derive a benefit if the action or situation was decided in a particular way. Material conflicts of interest must be avoided or controlled. The Gifts and Hospitality Policy addresses material conflicts of interest and should be referred to, however please also note that:

- All positional conflicts of interest are material and must be declared, including any relating to Shared Services. A positional conflict of interest arises where a person has a direct or indirect financial interest in a dealing of the Trustee, or where a person or their spouse holds an office with an entity with which the Trustee transacts business. These must be declared at the earliest reasonable time.
- Any other circumstances in which a person finds themselves unable to act in relation to the Fund, members or beneficiaries with undivided loyalty in circumstances that are likely to influence the Trustee, an associate of the Trustee or the Responsible Person to act in a manner inconsistent with the best interests of beneficiaries is a material conflict of interest and must be declared at the earliest reasonable time.
- Any position (such as director, officer, responsible manager or Shared Service) held with a body other than First Super Pty Ltd may give rise to a conflict of interest through conflicting duties and must be declared without exception.

*The Trustee is mindful to avoid restrictive and prescriptive definitive examples which may limit full application of the Policy to actual conflict scenarios.

For removal of doubt, genuine scholarships, bursaries and training do not constitute gifts or entertainment, but must be declared to remove the implication of improper conduct.

The Trustee uses a proprietary service to assist in training to ensure that its staff and the business is made aware of, and has processes and controls for monitoring compliance with this Policy and the conflicts framework.

6 Disclosure is in your best interests

Not every conflict of interest requires action, but failure to disclose a potential conflict may be inconsistent with the Fit & Proper Policy, and it will be impossible to know whether a conflict is material or not unless it is disclosed. The obligation is therefore to disclose all potential conflicts of interest, so it can be determined whether an actual conflict of interests exists.

Generally, the only actual conflicts that must be managed or avoided are those that give rise to a **real and sensible possibility** of a Material Conflict.⁷ If it is not sensible to conclude that a Conflict of Interest will have a real affect on the exercise of a duty, task or discretion, the conflict is unlikely to require either management or avoidance.

Where a Material Conflict exists, the only reliable way of removing its negative impact on the conflicted person is to obtain **fully informed consent**. For practical reasons, the Board takes the view that it is capable of giving fully informed consent providing it acts with due caution.

Declaring a conflict of interest is to the advantage of a conflicted person because it affords her or him the greatest possible protection. Where an actual or potential conflict has been disclosed, only the Board may:

- (i) make a final evaluation of whether a “real and sensible possibility” of a Material Conflict exists; and
- (ii) determine how to manage or avoid the real and sensible possibility.

Questions at 5.2 are intended to help each person covered by this policy form a view on whether an issue should be raised, but cannot be relied on as a definitive guide to whether a real and sensible possibility of conflict exists.

Each person suspecting the existence of a potential conflict must disclose it at the earliest possible time to protect his or her own interests.

⁷ SPS 521 relates materiality {at Paragraph 16} to what might have a significant impact on the capacity of a person or entity to act in the best interests of beneficiaries. This is administratively useful, but sets a standard that may be too low for a court. Therefore, the Trustee applies the better-established and more exacting General Law approach of “real and sensible possibility”. It is well established that a real and sensible possibility of a material conflict exists even where the potential impact of the conflict is much less than significant.

7 How to disclose an actual or potential Conflict of Interest

7.1 Board Conflicts

Actual or potential conflicts of interest at Board level are handled by:

- Having a standing agenda item for disclosure at each Board meeting;
- Board and Committee Papers include coversheets which also disclose conflicts of interest;
- Observing sections 191 to 193 of the *Corporations Act 2001* (Cth);
- The processes within this Policy; and
- The evaluation systems established under the Fit & Proper Policy.

Where a Director, the secretary or other Responsible Person becomes aware of an actual or potential conflict of interest, she or he is required to disclose it in a full and timely fashion to the Board and state how s/he intends to avoid the conflict if possible. Failure to do so may be grounds for the Board to conclude the person is not fit and proper.

Once full and timely disclosure of an actual or potential conflict has been made, the discloser may take part in the decision-making process relevant to the conflict unless s/he or the Board decides it would be inappropriate in the circumstances.

If the Directors are unable to form a quorum in circumstances where conflicted Directors are excluded, the Board may:

- (a) decide to establish a special purpose committee composed of Directors who are not conflicted to consider the issues and make recommendations to the Board; or
- (b) have a motion formulated by non conflicted Directors put to the entire Board (including conflicted members) on a take it or leave it basis.

