



Conflicts of Interest Policy

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Overview

This document relates to the management of conflicts of interest by the Zenith Group, and is designed to:

- Outline the Zenith Group's obligation under the *Corporations Act 2001* (the Act) in the management of conflicts of interest;
- confirm acceptance by the Zenith Group and the Zenith Group's Board of Directors (the Directors) of its responsibility for such obligations;
- establish procedures to identify and assess conflicts of interest;
- implement and monitor responses to conflicts of interest, act on, and record any instance of non-compliance;
- ensure that all representatives and employees are familiar with and adhere to the Zenith Group Conflict of Interest Policy;
- ensure that all representatives and employees are familiar with and adhere to the reporting of conflicts of interests; and
- implement measures to review and update these procedures.

The Zenith Group consists of the following entities, as updated from time to time:

- Zenith Partners Group Pty Ltd
- Zenith Investment Partners Pty Ltd (Zenith);
- Zenith CW Pty Ltd (Chant West);
- ZIP Holdco Pty Ltd;
- Heuristic Investment Systems Pty Ltd.

1. Objective

This Policy and the Zenith Group's regulatory and statutory obligations apply to all employees of the Zenith Group.

The primary objective of this Policy is to manage conflicts of interest by implementing workable procedures for controlling, avoiding and disclosing conflicts of interests, in line with statutory and regulatory obligations.

2. What Is A Conflict Of Interest?

A conflict of interest is a situation in which an organisation or an individual in a position of trust has a competing professional or personal interest and includes actual, potential and perceived conflicts of interest.

Competing interests can make it difficult for duties to be fulfilled impartially and can create an appearance of impropriety that can undermine confidence even if no unethical or improper action is taken.

3. Conflicts Management Obligation

3.1 As the holder of an AFSL and in accordance with section 912A(1) of the Act, the Zenith Group must adhere to the following general obligations to:

- (1) do all things necessary to ensure that the financial services covered by the AFSL are provided efficiently, honestly and fairly;
- (2) comply with the conditions on the AFSL;
- (3) comply with financial services law; and
- (4) comply with the other requirements set out in section 912A(1) and the relevant regulations.

3.2 For the purposes of this policy, the Zenith Group acknowledges and accepts the direct and specific obligation to manage conflicts of interest under the Act, which requires the Zenith Group to have in place adequate arrangements for the management of conflict of interests that may arise wholly, or partially in relation to activities undertaken in the provision of financial services as a part of our financial services businesses.

3.3 The Zenith Group further acknowledges and accepts ASIC guidance and interpretation of the conflicts management obligations as set out in Regulatory Guide 181 Licensing: Managing conflicts of interest (RG 181) and Regulatory Guide 79 Research report providers: Improving the quality of investment research (RG 79).

4. In What Context Can A Conflict Of Interest Arise?

4.1 A conflict of interest may occur regularly during the course of everyday business activities.

- 4.2 Conflicts management obligations primarily relate to conflicts of interest that arise within the Zenith Group's business and in dealings with clients. An example includes the situation where the Zenith Group has a conflict between earning greater fees and its obligations to clients.
- 4.3 It also applies to conflicts of interests that arise between something within the Zenith Group's business dealings and something outside it. An example includes the situation where a conflict arises between an employee's or representative's personal interests and the Zenith Group's obligations to clients (e.g. if an employee or representative trades on their own account and used information gained as a part of their employment for their own personal gain.)
- 4.4 It does not however, apply to conflicts of interest that occur wholly outside the Zenith Group's financial services business. For instance, any potential conflict between the investment objectives of a client and the objectives of the relevant financial product will not be considered by the Zenith Group unless, if it were licensed to do so, the Zenith Group or a representative provided the financial product advice which led to the investment.
- 4.5 The consequences of putting the interests of the organisation before the interest of clients include statutory breach, criminal action, reputational damage and financial loss.

