

Meat Industry Employees' Superannuation Fund

Conflicts Management Framework

Trustee:	Meat Industry Employees' Superannuation Fund Pty Ltd
ABN:	58 005 793 199
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This is the Conflicts Management Framework of the Trustee. It was ratified by the board of directors of the Trustee on 5 December 2024.

Signed in accordance with section 127 of the *Corporations Act 2001* (Cth).

Director / Secretary

Date

Director

Date

¹ Refer to Annexure D – Document Change History for details of changes made in earlier versions.

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1. Introduction

1.1 This document sets out the Conflicts Management Framework (**CMF**) of Meat Industry Employees' Superannuation Fund Pty Ltd (**Trustee**) and provides reasonable assurance that all conflicts are clearly identified, avoided and prudently managed. This is as required by APRA Prudential Standard SPS 521 – *Conflicts of Interest (SPS 521)*.

1.2 This CMF is appropriate to the size, business mix and complexity of the Trustee's business operations.²

1.3 The Trustee has created this CMF to enable the Trustee to meet the obligations arising under the general law and the following legislative obligations in Part 6 of the *Superannuation Industry (Supervision) Act 1993* (Cwth) (**SIS Act**).

s. 52(2)(d): Where there is a conflict between the duties of the Trustee to the beneficiaries, or the interests of the beneficiaries, and the duties of the Trustee to any other person or the interests of the Trustee or an associate of the Trustee, the Trustee must:

- (i) give priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and
- (ii) ensure that the duties to the beneficiaries are met despite the conflict; and
- (iii) ensure that the interests of the beneficiaries are not adversely affected by the conflict; and
- (iv) comply with the prudential standards in relation to conflicts (SPS 521).

1.4 The Trustee has created this CMF to enable the directors of the Trustee to meet their general law obligations and the following legislative obligations in Part 6 of the SIS Act:

s. 52A(2)(d): 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 Trustee or an associate of the director or the Trustee, the director must:

- (i) give priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and
- (ii) ensure that the duties to the beneficiaries are met despite the conflict; and
- (iii) ensure that the interests of the beneficiaries are not adversely affected by the conflict; and
- (iv) comply with the prudential standards in relation to conflicts (SPS 521).

1.5 At general law, the interest and duty of the trustee must not be put in conflict. The general principle is that no persons who have fiduciary duties to perform shall place themselves in such a position that their interests will, or even may, conflict with that duty and that if interest and duty do conflict, interest must give way.

1.6 The Board is ultimately responsible for the development and maintenance of the CMF.³

1.7 This CMF is the totality of systems, structures, policies, processes and controls within the Trustee's business operations that identify, assess, mitigate, manage and monitor all conflicts of interest and duty ("**conflicts**").⁴ The Trustee's sole purpose is to act as trustee of the Meat Industry Employees' Superannuation Fund (Fund or MIESF).

² As required by paragraph 14 of SPS 521.

³ See paragraph 10 of SPS 521.

⁴ See paragraph 9 of SPS 521.

- 1.8 This CMF applies to all responsible persons and other employees of the Trustee. Please see the list of 'responsible persons' in the Trustee's 'Registers of Relevant Duties and Interests' in Annexure B. This list is consistent with the definition of 'responsible persons' in paragraph 11 of Prudential Standard SPS 520 – *Fit and Proper (SPS 520)* which includes a director, senior manager, approved auditor, actuary and secretary of the Trustee. A person need not be an employee of the Trustee to be a responsible person if they are within one of the definitions in paragraph 11. In some circumstances a consultant, contractor or employee of another entity may be a responsible person – see paragraph 12 of SPS 520.

In relation to identifying responsible persons within an entity that is a 'service provider' to the Trustee, APRA have stated that this will often require an assessment of their functions, the kinds of decisions they make and the impact they may have on the business operations of the Trustee. This will differ depending on the type of entity and the type of function that it performs for the Trustee. The Trustee considers that, any service providers (and their employees) that could most likely have a material impact on members' interests, could be and have been defined as 'responsible persons' under this CMF – see paragraph 25 of APRA Prudential Practice Guide – SPG – *Conflicts of Interest (SPG 521)*.

For the purposes of identifying 'relevant interests' of 'associates' of the Trustee as required by paragraph 6(b) of SPS 521, the Trustee is of the view that the current broad interpretation of the definition of 'responsible persons' in SPS 520 adequately covers the persons who could potentially be considered as 'associates' of the Trustee under the definition of 'associate' in s. 15 of the *Corporations Act 2001 (Cwth)*.

The Trustee has determined that all of its employees that could possibly be under a conflict or potential conflict that may potentially have a significant impact on the Trustee's capacity to act in a manner that is consistent with the best interests of MIESF's members are included in the list of responsible persons in Annexure B.

