

# Conflicts Management Policy

## Summary

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Telstra Super Pty Ltd (**TSPL**), the trustee of TelstraSuper has a Conflicts Management Framework (**Framework**) in place to enable it to identify all potential, perceived and actual conflicts that may arise in the course of its business operations and take action to ensure that conflicts are prudently managed. The Framework requires TSPL to:

- have a Conflicts Management Policy (**Policy**) in place that meets the requirements of Prudential Standard 521 – Conflicts of Interest;
- determine when a duty or interest is relevant for the purposes of Prudential Standard 521; and
- develop and maintain a Register of Relevant Duties and Relevant Interests.

A number of other TSPL policies support the identification and management of conflicts under the Framework. The Board has approved the Framework and the Policy.

The Policy applies to Responsible Persons, Responsible Managers, Committee members and TSPL employees and Associates. Under the Policy, where there is a conflict, TSPL and TSPL directors must:

- give priority to the duties and interests of the Beneficiaries over the duties to, and interests of, other persons;
- ensure the duties to Beneficiaries are met despite the conflict; and
- ensure the interests of Beneficiaries are not adversely affected by the conflict.

Responsible Persons are required to disclose Relevant Duties and Relevant Interests prior to taking up their appointment and whenever a new Relevant Duty or Relevant Interest arises. The Policy sets out:

- the tasks, responsibilities and resources for the oversight of conflicts management within TSPL's business operations;
- the procedures to identify, assess and evaluate conflicts;
- the processes to be undertaken prior to the selection and appointment of service providers to TSPL;
- the mechanisms to be used to manage conflicts, avoidance, control measures and disclosure;
- the procedures for the disclosure of conflicts prior to appointment to TSPL and on an ongoing basis;
- the procedures for the disclosure of conflicts at Board, Committee and other relevant meetings;
- the controls and processes in place for the on-going management and monitoring of conflicts; and
- record keeping requirements in relation to the management of conflicts.

All Responsible Persons, Responsible Managers, Committee members and TSPL employees undertake training on appointment and on an annual basis to ensure they understand the Framework and their obligations under the Policy.

All conflicts identified in TSPL’s business operations are recorded in the Conflicts Register.

All Relevant Duties and Relevant Interests identified are recorded in the Register of Relevant Duties and Relevant Interests (Register). The Register is reviewed on a quarterly basis to ensure all Relevant Duties and Relevant Interests are recorded and the arrangements for their management remain appropriate, effective and adequate. The Register is publicly disclosed on the TelstraSuper website as required by law.

The Framework and Policy is reviewed on an annual basis and the results reported to the Board. A comprehensive review of the Framework is undertaken every three years by an independent external consultant.

| <b>Definitions</b>        |   |
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| <b>Actual Conflict</b>    | Refers to an existing real conflict.  |
| <b>Associate</b>          | Telstra Super Financial Planning Pty Ltd, a company wholly owned by TSPL.   |
| <b>Beneficiary</b>        | A member of TelstraSuper.   |
| <b>Board</b>              | The board of directors of TSPL.   |
| <b>Conflict</b>           | Refers to a conflict between: <ul style="list-style-type: none"> <li>(a) the duties owed by TSPL or a Responsible Person, to Beneficiaries and the duties owed by them to any other person;</li> <li>(b) the interests of Beneficiaries and the duties owed by TSPL or a Responsible Person, to any other person;</li> <li>(c) an interest of TSPL, an Associate, a Responsible Person or an employee of TSPL, and TSPL’s duties to Beneficiaries; and</li> <li>(d) an interest of TSPL, an Associate, a Responsible Person or an employee of TSPL and the interests of Beneficiaries.</li> </ul> |
| <b>Conflicts Register</b> | The register which records all conflicts assessed as an actual or perceived conflict of duty or conflict of interest.   |
| <b>Committee Member</b>   | A person who is a member of a TSPL Committee who is not a Responsible Person.   |
| <b>Perceived Conflict</b> | Refers to a conflict that could exist or arise in the future, whether or not this is in fact the case.  |

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| <b>Potential Conflict</b>  | Refers to a conflict that could exist or arise in the future, whether or not this is in fact the case.   |
| <b>Relevant Duty</b>       | A duty is relevant if it has the capacity or may be perceived to have the capacity to significantly impact the ability of TSPL, the Associate or the Responsible Person with the relevant duty to exercise judgement, make a decision, or act in a manner that is consistent with the best interests of Beneficiaries or to discharge the duty to give priority to the duties to Beneficiaries.  |
| <b>Relevant Interest</b>   | An interest is relevant if it has the capacity or may be perceived to have the capacity to significantly impact the ability of TSPL, the Associate or the Responsible Person with the relevant interest to exercise judgement, make a decision, or act in a manner that is consistent with the best interests of Beneficiaries or to discharge the duty to give priority to the interests of Beneficiaries.  |
| <b>Responsible Manager</b> | A person who has direct responsibility for significant day to day decisions about the financial services offered under TSFP's AFS licence.   |
| <b>Responsible Person</b>  | <p>Refers to:</p> <ul style="list-style-type: none"> <li>(a) a director of TSPL;</li> <li>(b) the secretary of TSPL;</li> <li>(c) a senior manager (as defined in paragraph 16 of APRA Prudential Standard 520 - Fit and Proper) of TSPL;</li> <li>(d) an RSE auditor who is appointed to conduct any audit of TelstraSuper or of any connected entity of TSPL;</li> <li>(e) an RSE actuary who is appointed to perform an actuarial function under RSE licensee law; and</li> <li>(f) a person who performs activities for a connected entity of TSPL where those activities could materially affect the whole or a substantial part of the business operations of TSPL, or its financial standing, either directly or indirectly.</li> </ul> |

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| <b>Service Provider</b> | <p>Refers to any service provider engaged by TSPL to provide services related to its business operations.</p> <p>This includes but is not limited to external legal advisers, investment managers, auditors, taxation advisers, brokers, insurance companies, asset consultants, custodians, technology consultants, financial planning service providers, administration service providers, and print and mail house providers.</p> |
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