



POLICY
CONFLICT OF INTEREST

Approved by the Board of Directors on October 10, 2014

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1.0 Purpose

The purpose of this policy is to ensure that WGE, complies with its obligation under the Corporations Act 2001 to have adequate arrangements for the management of conflicts of interest.

2.0 Scope

This policy applies to all employees of the WGE Group and its controlled entities. While the policy is not expressed to apply to the directors of the Responsible Entity, it is noted that they and other officers of the Responsible Entity are subject to a number of duties imposed by law, including the duties:

- to act in the best interests of security holders and, if there is a conflict between the interests of security holders and the interests of the Responsible Entity, to give priority to the former,
- not to make use of information acquired through being an officer in order to gain an improper advantage for themselves or for any other person, and
- not to make improper use of their position as an officer to gain an advantage for themselves or any other person (Corporations Act, section 601(FD(1))).

3.0 Values & Commitments

The WGE Group recognise the importance of meeting their regulatory and corporate obligations, including by having adequate arrangements for the management of conflicts of interest.

4.0 Policy

4.1 Background

4.1.1 What is a conflict of interest?

A conflict of interest will arise where some or all of the interests of people to whom the or its representatives provide financial services are inconsistent with or diverge from some or all of the interests of its representatives. This includes actual, apparent and potential conflicts of interest.

Conflicts of interest, and circumstances in which they might arise, are explained in more detail below.

4.1.2 Corporations Law requirement to have arrangements to manage conflicts of interest

The Responsible Entity, is required to have in place adequate arrangements for the management of conflicts of interests that may arise (wholly or partially) in relation to activities undertaken by the licensee or its representatives as part of the licensee's financial services business. (Corporations Act, section 912A (1)(aa)).

4.2 Managing conflicts of interest

4.2.1 Policies and procedures

As part of its compliance program, WGE Group has developed a number of policies and procedures to assist in identifying and managing certain actual or potential conflicts of interest arising from its business activities, including the following:

Name or description of Policy or	Areas covered by Policy or Procedure	How monitored
Compliance Plans	Unit pricing and applications; payment of expenses and management fees; no improper use of information; complaints handling; related party transactions; payment of management fees and expenses.	As required by Compliance Plan measures; quarterly signoffs; reporting of breaches; reporting to Compliance Committee; External Compliance Plan audits.
Gifts and Other Benefits Policy	Rules with respect to offering or giving gifts or other benefits (e.g. meals, entertainment) to, or receiving gifts or other benefits from third parties.	Obligation in certain circumstances to discuss the gift or benefit with Executive Manager; register of items over a stated value.

4.2.2 Conflicts of interests generally

While WGE Group, through policies and processes such as those outlined above, has sought to identify and manage certain conflicts of interest that arise in its business activities, it is impossible to anticipate all of the circumstances and conditions that might give rise to a conflict of interest.

The general rule is that WGE Group employees are expected to act in the best interests of WGE Group and its securityholders, and avoid being placed in a position that could result in a conflict between their personal activities, financial affairs or interests on the one hand, and their responsibility to WGE Group and its securityholders on the other.

Examples of situations that may suggest a conflict of interest include:

- Using your position with WGE Group to secure private financial gain (other than remuneration paid to you by WGE Group) or personal advantage. You are prohibited from accepting any compensation, commission, fee or profit from a source outside WGE Group in connection with any transaction, either actual or proposed, with which WGE Group is either directly or indirectly involved.\
- Owning an interest in a business with which WGE Group transacts business or which is a competitor of WGE Group, or a business in which WGE Group is considering investing. Whether such an interest gives rise to a conflict of interest depends on various factors, including your ability to influence WGE Group's decisions that affect your personal interest, the size of the investment relative to your other resources and the nature of the relationship between WGE Group and the other business.
- For example, an investment of a substantial part of your resources in an WGE Group supplier or customer, or in a business in which WGE Group is considering investing, is likely to present a conflict of interest if you can influence the business relationship

between WGE Group and the other business, or WGE Group's decision to invest in the business.

- Being personally involved (other than carrying out your responsibilities as an employee of WGE) in business transactions in which WGE Group is also involved.
- Assessing tenders from businesses in which you or any relative, friend or associate of yours has an interest.
- Making a decision likely to affect a person with whom you have a personal relationship, such as participating in a recruitment selection panel where you or any relative, friend or associate of yours has a personal or business relationship with an applicant for the position. You should not allow yourself to be improperly influenced by family or personal relationships.
- Accepting gifts or favours, beyond modest entertainment and promotional gifts of nominal value, offered because of services performed on behalf of WGE Group, your business position or a business relationship WGE Group has with or is being proposed by other entities. (Refer to the Gifts and Other Benefits Policy.)
- Participating in an activity that directly competes with WGE Group.
- Improperly using information obtained at work or by virtue of your position to gain personally or benefit any other person.

In addition, subject to any provision on this issue in your employment contract, if an employment or business opportunity outside WGE arises that could interfere with your ability to carry out your duties and responsibilities for WGE Group, you must obtain approval from the Executive Manager in whose business or functional unit you are employed prior to accepting the opportunity. Key factors include whether the activity involves a competitor or a business that has a significant business relationship with WGE Group. Of course, even if the outside opportunity is approved, the other position or activity must not interfere with performance of the duties and responsibilities of your current position or utilise WGE Group resources.

4.2.3 Notification of conflicts of interest

In this policy, ***Executive Manager*** means a member of WGE's executive management committee reporting to the Managing Director.

Employees are responsible for notifying the Executive Manager in whose business or functional unit they are employed about actual, apparent or potential conflicts of interest of which they become aware, and to do so within a reasonable time of becoming aware of the conflict. In so doing, they are required to notify all relevant details of the conflict. If doubt exists as to whether a particular circumstance creates or will create a conflict of interest, employees should err on the side of caution and notify the circumstance.

During a recruitment process, applicants may be asked to declare any actual, apparent or potential conflict of interest.

Notification of conflicts of interest is a standing agenda item for each regular meeting of the executive management committee of WGE Group. Executive Managers are required to notify such meetings of any conflict of interest of which they have become aware. Where appropriate, the executive management committee will evaluate the conflict of interest and discuss how it might be avoided or managed.

Executive Managers may elect to notify the Managing Director (instead of the executive management committee) of their own actual, apparent or potential conflicts of interest.

4.2.4 Responses to conflicts of interest

The Managing Director is responsible for deciding, in respect to conflicts of interest brought to his attention, whether:

- there is or could be a conflict of interest;
- to change the duties of the person who is or will be subject to the conflict of interest or to transfer the person to another position where there is no conflict;
- to allow the person to continue their duties;
- to determine an appropriate response to the conflict of interest, for example to avoid, bring to an end or otherwise manage the conflict of interest;
- to ensure implementation of the response so determined.

4.2.5 Conflicts of Interest Register

Conflicts of interest notified in accordance with this policy, and pertinent details with respect to how they are managed or proposed to be managed, are to be advised to the Company Secretary who will record that information in the Conflicts of Interest Register.

4.3 Breaches / non-compliance with this Policy

A breach of these requirements is a serious matter and may result in disciplinary action, which could include termination of employment.



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