- 1.9 The Board will take all reasonable steps to ensure that all responsible persons and other employees of the Trustee clearly understand:⁵
- (a) the need to identify all potential conflicts;
 - (b) the circumstances that might give rise to a conflict;
 - (c) the need to avoid or disclose and manage all conflicts;⁶
 - (d) the content and purpose of the Trustee's CMF; and
 - (e) their obligations, where applicable, as a responsible person of the Trustee.

The Board will achieve the objectives referred to in paragraphs 1.9(a) to (e) above by implementing the following procedures for responsible persons:

- (f) each responsible person must provide details prior to taking up their appointment and annually and continuously thereafter all relevant duties and all relevant interests that may give rise to a potential or actual conflict (see 'Responsible Person Declaration of Duties & Interests' – Annexure A) to enable them to understand the need to identify all potential conflicts, the circumstances that might give rise to a conflict, the need to avoid or disclose and manage all conflicts, the content and purpose of the Trustee's CMF and their obligations, where applicable, as a responsible person of the Trustee; and
- (g) at each Board and Committee meeting, each responsible person must confirm they are eligible to hold the positions they hold and to disclose any changes in any relevant duty

⁵ As required by paragraph 11 of SPS 521.

⁶ Even though not an express requirement in paragraph 11 of SPS 521, all responsible persons must clearly understand and practice this important aspect of the CMF.

or interest stated in their entries in the Registers to enable them to clearly understand the need to identify all potential or actual conflicts; and

- (h) each responsible person must complete annual training session regarding conflicts management.

The above procedures ensure that all of the Trustee's relevant business units are made aware of the CMF (see requirement in "first limb" of paragraph 17 of SPS 521) because the "responsible persons" include the managers of the Trustee's business units.

All employees of the Trustee (other than responsible persons) will be required to attend an annual training session to ensure they maintain awareness of this CMF. This session will be conducted by the Risk & Compliance Specialist and it will also be used to determine whether any other employee should be included in the list of responsible persons.

All employees of the Trustee (including responsible persons) will also be required to confirm their compliance with this CMF annually.

- 1.10 The Trustee's Whistleblower Policy in Annexure D of the Fit and Proper Policy applies to someone disclosing information about a responsible person's failure to comply with the CMF.
- 1.11 The Risk Management Framework (**RMF**) describes the Trustee's risk appetite for conflicts of interest as "low". The Trustee has zero tolerance for not reporting any potential conflicts of interest.

It is recognised that the residual risk rating is "moderate" for the identified material risk "Failure to manage conflicts of interest or related party issues, resulting in significant reputation damage, regulatory attentions or financial losses." This is because despite the likelihood being classified as rare (expected to occur once every 40 years), the consequence is classified as medium.

The Trustee believes that it has developed a strong conflicts management culture as part of its risk culture by providing regular training sessions on conflicts management and the CMF as well as encouraging an environment of openness and disclosure.

2. Structure of the CMF

2.1 This CMF includes:

- (a) a conflicts management policy (**CMP**), approved by the Board, that meets the requirements of SPS 521 (see paragraph 3);⁷
- (b) clearly defined roles, responsibilities and resources for the oversight of conflicts management within the Trustee's business operations (see CMP and a summary of these roles and responsibilities in Annexure C);⁸
- (c) an up-to-date register of relevant duties (see Annexure B)⁹
- (d) an up-to-date register of relevant interests (see Annexure B);¹⁰ and
- (e) the process that outlines how the Trustee determines a duty or an interest to be relevant for the purposes of SPS 521¹¹ (see paragraph 3.1(h) and Annexure A).

⁷ As required by paragraph 15(a) of SPS 521.

⁸ As required by paragraph 15(b) of SPS 521.

⁹ As required by paragraph 15(c) of SPS 521.

¹⁰ As required by paragraph 15(d) of SPS 521.

¹¹ As required by paragraph 16 of SPS 521.

3. Conflicts Management Policy

3.1 Process for identifying and monitoring conflicts

For the purposes of appropriately identifying conflicts, the Trustee acknowledges that a reference to a 'conflict' is a reference to a conflict:¹²

- (a) 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;
- (b) between the interests of beneficiaries and the duties owed by the Trustee, or a responsible person of the Trustee, 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 of the Trustee and the interests of beneficiaries.

