

Conflicts Management Policy - Summary

November 2024

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1 Introduction

The Conflicts Management Policy (Policy) governs how Aware Super Pty Ltd (Trustee) and each of its Australian wholly-owned operating companies (the Group) manages actual, potential or apparent conflicts of interest (Conflicts). It has been developed to assist Group Entities, Responsible Persons and Group Personnel to manage Conflicts in a manner that complies with the law.

The Group recognises that a strong conflicts management culture is essential for the effective management of Conflicts and reflects the values of the organisation. It is prudent to identify and manage any Conflicts that may arise to ensure that Group Entities, Responsible Persons and Group Personnel act in the best interests of their respective Members and fulfil their fiduciary duties.

A Conflict of interest or duty arises where a person (which may be a Group Entity, Responsible Person or Group Personnel) has more than one duty/interest that may affect, or appear to affect, the objectivity, judgment or decision of that person in the carrying out of their duties.

Conflicts of interest and/or duties, collectively referred to as 'Conflicts' throughout this document, includes actual, potential, and apparent Conflicts.

This document is a summarised version of the Aware Super Conflicts Management Policy and is supported by the Conflicts Management Standard Operating Procedures (Conflicts SOPs).

2 Conflicts Management Framework

The Conflicts Management Framework (CMF) is the totality of systems, structures, policies, processes and controls within the Group's business operations that identify, assess, manage and monitor Conflicts.

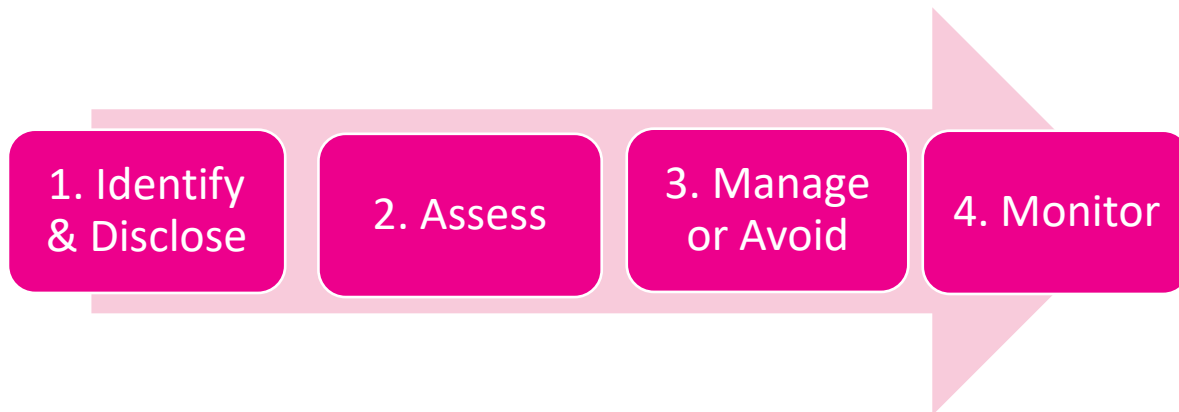
This Policy is one component of CMF which comprises the following:



The CMF is a legal requirement for the Trustee, and the Trustee's Board is responsible for developing and maintaining the CMF. The Trustee relies on Group policies and functions as part of the CMF and considers that Group functions are appropriate for the size, business mix, and complexity of the Group's business operations. The CMF also addresses obligations that the Trustee and AFSAL have as AFSL holders to ensure they employ risk management practices appropriate to a financial services business.

3 Policy Requirements

The Conflicts management process involves stages which are reflected in the Conflicts SOPs. The management stages are set out in detail in the Conflicts SOPs and summarised below:



3.1 Identify and Disclose

All Group Personnel and Responsible Persons have a continuing responsibility for identifying and disclosing Conflicts, noting the variety of possible Conflicts. Conflicts can be a one-off occurrence/single incident or they may be ongoing, recurring, or cumulative. Upon identifying a Conflict, Group Personnel and Responsible Persons are required to manage the Conflict in accordance with the Conflicts SOPs.

The table below provides examples of common situations and activities where a Conflict may arise that impacts the individual involved or a Group Entity. This is not an exhaustive list.

Type of Conflict	Description
Personal Conflicts	A financial or non-financial interest or duty that could impair judgement and potentially lead to not acting in the best interests of Members.
Gifts and/or Entertainment	The giving and receiving of gifts, entertainment, sponsorship, donations and prizes.
Related Party Transactions	Not treating related parties at arm's length or on commercial terms in transactions.
Portfolio Management	A Conflict arising from investment management activities of the Group, such as managing investments on behalf of Group Entities.
Conflicted Remuneration	Benefits (monetary and non-monetary) provided to a financial services licensee or representative (an authorised representative of a financial services licensee), who provides financial product advice (general or personal) to retail clients, if the benefit could reasonably be expected to influence the financial product advice or the choice of financial product recommended.
Relevant Interests and Duties	A Relevant Interest or a Relevant Duty of a Trustee's Responsible Person refers to any situation involving a Responsible Person that might reasonably be considered to have the potential to have a significant impact on the capacity of the Trustee, an associate of the Trustee or a Responsible Person to act in a manner that is consistent with the best interests of Members.

Organisational Conflicts	Conflicts arising due to the organisational structure and business of the Group.
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3.2 Assess

The assessment of a Conflict which is identified and disclosed must be performed by a Line Manager/Company Secretary (as applicable) in accordance with the Conflicts SOPs, and will include at a minimum assessment of:

- whether the Conflict is actual, potential, or apparent;
- whether the Conflict is a one-off occurrence or ongoing;
- the type or types of Conflict;
- whether the Conflict involves a Relevant Interest or Relevant Duty; and
- whether further escalation is required.

3.3 Manage or Avoid

Where a Conflict has been identified, it must be appropriately managed. Many Conflicts can be managed by a combination of mitigating controls and disclosures. Where Conflicts cannot be adequately managed through controls and disclosure or it is a requirement of the law, the Group must avoid the Conflict or refrain from providing the affected financial service.

3.4 Monitor

The identification and management of Conflicts is subject to ongoing monitoring and periodic review in response to any changes in circumstances.

Divisions must implement measures to monitor, review and demonstrate:

- compliance with their Conflicts arrangements, including monitoring the action taken to identify and manage Conflicts and reviewing the adequacy of actions taken when circumstances change;
- the ongoing adequacy and effectiveness of the controls in place for identifying, reporting and managing Conflicts; and
- actions taken to address recommendations made as part of assurance reviews and audits.

4 Review

At a minimum, this Policy will be reviewed at least every 12 months by the Enterprise Compliance Team. Any material changes to this Policy must be reviewed by the Audit, Risk and Compliance Committee, followed by approval by the Aware Super Board and the AFSAL Board.