

Summary of Conflicts Management Policy

Prime Super Pty Ltd (the Trustee) has approved a Conflicts Management Policy which sets out procedures to identify and deal with potential and actual conflicts of interests that may arise in relation to Prime Super. The Trustee's policy takes into consideration relevant superannuation laws, industry and regulatory guidelines and APRA's Prudential Standards under SPS 521. The Policy forms an integral part of the Trustee's Conflicts Management Framework.

The Conflicts Management Framework provides an effective structure to ensure that:

- Conflicts of interest or duty (including potential and perceived conflicts) that may affect Prime Super, its Directors, Responsible Persons and Employees are identified; and
- Identified conflicts are managed in an appropriate, effective and consistent manner.

The Framework and the Policy applies to all directors, employees and responsible persons of the Trustee;

What is a conflict of interest?

Conflicts of interest may arise in one form or another in the context of operating a superannuation fund such as Prime Super. Broadly speaking, a conflict of interest can be defined as any situation where an individual is in a key position to exploit a sensitive situation in a personal or official capacity in some way for either a corporate or personal benefit. A conflict of interest can also arise where there is a potential for personal interests of a responsible person to clash with his or her official duties to the Fund members. A conflict of interest can exist even if no unethical or improper act results from it.

For the purpose of the policy, a reference to a 'conflict' is a reference to a conflict:

- 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;
- between the interests of beneficiaries and the duties owed by the Trustee, or a responsible person of the Trustee, to any other person;
- 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
- 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.

Management of conflicts?

As a regulated superannuation fund, Prime Super must identify and actively manage its conflicts in a responsible way as it owes a duty towards its members. In managing a conflict, the Directors must at all times give priority to the duties, and interests of beneficiaries.

The preferred way of dealing with a Conflict of Interests is to find a way of avoiding it. The Board may decide to avoid a conflict by taking appropriate action in the circumstances including, but not limited to, the following:

- Not entering into an arrangement which may or will give rise to a conflict;
- Not dealing with a third party that may or will give rise to a conflict;

- A Director or relevant employee relinquishing their relevant interest or duty which gives rise to a conflict;
- A Director removing themselves from the Board of another entity;
- A Director removing themselves from the Board of Prime Super; and/or
- A Director excluding themselves from the discussion and decision-making process on the conflicted matter.

Recording Disclosure of Conflicts of Interest

All Directors are required to disclose any actual, potential or perceived conflicts of interest on appointment to the Board, at the time a matter is being considered (at Board meetings) and at least annually. The disclosures, and the way in which any conflicts are managed in accordance with the Trustee's Conflict Management Framework, are recorded in the minutes of the relevant Trustee meeting.

The Trustee also maintains a register to record all declared interests.

Prime Super ABN 60 562 335 823 is a Regulated Superannuation Fund issued by Prime Super Pty Ltd ABN 81 067 241 016 AFSL 219723. A Product Disclosure Statement can be obtained from the issuer by calling 1800 675 839 or visiting primesuper.com.au.