The Trustee's processes and controls for *identifying and monitoring* all potential and actual conflicts are as follows:¹³

Conflicts that arise at the Trustee and responsible person level

- (e) The Trustee identifies and monitors these conflicts through disclosure. As part of its Fit and Proper due diligence process the Fund's administration requires all responsible persons to provide details prior to taking up their appointment, annually and continuously thereafter all duties (ie, directorships and other positions held) and all relevant interests (ie, shareholdings and other relevant interests) that may give rise to a potential or actual conflict (see 'Responsible Person Declaration of Duties & Interests' – Annexure A). These disclosures are updated and maintained on the Register of Relevant Duties and the Register of Relevant Interests (**Registers**) (see Annexure B) which is prepared by the Risk & Compliance Specialist and submitted to each Board and Committee meeting (see procedure in paragraphs 3.2(a) and 3.6)). Furthermore, where a decision is being made that may involve a conflict, these are to be declared and the Board or Committee will determine whether the individual involved is disqualified from the decision-making process (see paragraph 3.3).

- (f) What is a "relevant duty"?

A 'relevant duty' refers to any duty owed by the Trustee or a responsible person to beneficiaries or to any other person¹⁴ that the Trustee may determine to be relevant because it might reasonably be considered to have the potential to have a significant impact on the Trustee's capacity or the responsible person's capacity to act in a manner that is consistent with the best interests of beneficiaries.¹⁵

The Trustee requires each responsible person to list all of their "duties".

- (g) What is a "relevant interest"?

A 'relevant interest' is any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the Trustee or the responsible person¹⁶ that the Trustee may determine to be relevant because it might reasonably be considered to have

¹² See paragraph 7 of SPS 521.

¹³ As required by paragraph 18(a) of SPS 521.

¹⁴ See paragraph 6(a) of SPS 521. The words 'any other person' are intended to be read broadly to ensure that all other duties that the Trustee or its directors might owe to other individuals and entities are captured. For example, a director might be employed by another company or sit on another board, and so owe duties to those companies and shareholders as appropriate.

¹⁵ See paragraph 16 of SPS 521.

¹⁶ See paragraph 6(b) of SPS 521.

the potential to have a significant impact on the Trustee's capacity or the responsible person's capacity to act in a manner that is consistent with the best interests of beneficiaries.¹⁷

In the context of gifts and hospitality (eg. lunches and dinners), the Trustee requires each responsible person to describe the item, date received and estimated value for any item valued at \$50 or more. The Trustee considers that an amount of \$200 or more (for a 'one off' gift or event) and \$600 or more (cumulative annual amount arising from a series of lower value amounts) to be deemed a 'relevant interest' under this CMF.¹⁸ However, the Trustee or a responsible person will not accept a 'one off' gift or hospitality valued at \$600 or more, unless approved by the Trustee's Audit & Compliance Committee.¹⁹ Conference invitations where the fees are waived by the conference organisers are not subject to approval by the Audit & Compliance Committee.

The Trustee requires each responsible person to list the name of shareholdings held directly by themselves or their family or through any controlled holding company or trust.

So far as trading in shares is concerned, directors should advise all trades to the Chairperson of the Board. Other responsible persons should advise their trades to the Chief Executive Officer. This advice may be after the event, unless the responsible person is aware that the Fund currently has an incomplete decision to trade in the same security in which case permission must be sought in advance.

So far as "switching" investment options as a member of MIESF is concerned, all responsible persons should advise their switch to the Chief Executive Officer. This advice may be after the event, unless the responsible person is aware that the Fund currently has an incomplete decision to undertake a material trade, in which case permission must be sought in advance.

(h) How does the Trustee determine whether a duty or interest is relevant?

The responsible person discloses all duties and all interests. The Trustee will assess the relevance of each particular duty and interest that has been disclosed when the registers are submitted to each Board and Committee meeting by considering the nature of the duty or interest, including whether it is a one-off occurrence or whether it has an ongoing, recurring or cumulative nature.

The Trustee will also assess the relevance of a duty by considering the extent to which the role giving rise to the duty could influence the duties owed by the responsible person to beneficiaries.

The Trustee will also consider, for example, whether the duty or interest has the potential to:

- (i) Cause the Trustee to breach a duty owed to beneficiaries;
- (ii) Impact the Trustee's capacity to act honestly and fairly towards beneficiaries;
- (iii) Cause the Trustee to provide sub optimal benefits to members by using uncompetitive administration, insurance or investment related services;
- (iv) Be perceived that the responsible person is benefiting personally from their role with the Fund at the expense of beneficiaries; or
- (v) Be reasonably considered by beneficiaries as having the potential to create a conflict of duty or interest.

¹⁷ See paragraph 16 of SPS 521.

¹⁸ See paragraph 24 of SPG 521.

¹⁹ See paragraph 32 of SPG 521.