5. Types of Conflicts of Interest

- 5.1 Conflicts of interest fall into three broad categories:
 - (a) **Real** conflicts of interest are where there is an actual conflict between current duties and responsibilities and an existing interest. An example of a real conflict of interest is where an analyst preparing a research report of a financial product has a material interest in that product.
 - (b) **Potential** conflicts of interest are where the interest of the financial service provider or individual is capable of coming into conflict with their duties. An example is where an employee or Director sits on the investment committee of a fund that we do not currently rate.
 - (c) **Perceived** conflicts of interest are where it appears or could reasonably be perceived by others that a financial service provider or an individual's interest is influencing the performance of their duties, regardless or whether this is actually the case. An example includes the Zenith Group's corporate relationship with fund managers/ product issuers that we rate who also subscribe to our research.

6. Mechanisms for Managing Conflicts of Interest

- 6.1 Conflicts management obligations do not prohibit all conflicts of interest. It does not provide that an AFS licensee can never provide financial services if a conflict of interest exists. Having the conflict of interest is not necessarily the problem, it is how it is managed that is important.
- 6.2 The Zenith Group has considered and adopted, amongst other arrangements, the three mechanisms for managing conflicts of interest, as prescribed by ASIC in RG 181 in preparing this policy, and has put in place procedures and processes to:

- (1) control conflicts of interest;
- (2) avoid conflicts of interest; and
- (3) disclose conflicts of interest.

7. Controlling Conflicts of Interest

7.1 In order to control conflicts of interest, the Zenith Group has implemented procedures to:

- (1) identify the conflicts of interest relating to the Zenith Group's business;
- (2) assess and evaluate those conflicts; and
- (3) decide upon, and implement, an appropriate response to those conflicts.

7.2 Identifying Conflicts of Interest

- (1) The Zenith Group has identified a number of real, potential and perceived conflicts of interest relevant to the business, which have been tabled in the Table of Conflicts of Interest set out in Annexure A.
- (2) Areas considered and marked for ongoing review include:
 - (a) the remuneration practices of the business (e.g. the fees charged to clients and the commissions, if any paid to advisers) and ensuring that such practices operate efficiently, honestly and fairly; and
 - (b) the treatment of all clients fairly so that financial services are not provided in a manner that:
 - (i) unfairly puts the interests of the Zenith Group ahead of clients (e.g. failure to disclose fees transparently);
 - (ii) unfairly puts the interests of one client ahead of the interests of other clients (e.g. in its dealings with a representative or its associates when trading for that person); and
 - (iii) uses knowledge about clients in a way that is likely to advance the Zenith Group's own interest without sufficient disclosure to affected clients (e.g. at worst, insider dealing).
- (3) Particular attention was given to the following potential conflict of interest situations:
 - (a) the granting of preferential treatment to a client who is a representative or associate, such as by trading at lower costs or charging reduced fees;
 - (b) the granting of preferential treatment to a client who is a representative or associate, such as giving priority in access to products; and

- (c) the obtaining of an advantage over clients where the Zenith Group, or a representative or associate of the Zenith Group, trades at a rate more favourable than the market rate.

7.3 Assessing and Evaluating Conflicts of Interest

- (1) The Zenith Group has adopted the qualitative risk analysis methodology set out in ASIC RG 79, and AS ISO 31000:2018 Risk Management for assessing and evaluating conflicts of interest.
- (2) The Zenith Group Head of Legal and Compliance is responsible for assessing and evaluating conflicts of interest. This is done primarily through monthly reporting to the Compliance Committee at the Compliance Meeting, or in the event of a serious conflict of interest, the evaluation must be included in a written report prepared for the Board that deals with or relates to conflicts of interest.

7.4 Resolving Conflicts of Interest

- (1) In resolving conflicts of interest, the Zenith Group must decide upon and implement an appropriate response to such new and potential conflicts of interests.
- (2) Depending on the circumstances and nature of any conflict of interest, it may be appropriate to:
 - (a) disclose the conflict of interest to the relevant client;
 - (b) allocate another representative to provide the service to the particular client;
 - (c) decline to provide services the particular client;
 - (d) Disclose any conflict of interest when attending internal decision-making forums, abstain from any related discussion and/or vote, relinquish the Chair of such a forum (if appropriate) and/or depart the forum until the relevant matter is concluded, or
 - (e) initiate internal or external disciplinary action where warranted.
- (3) The above is not an exhaustive list. What constitutes an appropriate response to a particular conflict of interest will always depend on the facts and circumstances.
- (4) In considering the appropriate response the Zenith Group must always have regard to the various duties that apply at law.

