

# Conflicts Management Summary

December 2019

## Conflicts management summary

The Conflicts Management Framework put in place at AustralianSuper includes our:

- › Conflicts Management Policy
- › Gifts, Entertainment & Corporate Hospitality Policy
- › Personal Trading Policy
- › Register of Relevant Interests and Relevant Duties

The Framework also consists of Conflicts Management Procedures and other policies, processes or controls that relate to identifying, assessing, managing and monitoring conflicts of interest at AustralianSuper.

Below is a summary of our Conflicts Management Framework.

## Conflicts management

AustralianSuper's Conflicts Management Policy, addresses the identification, disclosure, recording, and management of conflicts that may arise from interests held, or from duties owed to other entities by the Trustee of AustralianSuper, its Directors, Committee Members or Employees.

In managing conflicts of interests and duties, the Trustee of AustralianSuper seeks to ensure that the interests of the Fund's members and beneficiaries receive priority over all others. If a conflict cannot be managed in a manner that gives priority to the interests of members and beneficiaries then the conflict must be avoided.

Prompt disclosure of relevant interests or duties is a critical part of the AustralianSuper conflicts management processes. If a person thinks that they have a conflict of interest, or something that others could reasonably perceive as a conflict of interest, they must report it to the Governance & Compliance Team, or to the Chair of the Board or Board Committee Chair, the Chief Executive and the Company Secretary if appropriate.

Relevant interests or duties are disclosed as part of the appointment process for Directors, Committee Members, Responsible Persons and Employees and changes to relevant interests and duties must be notified as they occur. Where appropriate, a management process is agreed to manage any actual, potential or perceived conflict.

The Governance & Compliance Team at AustralianSuper is responsible for assessing whether an interest or duty disclosed by an Employee may represent a conflict (actual or perceived) or potential conflict of interests and for overseeing, reviewing and monitoring any conflicts management plans agreed with an individual and their People Leader where required. Any issues identified, may be escalated to the Chief Risk Officer or the Chief Executive if necessary. Responsibility for managing conflicts at Board level, rests with the Chair of the Board (or the Chair of a Committee in the case of Committee meetings), the Chief Executive or Company

Secretary as appropriate. Action taken to manage or avoid a conflict is documented.

AustralianSuper's Conflicts Management Policy and Conflicts Management Framework documents are reviewed annually and material changes to the Policy and Framework are approved by the Board. Minor changes can be approved by the Risk and Compliance Committee.

The Conflicts Management Framework is also subject to a comprehensive review by operationally independent, and appropriately trained persons every three years.

## Register of relevant interests and relevant duties

The Trustee maintains a Register of Relevant Interests and Relevant Duties which records relevant interests and duties of the Trustee and its' Responsible Persons (Directors, Committee Members, certain Senior Managers and the Fund's external auditor) and is disclosed on the AustralianSuper website. An internal register is maintained of all relevant interests declared by Employees.

## Gifts and entertainment

The acceptance of gifts or entertainment (or the giving of gifts or entertainment) can in some cases have the potential to create a conflict. AustralianSuper's Gifts, Entertainment & Corporate Hospitality Policy articulates what is acceptable behaviour in relation to the giving and receiving of gifts and entertainment (including corporate hospitality) as well as our disclosure requirements. A Register of Gifts and Entertainment recording gifts and entertainment received by Responsible Persons is maintained and disclosed on the AustralianSuper website. An internal Gifts and Entertainment Register is also maintained for Fund Employees.

## Personal trading

The Trustee recognises that some Employees have access to information about securities or investment products or opportunities that is not publicly available (these Employees are deemed to be 'Access Persons'). The Personal Trading Policy is designed to avoid conflicts of interest with respect to personal trading. This policy stipulates the mandatory disclosure requirements for Access Persons including personal portfolio account details, pre-clearance requirements for certain trades and specific trading restrictions across all investment portfolios held by Access Persons (and those they have significant influence or control of). Directors and Committee Members are subject to broad requirements under the Personal Trading Policy and where appropriate controls are implemented to manage potential conflicts that may arise from time to time.