3.2 Process for avoiding conflicts

The Trustee's controls and processes for *avoiding conflicts* are as follows:²⁰

- (a) The Registers are included with the agenda papers for each Board and Committee meeting. The Chairperson asks all responsible persons to confirm they are eligible to hold the positions they hold and to disclose any changes in any relevant duty or interest stated in their entries in the Registers that might reasonably be considered to have the potential to have a significant impact on their capacity to act in a manner that is consistent with the best interests of beneficiaries.
- (b) Where a decision is being made regarding the management of the Fund (eg. investment matters or the letting of a contract) it is a requirement that a responsible person advises the Board or its Committees of any financial interest or relevant duty connected to the dealings with an entity or an associate of an entity with whom a commercial transaction is about to be undertaken. This would capture situations where the responsible person is a director or a shareholder of the entity that the Fund holds shares in or has dealings with. The Board or Committee members must assess the conflict to determine whether it is so acute or pervasive that it cannot be managed, and it must be avoided, e.g., where general law requires it.

The action the Trustee will take to avoid the conflict will depend on the circumstances existing at the time. The Trustee may decide it is necessary or prudent for the responsible person to relinquish the relevant duty (connected to the transaction) to another person, dispose of the financial interest (connected to the transaction) or cease their role with the Trustee.

Please see examples below to illustrate how various conflicts may be avoided:

(i) *Director under actual conflict regarding other directorship held in competitor fund*

If a director of MIESF is also a director of a competitor superannuation fund, the Trustee is of the view that this conflict is so acute and pervasive that there is no option but to avoid the conflict by requiring the director to relinquish the other directorship to another person or cease their role as a director of MIESF.

(ii) *Responsible person found to have received monetary gifts and/or benefits that could reasonably be perceived to be an inducement or bribe from a service provider to the Trustee*

If a responsible person is found to have received monetary gifts and/or benefits that could reasonably be perceived to be an inducement or bribe or the like from a service provider to the Trustee, that person will be required to cease their role with the Trustee.

(iii) *Staff buying and selling securities while the Trustee is trading*

While the Trustee is buying and selling securities for MIESF, activities such as 'front running' is not permitted. This would generally only apply in transactions involving small companies, as the volume of securities bought and sold by the Trustee is unlikely to move the price of securities in large companies. Nevertheless, all relevant staff are reminded to remain out of the market over a period in which the Trustee is buying or selling a particular security.

²⁰ As required by paragraph 18(b) of SPS 521.

3.3 Process for managing conflicts

The Trustee's controls and processes for *managing conflicts* are as follows:²¹

- (a) As soon as the Board²² becomes aware of a potential conflict²³ in relation to a responsible person, the Board will make a decision as to whether the potential conflict affects the responsible person's capacity to make a decision in the best interests of beneficiaries.
- (b) Should the Board be of the view that the potential conflict affects the responsible person's capacity to make a decision in the best interests of beneficiaries; the Board will take necessary action to manage any potential conflict that is on-going in accordance with the requirements to give priority to the duties to and interests of, beneficiaries in sections 52(2)(d) and 52A(2)(d) of the SIS Act (refer to paragraphs 1.3 and 1.4).

The action the Trustee will take to manage any potential conflict will depend on the circumstances existing at the time the Board or Committee members may decide which one of the following actions should be taken:

- The responsible person is excluded from the relevant part of the meeting;
- The responsible person remains at the relevant part of the meeting but abstains from voting on that agenda item; or
- No action is taken because the conflict is considered insignificant and the Board or Committee is satisfied that the interest or duty should not disqualify the responsible person from attending or voting in respect of that agenda item.

It should be noted that nonattendance at a meeting by a responsible person without disclosure of a potential conflict does not address or remove the conflict.

Please see examples below to illustrate how various conflicts may be managed:

(i) *Director under potential conflict regarding outsourced material business activity*

If a director of MIESF is also a director or a material shareholder of a company that is in the process of negotiating a contract with the Trustee for the outsourcing of a Trustee's material business activity, the Board will ensure that all negotiations are strictly carried out at arm's length terms. This includes, requiring the director to refrain from voting and to leave the room when the Board is discussing any matter relating to the contract. Furthermore, to ensure appropriate on-going evaluation of management of the potential conflict, each time the contract is due for renewal, the Board will ensure that the director has absolutely no input in any decision to renew or the negotiation of any term in the contract.

(ii) *Responsible person under potential conflict regarding retention of a gift or hospitality valued at \$600 or more*

If a responsible person is offered a gift or hospitality thought to be valued at \$600 or more, the members of the Trustee's Audit & Compliance Committee must be advised and they will determine whether the gift or hospitality can be accepted depending on the circumstances.

²¹ As required by paragraph 18(c) of SPS 521.

²² All references to "the Board" in paragraph 3.3 also include a reference to the Board's Committees.

²³ Whether it be via disclosure in the Registers or at the beginning of a Board meeting or during the day-to-day management of the Fund.

- (iii) *Responsible person is a director of a company having been nominated by the Trustee*

Where a responsible person has been nominated by the Trustee to be a director of a company then discussion of matters concerning that company at a Board or Committee meeting involving the responsible person does not give rise to a conflict of interest under this CMF.