8. Avoiding Conflicts of Interest

- 8.1 Some conflicts of interest are so serious in nature that the only way to manage them is to avoid them completely.
- 8.2 The Zenith Group must assess and evaluate any actual, apparent or potential conflict of interest and make the decision as to whether a particular conflict of interest is manageable or whether it should be avoided.

8.3 Examples of conflicts of interest that the Zenith Group avoids, includes but are not limited to:

(1) Provision of research reports where the Zenith Group or a Zenith Group Employee holds a material interest in the product. The Zenith Group has assessed that the only way to adequately manage such a conflict of interest would be to avoid it entirely;

(2) Distribution of research prepared by the Zenith Group on the Zenith Group's own products. While the Zenith Group does not have any of its own products, it has been assessed that should circumstances change, in accordance with RG 79.135, the Zenith Group would not conduct research on its own products.

9. Disclosing Conflicts of Interests

9.1 The Zenith Group must make appropriate disclosures to clients as part of its arrangements to manage conflicts of interest. The Zenith Group recognises that while disclosure alone will often not be enough, disclosure is an integral part of managing conflicts of interest.

9.2 The Zenith Group will use its best endeavours to ensure that clients are adequately informed about any conflicts of interests. Adequate disclosure means providing enough detail in a clear, concise and effective form to allow clients to make an informed decision about how the conflict may affect the service provided to them.

9.3 Consistent with ASIC's expectations in RG 181, any disclosure made by the Zenith Group will focus on material conflicts and when providing disclosure about conflicts of interest, will ensure that disclosure:

- (1) is timely, prominent, specific and meaningful to the client;
- (2) occurs before or when the financial service is provided, but in any case, at a time that allows the client a reasonable time to assess its effect;
- (3) specifies the service to which the conflict relates; and .
- (4) is in writing.

10. Reporting, Managing and Monitoring

10.1 Reporting

- (1) It is the obligation of all the Zenith Group employees to notify the Head of Legal and Compliance if they become aware of an actual, perceived or potential conflict of interest.
- (2) Employees must notify the Head of Legal and Compliance by completing and forwarding the Conflicts of Interest Notification Form or via email.

10.2 Managing

- (1) Once the conflict of interest has been reported to the Head of Legal and Compliance, it will be assessed and evaluated by the Compliance Committee. The impact of the conduct on the Zenith Group's business objectives, obligations and reputation will be reviewed.
- (2) Depending on the nature of the conflict of interest, the appropriate course of action will be decided and put in place in accordance with of the terms of this Policy.
- (3) All conflicts of interest will be included in the Conflict of Interest Register (the Register).

10.3 Monitoring

- (1) The Head of Legal and Compliance will monitor compliance with this Policy by:
 - (a) internal reporting;
 - (b) training of staff with the aim of educating them to identify and report breaches which may arise because of a conflict of interest; and
 - (c) the Head of Legal and Compliance must ensure the Complaints Register is reviewed each quarter to identify whether any disputes are a result of conflicts of interest between the Zenith Group (including its representatives) and clients.

11. Wholesale Clients and Retail Clients

- 11.1 The conflicts management obligation applies equally to services provided to retail and wholesale clients.
- 11.2 However, in some cases, the disclosure the Zenith Group needs to give to a wholesale client to comply with the law will be less detailed than is required for a retail client.
- 11.3 When determining the disclosure that should be provided, the Zenith Group considers the following factors:
 - (1) the level of financial sophistication of the client;
 - (2) the extent to which third persons are likely to rely, directly or indirectly, on the service;
 - (3) how much the client already actually knows about the specific conflict; and
 - (4) the complexity of the service.