Where a conflict of interest arises during consideration of a circular resolution, under s 248B of the *Corporations Act 2001* (Cth), any director may call a subsequent meeting by giving reasonable notice to every other director and requesting a telephone conference (with consent) at a designated time in the future to resolve the outstanding resolution.

This measure, and the resulting resolution of the consideration, is consistent with and adopts the proceedings of Director's meetings as constituted under Clause 19 of First Super's Company Constitution. The quorum shall throughout each meeting be at least half of the total number of duly appointed directors at the time of the meeting.

Section 8 of this Policy sets out principles for managing conflicts of interest. Conflicts will be recorded in the Trustee's Conflicts of Interests registers,⁸ as approved by the Board from time to time, by the CEO along with the action taken to avoid or manage the

⁸ These are the Registers of Relevant Duties and Interests attached to this document.

conflict. Consideration of a disclosure will also be recorded in the minutes of each meeting where it occurs.

7.2 Conflicts within Committees of the Board

The Board has resolved that actual or potential Conflicts of Interest at committee level will be handled by:

- Having a standing agenda item for disclosure at each committee meeting;
- Requiring committee members to disclose potential and actual Conflicts of Interest;
- The provisions of this Policy;
- Evaluation systems established under the Fit & Proper Policy;
- Recording in the minutes of the relevant meeting details of each conflict identified and the action taken to avoid or manage this conflict (this is the responsibility of the relevant chairperson); and
- Requiring that all conflicts be reported up to the Board for final determination of appropriate action, including entering into the registers.

Where a committee member becomes aware of or anticipates an actual or potential conflict of interest, he or she is required to disclose it in a full and timely fashion to other committee members and state how s/he intends to avoid the conflict if possible. Failure to do so may be grounds for the directors to conclude the person is not fit or proper.

Once a committee member has made full and timely disclosure of an actual or potential conflict, she or he may take part in the decision-making process relevant to the conflict, unless s/he or the other committee members decide it would be inappropriate in the circumstances. The disclosure will be recorded in and communicated to the board in via the minutes of the committee.

If a committee is unable to form a quorum in circumstances where conflicted it may:

- (a) decide to refer the issue to the board for consideration; or
- (b) have a motion formulated by non-conflicted committee members put to the entire committee (including conflicted members) on a take it or leave it basis.

Where necessary for the proper functioning of a committee, a committee may make interim decisions on how a report of an actual or potential conflict of interest is to be acted upon in terms of section 8 of this policy. In doing so the committee will assess the conflict reported in relation to its duty to act in the best interests of the Fund, members and beneficiaries (as the case may be) and report on the matter to the Board at the earliest possible time. A decision of a committee is interim, and stands only until the Board is able to consider the matter.

Conflicts will be recorded in the Trustee's Conflicts of Interests register,⁹ as approved by the Board from time to time, by the CEO along with the action taken to avoid or manage the conflict. Consideration of a disclosure will also be recorded in the minutes of each meeting where it occurs.

7.3 Conflicts within the Trustee Office and other Responsible Persons

Where an employee of the Trustee Office (whether a Responsible Person or not) becomes aware of or anticipates an actual or potential Conflict of Interest, he or she must immediately raise it with the CEO, who will determine whether or not it a conflict appears to exist. If a conflict appears to exist and may be material, it must be raised at the next Board meeting.

However, if an employee is apprehensive about reporting a concern this can be escalated in the same manner as the procedure outlined in the Trustee's Whistleblowing Policy, i.e. that a concern can be taken direct to any person authorised by the Trustee to receive confidential disclosures such as the Co-Chairs, the Chair of the Audit and Compliance Committee or any other Director.

Where a Responsible Person who is not a Director or employee of the Trustee becomes aware of or anticipates an actual or potential Conflict of Interest, he or she must immediately raise it with the CEO, who will determine whether or not it a conflict appears to exist. If a conflict appears to exist it must be raised at the next Board meeting.

Unless a conflict of interest(s) is so elemental as to undermine the affected person's duty of fidelity to an employer or a duty owed under another type of contract, the CEO may determine that the affected person can continue in their role until the Board determines otherwise. Where this is not practicable, the CEO may vary the affected person's role in order to avoid the conflict until the Board has considered the issue.