- (iv) *Responsible person is a director of an investment company that the Trustee is looking to invest with or has already invested with*

The Board will ensure that all considerations of the proposed or actual investment are subject to the same scrutiny as other investments, including reviews of performance and fees. The Board will determine which of the actions above will apply whenever a meeting considers this investment.

- (v) *Responsible person having a personal relationship with a principal or owner of a potential service provider*

The responsible person should discuss the situation with the Board's Chairperson to determine what action to take and what disclosure is needed.

- (vi) *Responsible person is a member of the Fund*

The Board has determined that a responsible person being a member of the Fund does not generally give rise to a conflict of interest under this CMF.

3.4 Process for responsive action in the event of conflict

The Trustee's controls and processes for ensuring appropriate action is taken in the event of a conflict arising, including on-going evaluation of management of the conflict and provision for escalation or alternative action if required are as follows:²⁴

- (a) As stated in paragraph 3.3(b), once the Board²⁵ is of the view that a conflict exists, it will take necessary action, in light of the circumstances, to manage the conflict and if necessary, manage any potential conflict that is on-going. The management of the conflict will be reviewed at every Board meeting where the conflict is relevant. Alternative treatment of the conflict will be determined by the Trustee where appropriate.

3.5 Process for recording conflicts in Board minutes

The Trustee's controls and processes for *recording in the minutes of Board, board committee and other relevant meetings details of each conflict identified and the action taken to avoid or manage the conflict* are as follows:²⁶

- (a) At each meeting of the Board and its Committees, the Chairperson will invite all attendees to disclose details of any potential or actual conflict and the appropriate action that was taken in response. These details will be recorded by the staff member taking the minutes.
- (b) Should the details of a potential or actual conflict be disclosed, however appropriate action has not yet been undertaken, the Board and its Committees will agree on an appropriate course of action. These details will be recorded by the staff member taking the minutes.

²⁴ As required by paragraph 18(d) of SPS 521.

²⁵ All references to "the Board" in paragraph 3.4 also include a reference to the Board's Committees.

²⁶ As required by paragraph 18(e) of SPS 521.

- (c) For the avoidance of doubt, both the Board and its Committees will be responsible for recording the details of any potential or actual conflict and the appropriate action that was or will be taken in response.

3.6 Controls and processes for development and maintenance of Registers in Annexure B²⁷

The Risk & Compliance Specialist is responsible for the development and maintenance of the Registers annually, following each Board and Committee meeting and on an ad-hoc basis.

(a) *Annually*

- (i) The Risk & Compliance Specialist will provide a Responsible Person Declaration of Duties & Interests (see Annexure A) to each responsible person to complete and return to the Risk & Compliance Specialist annually.
- (ii) After receiving a completed and signed Responsible Person Declaration of Duties & Interests from each responsible person, the Risk & Compliance Specialist will review the duties for accuracy and completeness against independent regulatory registers and then update the Registers in Annexure B and provide the up-to-date Registers to the Board at the next Board meeting.
- (iii) The Board will consider the content of the Registers at each Board meeting and decide what further action to take pursuant to paragraphs 3.2 and 3.3.²⁸

(b) *Following each Board and Committee meeting*

- (i) Should a responsible person disclose under paragraph 3.2(a) any change in any relevant duty or interest stated in their entries in the Registers, the Risk & Compliance Specialist will update the Registers, and the updated Registers will be included with the agenda papers for each Board and Committee meeting.
- (ii) The Board or Committee will consider the content of the Registers at each Board or Committee meeting and decide what further action to take pursuant to paragraphs 3.2 and 3.3.
- (iii) The Board will assess at each board meeting which duties and interests are actually relevant and hence will be included on the publicly disclosed Register of Relevant Duties and Register of Relevant Interests. Regulation 2.38 of the Superannuation Industry (Supervision) Regulations 1994 (**SIS Regulations**) requires the public disclosure of a trustee's register of relevant duties and register of relevant interests. Conference fees that are waived and shareholdings are not generally included on the publicly disclosed Register of Relevant Interests. The Board believes that although disclosable, where a responsible person directly held/controlled shareholdings have no relevance or link to their responsible person role, this information should not be publicly disclosed. The publicly disclosed Register of Relevant Interests will include relevant interests/gifts valued at \$200 or more received since the start of the calendar year prior to the year of disclosure.

(c) *Ad-hoc*

- (i) Once a responsible person becomes aware of any change in any relevant duty or interest stated in their entries in the Registers, they will report to the Risk & Compliance Specialist who will update the Registers, and the updated Registers will be included with the agenda papers for each Board and Committee meeting.

²⁷ As required by paragraph 18(f) of SPS 521.

²⁸ As stated in paragraph 3.3, the action the Trustee will take to avoid the conflict or manage any potential conflict will depend on the circumstances existing at the time.