12. Provision of non-research services

- 12.1 The provision of non-research services may give rise to a conflict of interest.
- 12.2 Non research services include the following (RG 79.130):

- (1) Underwriting a public offering;
 - (2) Advice about the prospects for a potential public offering (including likely reception in the financial market);
 - (3) Help in marketing and promoting a public offering (including participation in 'roadshows' and 'conference calls');
 - (4) Advice on structuring and developing new financial products; and
 - (5) Business management or consulting services on investment manager selection and asset allocation or the offering of 'fund of funds'.
- 12.3 If the Zenith Group engages in the provision of non-research services, conflicts management procedures and processes need to account for, and ensure the integrity of the provision of research reports is not compromised.
- 12.4 When providing non research services, amongst other measures, the Zenith Group must:
- (1) ensure that research on a product issuer is not published while non-research services are being provided to the product issuer, and for a short period afterwards;
 - (2) disclose the nature of any non-research services that are provided to product issuers (i.e. disclosure is provided regarding associations and relationships);
 - (3) enforce prohibition of Analysts providing non-research services that may reasonably be perceived as a conflict of interest; and
 - (4) enforce prohibition of the provision of consulting services on investment products,
- 12.5 If the provision of research services cannot be separated from the provision of non-research services and kept at arm's length, this would give rise to a conflict of interest that should be avoided.
- 12.6 All non-research services are recorded in the Non-Research Services Register and monitored and reviewed at the monthly Compliance Meeting.

13. Shareholder influence

- 13.1 There are shareholders in the Zenith Group who are also involved in the ongoing management and operation of the Group.
- 13.2 In the performance of their role, the activity of these shareholders may result in instances of potential conflict between client and shareholder outcomes. Such instances include:
- (1) Influencing a fund's positive rating outcome which may otherwise be 'screened-out' by the standard research process;
 - (2) Advocating for a fund's research rating outcome based upon the commercial relationship of the manager with the Zenith Group;

- (3) Advocating for a fund or manager's inclusion in a consulted portfolio based upon the commercial relationship of the manager with the Zenith Group;
 - (4) Providing a manager with preferred pricing based upon their commercial relationship with the Zenith Group.
- 13.3 Shareholders fulfilling roles within the Zenith Group do so based upon their skills, experience and proven capabilities in their role. These traits are considered very important to the Zenith Group fulfilling its ongoing obligations to clients.
- 13.4 Therefore, shareholder contribution to appropriate decision-making forums, which access the skills and experience of these shareholders, should not be avoided, rather managed to ensure client outcomes are prioritised over Zenith Group outcomes (where they are in conflict).
- 13.5 This will be achieved via appropriate shareholder disclosures, abstaining from voting or meetings/discussions which may compromise the conduct of such votes/meetings, disqualification of the shareholder to both Chair meetings and vote whereby they may exercise undue influence on the agenda and its outcomes, mandatory inclusion of the Zenith Group Head of Legal and Compliance (or delegate) with powers of voting veto, in instances whereby there may be undue influence exerted by any shareholder (or collection of shareholders). Refer Annexure A (pt 14).

14. Breach of the Policy

- 14.1 All officers and employees are expected to act in compliance with the Conflicts of Interest Policy at all times.
- 14.2 Non-compliance of this policy and/ or intentionally failing to report instances of non-compliance of this policy may result in disciplinary action.

15. Adoption, Review and Ongoing Training

Adoption

- 15.1 The Zenith Group Conflicts of Interest Policy was adopted by the Zenith Group Board of Directors on 27 November 2006.

Annual Review

- 15.2 The Head of Legal and Compliance will:

- (1) undertake a review of the Conflicts of Interest Policy in its entirety (which includes but is not limited to a comprehensive review and update of the Conflicts Register and any relevant client files and records), not less than once every 12 months.
- (2) circulate the updated Conflicts of Interest Policy to the Compliance Committee for review and feedback;
- (3) provide the updated Conflicts of Interest Policy to the Board for review and feedback.

- 15.3 Upon approval by the Directors and the Compliance Committee, the Head of Legal and Compliance will circulate the updated Conflicts of Interest Policy to the business and will be responsible for educating relevant officers, employees and representatives to ensure they understand the meaning of “conflicts of interest” and the procedures outlined in this policy.