Conflicts will be recorded in the Trustee's Conflicts of Interests registers,¹⁰ as approved by the Board from time to time, by the CEO along with the action taken to avoid or manage the conflict. Consideration of a disclosure will also be recorded in the minutes of each meeting where it occurs.

7.4 How much detail has to be disclosed?

No disclosure of a conflict has been made unless all the material details and circumstances have been disclosed to the extent they are known. Withholding information and wilful blindness will tend to indicate a breach of the Fit and Proper standard.

⁹ These are the Registers of Relevant Duties and Interests attached to this document.

¹⁰ These are the Registers of Relevant Duties and Interests attached to this document.

The following principles may be used as a guide to indicate adequate disclosure:

- Where circumstances make it unavoidable, it is acceptable to make an initial disclosure and provide full disclosure at the earliest opportunity after additional information becomes available;
- Disclosure must be sufficient for the Board to understand the scope for conflict, including the nature of a potential benefit or profit to another party;
- Suggesting a conflict may exist without providing adequate detail is not disclosure;
- Casual or general discussion regarding a potential conflict is not disclosure.
- Disclosure must be specific, complete and appropriately made;
- Disclosure can be made in writing or verbally, but must be made as soon as practicable after a potential for conflict becomes apparent;
- Initial disclosure can be made to a Committee of the Board;
- Non-attendance at a meeting without disclosure is not sufficient to avoid or manage a conflict; and
- The nature of any limitation on the ability of a person to effectively avoid a conflict of interests must be fully disclosed.

8 Managing actual or potential Conflicts of Interest

Only the Board may make a final determination of how a report of an actual or potential conflict of interest is to be acted upon. In making a determination the Board will assess the conflict reported in relation to its duty to act in the best interests of the Fund, beneficiaries and / or members (as the case may be).

However, where necessary for the proper functioning of a committee, a Committee may make interim decisions on how a report of an actual or potential Conflict of Interest is to be acted upon. In doing so the committee will assess the conflict reported in relation to its duty to act in the best interests of the Fund, beneficiaries and / or members (as the case may be) and report on the matter to the Board at the earliest possible time.

Of critical importance in determining how to manage a conflict of interest is whether a ***real and sensible possibility*** of a Material Conflict arises. The Board (or committee) will assess the materiality of an actual or potential conflict by considering the following issues:

- Is a benefit of any size, directly or indirectly (for example, through a spouse, partner or nominating organisation) likely to accrue to any identifiable party as a result?
- Is a member or beneficiary (either directly or indirectly) likely to lose a benefit, right or entitlement, however small, as a result?
- Are common Directors, actors or office holders involved on both sides of an actual or potential transaction?

The presence of any of these is a reliable indicator that a material conflict of interest (and therefore a Relevant Interest) exists. Further, the Board regards all duties owed to or through a body other than First Super Pty Ltd to be Relevant Duties that must be recorded in the appropriate register. This applies whether or not an actual conflict of any type or magnitude is apparent at the date of declaration.

Without limiting its capacity to act, in forming a view on how to manage any particular conflict the Board (or committee) will consider whether the conflicted person's proposal for avoiding or managing the conflict is adequate and, if not, may:

(a) Conclude that a conflict is inherently incompatible with the person's position and direct that it must be avoided by:

- (i) removal from a forum (such as a committee or Board) while the relevant matter is being discussed and / or decided (such as awarding of a contract); or
- (ii) determining that the conflicted person must avoid the conflict by eliminating it entirely or be found not to be fit and proper.

(b) Formulate a plan for management under which priority is given to the duties to, and interests of, beneficiaries [especially with regard to sections 52(2) (d) and 52A (2) (d) of the SIS Act]. This may arise in circumstances where Directors have a conflict in the duties they owe to First Super Pty Ltd and the Fund, in which case Part 2 of the Governance Charter should be consulted for the reasons why trustee duties take must priority over director's duties and the rights of the general meeting.

(c) Where a conflict is of an ongoing nature, devise a plan of action for on-going evaluation of management of the conflict, including provisions for escalation or alternative action if required; or

(d) Conclude that the conflict is not material.

In each instance the Board (or Committee) will arrange for the details of action taken to avoid or manage the conflict to be recorded in the appropriate registers by the CEO. Where the Board is not satisfied with actions taken by a Committee the views of the Board prevail.