- (ii) The Board will consider the content of the Registers at each Board meeting and decide what further action to take pursuant to paragraphs 3.2 and 3.3.

3.7 Process for enquiry into conflicts regarding service providers

The Trustee's processes for *undertaking regular and thorough enquiry to identify all conflicts arising from the Trustee's relationship or the relationship of a responsible person with an existing or prospective service provider or adviser* are as follows:²⁹

- (a) When each responsible person completes their Responsible Person Declaration of Duties & Interests in accordance with paragraph 3.6, they must ensure that all relevant duties and interests in respect of their relationship (if any) or the Trustee's relationship (if any) with existing or prospective service providers or advisers are disclosed.
- (b) When completing a Responsible Person Declaration of Duties & Interests (refer to Annexure A) each responsible person must include the details of the duty by making an assessment of their functions and the kinds of decisions they make in both roles and the impact these decisions may have on the business operations of both entities. Similarly, each responsible person must include details of the interest including the source and description of the interest.

3.8 Process when director is appointed to the Board³⁰

- (a) As noted in paragraph 3.1(e), each director will be provided prior to being appointed as a director, a copy of this CMF so that they are aware of the Trustee's controls and processes for identifying, assessing, mitigating, managing and monitoring all conflicts. Each newly incoming director will also have to complete a Responsible Person Declaration of Duties & Interests.
- (b) At the newly appointed director's first Board meeting the Board will emphasise the importance of the CMF, including making the director aware that, due to the strong possibility of a conflict as a result of being nominated by an employer or union, the director must adopt a diligent attitude when disclosing relevant duties and interests and avoiding or managing any actual or perceived conflict between the interests of beneficiaries and the interests of the director's nominating employer or union.
- (c) Directors are able to access independent advice, if necessary, about their circumstances so as to ensure all relevant actions or declarations in relation to actual and potential conflicts are made.

3.9 Privacy requirements

The operation of the CMF will result in all responsible persons and potentially other Fund staff, being aware of other responsible persons' private arrangements and it is emphasised that this information is never to be disclosed except to responsible persons of the Fund and except as required by law.

4. **Review of Conflicts Management Framework**

4.1 Trustee's process for reviewing CMF

- (a) The appropriateness, effectiveness and adequacy of this CMF will be subject to a comprehensive review by an external service provider appointed by the Board (**CMF Review Team**) every three years (**Comprehensive CMF Review**).³¹

²⁹ As required by paragraph 19 of SPS 521.

³⁰ See paragraph 23 of SPG 521.

³¹ As required by paragraph 20 of SPS 521.

- (b) The CMF Review Team will be operationally independent, appropriately trained and competent.³²

4.2 Comprehensive CMF Review

- (a) On each third year when a Comprehensive CMF Review is conducted, the CMF Review Team will meet with the Board before 31 March of that year to discuss and agree the scope of the Comprehensive CMF Review.
- (b) When conducting the Comprehensive CMF Review, the CMF Review Team will have regard to the following factors:³³
 - (i) the size, business mix and complexity of the Trustee's business operations;
 - (ii) the extent of any change to those operations; and
 - (iii) any changes to the external environment in which the Trustee operates.
- (c) The CMF Review Team will ensure that the Comprehensive CMF Review will consider³⁴
 - (i) whether all relevant duties and all relevant interests have been identified and are being addressed in accordance with this CMF;
 - (ii) the level of compliance with the CMP, including reporting on the Registers; and
 - (iii) any non-compliance with the CMP, including steps taken to return to, and improve, ongoing compliance.
- (d) Once the CMF Review Team are satisfied that their Comprehensive CMF Review has taken into consideration all of the factors referred to in paragraph 4.2(b) and considered all of the essential items in paragraph 4.2(c), they are to produce a report containing any suggested changes to the CMF to the Trustee.
- (e) The Board will review the CMF Review Team's report by 31 July of that year and is ultimately responsible for approving the revised (if any) CMF.

4.3 Annual CMF Review³⁵

- (a) For each year during which a Comprehensive CMF Review does not take place, the Risk & Compliance Specialist will review the appropriateness, effectiveness and adequacy³⁶ of the CMF and produce a report containing any suggested changes to the CMF to be tabled at a Board meeting no later than 31 July of that year.
- (b) The Board is ultimately responsible for approving the revised (if any) CMF.

5. **Monitoring compliance with the CMF**

- 5.1 The Trustee has formulated the following processes and controls for monitoring compliance with this CMF.³⁷

³² As required by paragraph 20 of SPS 521.

³³ As required by paragraph 21 of SPS 521.

³⁴ As required by paragraph 22 of SPS 521.

³⁵ As required by paragraph 23 of SPS 521.