Itemising New Conflicts on Meeting Agendas and Calling Emergency Meetings

- 15.4 Where a new and material conflict of interest has arisen, or has been identified, during the course of the year, the Head of Legal and Compliance is responsible for placing that conflict of interest on the agenda for the next scheduled Compliance meeting and if deemed necessary by the Compliance Committee, on the agenda for the next scheduled Board meeting of the Directors and prepare a written report for the Directors to consider.
- 15.5 If the conflict of interest identified is of a serious nature, the Head of Legal and Compliance must notify the Directors immediately of the existence and nature of that conflict. It is for the Directors to then decide whether to call an urgent meeting to consider the issue. If the Directors do not call a meeting, the Head of Legal and Compliance must follow the procedures set out in paragraph 14.4.

Internal Reporting by Representatives

- 15.6 Directors and other representatives such as managers or other employees who will be involved in the provision of financial services under the AFS Licence must on commencement of employment, and at least every 12 months thereafter, disclose:
- (1) interests (including beneficial interests) in securities, of themselves and their associates, in entities providing services to the Zenith Group;
 - (2) interests (including beneficial interests) in any relevant product traded by the representative or his or her associates;
 - (3) any transactions that are:
 - (a) entered into with the Zenith Group by the representative’s associates; and
 - (b) acquisitions of property from, or disposals of property to, the Zenith Group by such associates;
 - (4) the representative’s directorships of any company;
 - (5) transactions in which interests in securities (as defined in Annexure B), or loans, are acquired by the representative or his or her associates; and
 - (6) any outside business interests of the representative.
- 15.7 A pro forma Disclosure of Personal Interests is contained in Annexure B. The Head of Legal and Compliance must maintain a central registry of all relevant interest disclosure documents. Failure to comply with the requirement to disclose and update the disclosure as required, without adequate reason, will be treated as a compliance breach by the representative.

External Review

- 15.8 Where the Zenith Group considers necessary, it may engage the services of an internal or external auditor or other independent person to review the arrangements set out in this compliance manual and identify any serious or material conflicts of interest.

Ongoing Training

- 15.9 As a part of managing the Zenith Group's conflicts of interest obligations, all the Zenith Group employees are required to complete the Zenith Group's internal Conflict of Interest training and assessment as a part of their induction program.
- 1510 The Zenith Group employees are also required to participate in ongoing conflict of interest training as required.

16. Retention of Documentation

The Zenith Group must retain records of the following for at least 7 years:

- (1) conflicts identified and action taken;
- (2) any reports given to the Directors, the Zenith Group shareholders or senior management about conflicts of interest matters; and
- (3) copies of written conflicts of interest disclosures given to clients or the public as a whole.

Annexure A

Table of Conflicts of Interest The Zenith Group Conflict of Interest Register

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|-----|---|-------------------------------------|------------|--------------|---|
| | | Level of risk | Likelihood | Consequences | |
| 1 | Documentation | Medium | Medium | Medium | <ul style="list-style-type: none"> All staff are required to read the Zenith Group's Conflicts of Interest Policy and attend the Conflicts of Interest training on induction. Policies outlined within the plan are subject to regular auditing and is subject to annual review. |
| 2 | Monitoring compliance | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group's Head of Legal and Compliance is responsible for ongoing monitoring of the Zenith Group's conflict management policy. The Head of Legal and Compliance reports monthly to the Zenith Group's Compliance Committee. Should any instances arise where the Head of Legal and Compliance also acts as an analyst involved in assigning product ratings, they are prohibited from signing off on any conflict management issues relating to the issuance of that rating. |
| 3 | Communication | Low | Medium | Low | <ul style="list-style-type: none"> The Zenith Group maintains a communications policy relevant to dealing with both internal communications and external parties. Key principals are a) Research ratings must be communicated to Zenith Group clients before they can be released to outside parties or product issuers and b) communications between research staff and product issuers during the review process must ensure information provided to product issuers is controlled (c) information barriers are in place between business units where there may be a potential conflict of interest. |
| 4 | Information barriers | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group places information barriers between business units that are espoused to potential conflicts of interest. Principally these information barriers are in the form of analysts being separated from research pricing decisions. Where possible there are also information barriers in place between the research and consulting business units of the Zenith Group, both physically and also in relation restrictions on access to the Zenith Group public drive. Whilst communication between the research and consulting business units are not prohibited, it is monitored and regular checks are conducted to ensure that any information passed between the business units is done in accordance with the terms of this policy. Where information barriers are not able to be implemented the Zenith Group relies on its robust and transparent research methodology which is followed and on internal compliance measures for the continued management and evaluation of potential conflicts of interest. Analysts are also prohibited from being involved in any non-research services. The Zenith Group does not undertake any investment banking, corporate |

