



# **Bendigo Superannuation Conflicts Management Framework Summary**

## OVERVIEW

### BACKGROUND

Bendigo Superannuation Pty Ltd ABN 23 644 620 128 (Bendigo Super, Trustee) is the trustee and registrable superannuation entity (RSE) licensee of The Bendigo Superannuation Plan.

The Trustee Board is responsible for ensuring it has an adequate conflicts management framework that complies with its legal and regulatory obligations.

### PURPOSE

The Trustee Conflicts Management Framework (CMF) outlines the Trustee's approach to the management of conflicts of interest. The CMF's objective is to ensure the Trustee identifies and avoids, or prudently manages all perceived, potential and actual conflicts of interest that arise in its business operations.

The fundamental principle of the framework is to ensure that the best financial interests of RSE beneficiaries are prioritised and met despite a conflict arising.

### DEFINITIONS

For the purposes of this framework, following terms are defined below.

Term	Description
Conflict	<p>A reference to a '<b>conflict</b>' is a conflict:</p> <ul style="list-style-type: none"> <li>• between the duties owed by the Trustee, or a responsible person of the Trustee to beneficiaries and the duties owed by them to any other person;</li> <li>• between the interests of beneficiaries and the duties owed by the Trustee or a responsible person of the Trustee, to any other person;</li> <li>• 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</li> <li>• between an interest of the Trustee an associate of the Trustee, or a responsible person or an employee of the Trustee , and the interests of beneficiaries</li> </ul> <p>Perceived, actual and potential conflicts are contemplated and managed.</p>
Relevant duty	<p>A relevant duty refers to any duty owed by the Trustee, or a responsible person of the Trustee, to beneficiaries or to any other person.</p>
Relevant interest	<p>A relevant interest of the Trustee, an associate of the Trustee or a responsible person of the Trustee refers to any interest, gift, emolument or benefit, whether pecuniary or non- pecuniary directly or</p>

Term	Description
	indirectly held by the Trustee, the associate or the responsible person that the Trustee has determined to be relevant

## FRAMEWORK

### 1 CONFLICTS OF INTEREST WORKFLOW

All perceived, potential or actual conflicts that are identified will be managed in accordance with this process.



#### 1.1 Identification Interests and Duties

The identification of relevant interests and duties provides a means to identify perceived, potential and actual conflicts. The Trustee undertakes a regular structured approach to identify interests and duties that may result in a conflict of interest.

The Trustee responsible persons, staff and related stakeholders have an obligation to report potentially relevant material interests and duties.

#### 1.2 Assessment for Relevance

All duties and material personal interests identified must be assessed for relevance. To be assessed as relevant, the interest or duty must have the potential to have a significant impact on the Trustee's capacity to act in a manner that is consistent with the best financial interests of beneficiaries.

It is also considered that material service provider engagements have the potential to have a significant impact on the best financial interests of beneficiaries.

#### 1.3 Conflicts Management

The Board is ultimately responsible for the management of conflicts. The Trustee will avoid conflicts where possible following approved governance arrangements. Conflicts that can be effectively managed will be managed using the following practices:

- making public disclosures through a product disclosure statements, statutory reporting (annual reports) or publicly available information (website disclosures);
- segregating organisational structures (by duties and by activities).
- actively managing participation in potentially conflicted scenarios (physical or information barriers) and escalating decision making as required.
- use of independent experts to validate regard to best financial interest duties to beneficiaries.

**The Trustee's management of conflicts of interest procedures.**

The Trustee has established procedures to address known potential conflict situations that arise in the course of performing its superannuation operations. These procedures are documented in the the Trustee's management of conflicts of interest procedures.

The procedures set out the appropriate action to take in the event a conflict arises including the ongoing evaluation of the management of the conflict, any escalation or any alternative action required.

## 1.4 Recording and Monitoring

The Trustee uses a number of registers to record conflicts of interest (perceived, potential and actual) and procedures to manage these as they arise.

## 2 CULTURE AND TRAINING

The Trustee aims to achieve a strong conflicts management culture, as part of its risk and compliance culture, where each staff member owns risk management and compliance, and immediately identifies, reports and addresses any conflicts (perceived or apparent, potential or actual), risks, and risk events (including regulatory and internal breaches). Non-compliance with the Trustee's Conflict Management Framework may be treated as a serious breach and may result in disciplinary action.

A training program for conflicts of interest is required to be completed by all staff.

## 3 RELEVANT REGULATION

The CMF sets out the obligations to comply with:

- Corporations Act 2001; AFSL holder general obligations and associated ASIC Regulatory Guides;
- Superannuation Industry (Supervision) Act 1993 and APRA Prudential Standard SPS 521 Conflicts of Interest; and
- General Law.