9 Registers

The Trustee will maintain three registers in respect of this policy, which will be updated by the CEO on an ongoing basis, examples of each can be found in the appendices. These are:

(a) Relevant Interest Register (Appendix 2): Once identified, an actual Conflict of Interest must be entered onto the Relevant Interests Register maintained by the CEO. This register will record:

- The date a conflict was first reported;
- The nature of the conflict;
- Measures in place to deal with the conflict; and

- Any other information thought material by the Board from time to time.

A relevant Interest includes any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the Trustee, an associate, a Responsible Person or an employee that the Trustee has determined to be material.

(b) Relevant Duty Register (Appendix 1): Once declared, a duty owed to or through a body other than First Super Pty Ltd will be entered into the Relevant Duty Register, whether or not an actual conflict of any type or magnitude is apparent at the date of declaration.

(c) Conflict of Interest Register (Appendix 3): In line with SPS521 Conflicts of Interest, all parties impacted by this policy will have a duty to update the Conflicts of Interest Register at every committee and board meeting. Conflicts of interest (or perceived conflicts of interest) declarations are a standing agenda item at each committee and board meeting.

This register will record:

- Date the entry was recorded to the register;
- Description of identified or perceived conflict of interest;
- Parties affected;
- Level of Materiality;
- Mechanisms used to manage conflict;
- Conflict Monitoring responsibility; and
- Date that the conflict was recorded in the board minutes

The Conflicts of Interest Register will be presented to the Board within its Board papers at least annually and whenever there is a material conflict event or declaration. All registers in the Appendices to this policy will also be recorded in Protecht RIMS (electronic risk management system)

The Registers are considered to form part of this Policy.

10 Standard Conflicts of Interest statement

The Board has formulated the following policy statement in respect of conflicts of interest to appear in each set of Board and committee papers

1. A Responsible Person who is in any way, whether directly or indirectly, personally interested in a matter in which First Super Pty Ltd has an interest must disclose the nature of the interest at a meeting of the Directors as soon as practicable after the relevant facts have come to the Responsible Person's knowledge.
2. For the purposes of this Policy, a general notice given by a Responsible Person to the effect that the Responsible Person is an officer or member of a specified firm or is otherwise interested in any corporation or firm and is to be regarded as interested in any matter, after the date of the notice, in which that corporation or firm may have an interest will be deemed to be a sufficient declaration of interest in relation to the matter if:

- i. The notice states the nature and extent of the Responsible Person's interest in the corporation or firm;
 - ii. When the matter is first considered, the extent of the Responsible Person's interest in the corporation or firm is not greater than is stated in the notice; and
 - iii. The notice is given at a meeting of the Directors (or the Director or Officer takes reasonable steps to ensure that the notice is tabled at the next meeting of the Directors).
3. It is also the duty of a Responsible Person who holds an office or possesses any property (the holding of which office or the possession of which property might, whether directly or indirectly, create duties or interests in conflict with his duties or interest as a Director of First Super Pty Limited) to disclose at the first meeting of Directors held after s/he commenced to hold any office or possess any property as aforesaid, the fact of his or her holding such office or possessing such property and the nature, character and extent of the conflict.
4. It is the CEO's duty to record (in the Register of Interests) any disclosure given by a Responsible Person under this policy.
5. Where the relevant Responsible Person believes he/she is in a position of conflict of interest, they are to bring this to the attention of the Directors who will consider the nature of the apparent conflict and determine whether:
 - i. The Responsible Person should refrain from participating in any discussion on, and voting on, the matter to which the conflict relates;
 - ii. The Responsible Person should absent himself/herself from the part of the First Super Pty Ltd Board meeting when the matter is being discussed and voted on.

All conflicts declared through this process (or in any other way) will be entered into the Material Interests, Conflict of Interests or Duties registers as relevant and appropriate. These will be monitored on an ongoing basis, primarily through the Fit & Proper checking process contained in the Fit and Proper Policy. This includes a declaration of interests declarations made annually and prior to appointment.

11 Service Providers

The following processes are intended to enquire into and identify conflicts arising from the Trustee's relationship, or the relationship of a Responsible Person or other employee, with an existing or prospective service provider or adviser.

(a) Each Responsible Person and employee must, before appointment and annually thereafter, complete the Fit & Proper checking process contained in the Fit and Proper Policy. This includes a declaration of interests.

(b) Each Responsible Person and employee must make declarations of conflicts of interest in accordance with this policy at each Board and committee meeting which they attend.