³⁶ Unlike with the Comprehensive CMF Review, SPS 521 does not govern the scope of enquiry for the Annual CMF Review. In this regard, the Trustee has applied the same scope used for the Annual RMF Review' described in the Trustee's 'Risk Management Framework' (ie, the appropriateness, effectiveness and adequacy) as required by paragraph 29 of SPS 220 – *Risk Management*.

³⁷ As required by the "second limb" of paragraph 17 of SPS 521.

Quarterly monitoring by the Compliance Officer

- (a) The Risk & Compliance Specialist will monitor compliance with this CMF each quarter commencing 1 July 2013.
- (b) Should the Risk & Compliance Specialist consider that any aspect of this CMF has not been complied with by a responsible person of the Trustee, the Risk & Compliance Specialist will notify the Board within 30 days of becoming aware of the act of non-compliance and the Board will decide which course of action to take.

Annexure A – Responsible Person Declaration of Duties & Interests

Risk & Compliance Specialist
Meat Industry Employees' Superannuation Fund Pty Ltd
2/62 Lygon Street
Carlton South VIC 3053

Responsible Person Declaration of Duties & Interests

Important note

It is a requirement under APRA Prudential Standard SPS 521 – *Conflicts of Interest (SPS 521)* for the Trustee to develop and maintain a register of relevant duties and a register of relevant interests (**Registers**).

You are required to complete, sign and return this declaration to the Risk & Compliance Specialist, to assist the Trustee in preparing the Registers and fulfilling its obligations under SPS 521 accordingly.

You should read and understand the Trustee's Conflicts Management Policy and APRA's Prudential Practice Guide (SPG 521 – *Conflicts of Interest*) before completing this declaration.

Relevant Duties

Identify all of your and the Trustee's 'relevant duties'.

A 'relevant duty' refers to any duty owed by the Trustee or you to beneficiaries or to any other person that the Trustee may determine to be relevant because it might reasonably be considered to have the potential to have a significant impact on the Trustee's capacity or your capacity to act in a manner that is consistent with the best interests of beneficiaries.

The words 'any other person' are intended to be read broadly to ensure that all other duties that the Trustee or its directors might owe to other individuals and entities are captured. For example, a director might be employed by another company or sit on another board, and so owe duties to those companies and shareholders as appropriate.

The Trustee requires you to list all of your "duties" even if you cannot see how there can be a conflict. The Trustee will assess the relevance of each particular duty to its conflicts management processes. It will also assess which duties will be included on the publicly disclosed Register of Relevant Duties required by SIS Regulation 2.38.

Type of Relevant Duty (eg, directorships)	Nature of the Conflict

Please include the date of appointment to the duty and the nature of the potential conflict. A brief explanation as to how the duty owed to the other company / employer, for example, may potentially have a significant impact on the Trustee's or your capacity to act in a manner that is consistent with the best interests of MIESF's members. This will require an assessment by you of your functions and the kinds of decisions you make in both roles and the impact these decisions may have on the business operations of both entities.

Relevant Interests

Identify all of your and the Trustee's 'relevant interests'.

A 'relevant interest' is any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the Trustee or you that the Trustee may determine to be relevant because it might reasonably be considered to have the potential to have a significant impact on the Trustee's capacity or your capacity to act in a manner that is consistent with the best interests of beneficiaries.

In the context of gifts and hospitality (eg. lunches and dinners) the Trustee requires each responsible person to describe the item, date received and estimated value for any item valued at \$50 or more. The Trustee considers that an amount of \$200 or more (for a 'one off' gift or event) and \$600 or more (cumulative annual amount arising from a series of lower value amounts) to be deemed a 'relevant interest' under this CMF – see paragraph 24 of SPG 521. However, the Trustee or a responsible person will not accept a 'one off' gift or hospitality valued at \$600 or more unless approved by the Trustee's Audit & Compliance Committee – see paragraph 32 of SPG 521. Conference invitations where the fees are waived by the conference organisers are not subject to approval by the Audit & Compliance Committee.

The Trustee requires you to list the name of shareholdings held by you or your family or through any controlled holding company or trust. Please note the Trustee does not require you to disclose the value of each shareholding in this document. Furthermore, shareholdings within your superannuation fund (unless they are directly held shares in your SMSF) do not have to be disclosed.

The Trustee will assess the relevance of each particular interest to its conflicts management processes. It will also assess which interests will be included on the publicly disclosed Register of Relevant Interests required by SIS Regulation 2.38.

Type of Relevant Interest (eg, gifts or shareholdings)	Nature of the Conflict

For interests other than shareholdings, please include the source and description of the interest, date received and estimated value of the interest. Please include the nature of the potential conflict. A brief explanation as to how the interest held may potentially have a significant impact on the Trustee's or your capacity to act in a manner that is consistent with the best interests of MIESF members.

Declaration

I declare that each of the above statements is true and complete and I will inform the Trustee in writing as soon as practicable if these statements change in any respect.

Name of Responsible Person

Signature of Responsible Person

Date

Annexure B – Registers of Relevant Duties & Interests

[date]

The Directors
Meat Industry Employees' Superannuation Fund Pty Ltd
2/62 Lygon Street
Carlton South VIC 3053

Report to Trustee - Registers of Relevant Duties & Interests of Responsible Persons and Trustee

Dear Directors

I have reviewed the most recent 'Responsible Person Declaration of Duties & Interests' form completed and signed by each responsible person and subsequent disclosures of any changes. I have also compiled the following registers of relevant duties and interests (at both the 'responsible person level' and the 'Trustee level') as shown below. The comments in the "Nature of the Conflict (if any)/Management of any Conflict" column are those that have been determined at Trustee and Committee meetings. "Management of any Conflict" will record the dates the conflict began and ceased and explain how the Trustee decided to address and manage any conflict.

Register of Relevant Duties

Responsible Person	Relevant Duty	Date of Appointment to the Entity	Nature of the Conflict (if any)/ Management of any Conflict
Chris White			
Paul Conway			
Bruce Ede			
Patricia Fernandez			
Robin Gilmour			
Adam Blyth			
Katherine Kaspar			
David Gamvrellis			
Tracey Dunstone			
Chris Artis			
Theo Retsinas			
George Sagonas (Approved Auditor)			

Register of Relevant Interests

Responsible Person	Relevant Interest (Source and Description)	Date Received	Estimated Value	Nature of the Conflict (if any)
Chris White				
Paul Conway				
Jo McMahon				
Bruce Ede				
Patricia Fernandez				
Robin Gilmour				
Adam Blyth				
Katherine Kaspar				
David Gamvrellis				
Tracey Dunstone				
Chris Artis				
Theo Retsinas				
George Sagonas (Approved Auditor)				

Yours sincerely

Risk & Compliance Specialist

NB: The Trustee requires each responsible person to describe the item, date received and estimated value for any item valued at **\$50 or more**.

Please note that amounts of **\$200 or more** (for a "one off" gift or event) and **\$600 or more** (cumulative annual amount from a series of lower value amounts) is a 'relevant interest'.

Neither the Trustee nor a responsible person will not accept a one-of gift of hospitality unless approved by the Audit & Compliance Committee. Conference invitations, where fees are waived by the conference organisers, are **not** subject to this approval requirement.

Annexure C – Roles & Responsibilities in the CMF



- 1
 - The Board is ultimately responsible for the development and maintenance of the CMF.
 - The Board is responsible for approving further actions in respect of the updated Registers provided by the Risk & Compliance Specialist.
 - The Board is responsible for approving further actions in respect of actual or potential conflicts including whether conflicts are able to be managed or whether they have to be avoided.
 - The Board is responsible for approving any changes to the CMF.
 - All recommendations made by the CMF Review Team in respect of changes to procedures and policies in the CMF must be approved by the Board.
- 2
 - The CMF Review Team is responsible for conducting the Comprehensive CMF Review.
 - The CMF Review Team is responsible for providing recommendations to the Board in respect of changes (if any) to the CMF following their Comprehensive CMF Review.
- 3
 - The Risk & Compliance Specialist is responsible for the development and maintenance of the Registers and will provide (periodically and on an ad-hoc basis) updated Registers to the Board and the Committees.
 - The Risk & Compliance Specialist is responsible for providing recommendations to the Board in respect of changes (if any) to the CMF following annual reviews of the CMF.
 - The Risk & Compliance Specialist is responsible for the Quarterly Monitoring of compliance with the CMF and reports any non-compliance to the Board.
- 4
 - Responsible persons are responsible for their day-to-day compliance of the CMF and are responsible for upholding the CMF.
 - Responsible persons must report any potential or actual conflicts (on an ad-hoc basis, during Board and Committee meetings and annually when they submit their 'Responsible Person Declaration of Duties and Interests' to the Risk & Compliance Specialist).

Annexure D – Document History

Version	Date	Description	Prepared by
V1	4/7/13	Annual Review	Bill McRobert
V2	4/7/14	Annual Review	Bill McRobert
V3	29/5/15	Annual Review	Bill McRobert
V4	3/6/16	Annual Review	Bill McRobert
V5	28/7/17	Annual Review	Bill McRobert
V6	27/7/18	Annual Review	Bill McRobert
V7	13/6/19	Annual Review	Bill McRobert
V8	16/7/20	Annual Review	Bill McRobert
V9	26/8/21	Annual Review – changes to position descriptions and responsible persons	Aleksandra Krstevska
V10	8/12/22	Annual Review	Katherine Kaspar
V11	7/12/23	Annual Review	Katherine Kaspar