(c) On appointment, tender and renewal the Outsourcing Policy requires service providers to make the following conflict of interests disclosure:

Candidates must disclose any inducements, benefits or incentives of any type whatsoever that they have or intend to pay or make or gift in anyway whatsoever to:

- (i) Any Responsible Person or employee of First Super Pty Ltd;
- (ii) Any employee or director of Super Benefits Administration Pty Ltd (the Administrator);
- (iii) Any party the candidate is aware to be a consultant or other service provider to First Super Pty Ltd or SBA Pty Ltd within a context relevant to a decision to contact with the candidate for provision of the services; and
- (iv) Any related entity (such as a company or spouse) of any person or party indicated in items (i) (ii) or (iii) above within a context relevant to a decision to contact with the candidate for provision of the services.

12 Documentation and Record Keeping

First Super will keep for at least 7 years, records of:

- Minutes of meetings which will note actual or potential conflicts and any action taken
- Any reports given to a Co-Chair, the Chair of a Board Committee or Chief Executive or Trustee Board
- The Registers of Relevant Interests, Gifts and Hospitality, the Relevant of Relevant Duties and the Register of Conflicts of Interest

13 Review

Two reviews apply to the conflicts management framework:

(1) The Trustee will, on an annual basis as set out in the compliance and risk management checking plan, review its conflicts management framework. This review will be carried out by the Audit & Compliance committee and be reported to the Board.

(2) The Trustee will, every three years or sooner if determined appropriate by the Board, ensure that the appropriateness, effectiveness and adequacy of its conflicts management framework are subject to a comprehensive review by operationally independent, appropriately trained and competent persons.

The second review will be scoped so as to have regard to the size, business mix and complexity of the Trustee's business operations at the time of the review, the extent of

any change to those operations and any changes to the external environment in which the Trustee operates.¹¹ However, at a minimum, the review will consider:

(a) whether all relevant duties and all relevant interests have been identified and are being addressed in accordance with the conflicts management framework;

(b) the level of compliance with the conflicts management policy, including reporting on the registers of relevant duties and relevant interests; and

(c) any non-compliance with the conflicts management policy, including steps taken to return to, and improve, ongoing compliance.

¹¹ The default provider for this review is our Internal Auditor, through the Board may appoint another party as it sees fit.

Appendix 1 First Super Pty Ltd Register of Relevant Duties



Register of Relevant Duties as of date

Note: that all position were declared at fund inception (1 July 2008) unless otherwise stated.

Name	Position	Entity & Duty Type	Declared	Information	Avoidance / Control Action

Key to core duties

(1) Duties owed to a corporation (Director, Secretary or Responsible Manager)	(2) Duties owed to a trustee	(3) Duties owed to an Employer	Other Duties owed
Duty of care, skill and diligence Duty to act in good faith & the interests of the company Duty to avoid conflict of interests Duty to prevent insolvent trading Duty to act for a proper purpose Duty to retain discretions	Duty of care, skill and diligence Duty to act in good faith & the interests of the beneficiaries Duty to avoid conflict of interests Duty to act for a proper purpose Duty to retain and properly exercise discretions Duty to hold assets separate and on trust Duty to meet the sole purpose test Duty to invest trust assets prudently Duty to act personally Act honestly in all matters concerning the entity Duty to observe the SIS Covenants	Duty of co-operation, care and fidelity Duty to exercise reasonable care and skill in the performance of the work Duty to account for any property Duty of confidentiality Duty of Loyalty	(4) Officer of a trade union duties are as per Duties owed to a corporation. (5) Officer of the Supreme Court of Victoria duties Duty to the Court Duty to uphold the Law Duty to Client



Appendix 2
First Super Pty Ltd Register of Relevant Interests*, Gifts and Hospitality
From 1 July FY1 – 30 June FY2

*A Relevant Interest is an interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held that the Trustee has determined to be material in accordance with the Trustee’s Management of Conflicts Policy.

Date	Provider/Host	Type of Hospitality/Interest	Type of Gift	Value Actual (A) or Estimated (E)	Attendees / Recipients	Attended/Declined	Mitigation

Appendix 3
First Super Pty Ltd - Conflict of Interest Register
From 1 July FY1 – 30 June FY2

Date recorded in Board/Committee minutes	Description of identified conflict of interest or perceived conflict of interest	Parties affected	Level of materiality	Mechanisms used to manage conflict	Conflict monitoring responsibility