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|-----|---|-------------------------------------|------------|--------------|--|
| | | Level of risk | Likelihood | Consequences | |
| | | | | | advisory, dealing services, underwriting or market making services and is not an investment manager of any financial products. |
| 5 | Approval before distribution | Medium | Medium | Medium | <ul style="list-style-type: none"> The release and publication of all research reports must be authorised by both an experienced supervisor and the Zenith Group's Research Committee. Reports are also subject to peer review by other analysts. Written records of review and approval decision are maintained by the Zenith Group and report authorisation is listed on each Zenith Product Assessment issued. The Chant West scoring and rating process is overseen by the Head of Research and is peer reviewed at multiple levels. |

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|-----|---|-------------------------------------|------------|--------------|--|
| | | Level of risk | Likelihood | Consequences | |
| 6 | Provision of non-research services | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group's conflict of interests' policy details how and when non-research services may be provided to a product issuer who has (or is likely to in the future), receive research. Non-research services may include consulting on wider industry issues; however the policy expressly prohibits Analysts from providing non-research services All non-research services are recorded in the Non-Research Services Register and reviewed by the Compliance Committee monthly. |
| 7 | Benefits and remuneration | High | Low | Low | <ul style="list-style-type: none"> Zenith provides services to wholesale clients (financial advisers) via subscription to its website. Zenith charges standard fees for these services which are tailored in relation to the depth of services provided. Zenith also receives fees for providing investment consulting services to clients. Investment consulting services include but are not limited to provision of advice in relation to managed accounts, model portfolios and approved product lists. Fees charged in relation to investment consulting services may be flat fees or asset based fees. The fees for some consulting/ managed account arrangements may be determined by private agreement and take into consideration the overall depth and complexity of services provided. No fees charged are linked to any Product Assessment rating outcomes or the inclusion of financial products in portfolios or approved product lists. Zenith also ensures that any discussions relating to remuneration occurs with appropriate information barriers in place. Zenith also undertakes Issuer paid research where Zenith receives remuneration for services relating to the provision of third party reviews of fund managers products (Zenith Product Assessments). Remuneration for these reviews is undertaken at a fixed price which is payable upfront prior to the commencement of the assessment. Standard pricing may vary depending on the asset class, but is fixed within that asset class and therefore consistent for all managers within an asset class (sector). Each Zenith Product Assessment is clearly marked with the name of the entity that has paid to undertake a Product Assessment. Remuneration for Zenith Product Assessments is not linked to the ratings outcome. Neither the Zenith Group nor its directors or employees receive any commissions or remunerations based on transaction volumes, gifts or any other benefits from an issuer of a financial product that may materially influence the direction of reports. Chant West receives a fee for providing consulting services to clients (employers) in relation to product selection and review of existing superannuation arrangements as well as for the provision of consulting services to superannuation funds and institutions in relation to asset consultant selection and review of existing asset consultants. The tender and review process for consulting services is robust and transparent with relevant disclosure and |

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| | | Level of risk | Likelihood | Consequences | |
| | | | | | <p>assessment controls in place. Fee control measures are also in place with all fees being fixed and analysts are not aware of the revenue streams of the business.</p> <ul style="list-style-type: none"> Chant West undertakes fund research and ratings services with a focus on superannuation products. Chant West provides Product Research which compares products on a like for like basis and does not contain opinions or recommendations. Product ratings are also generated at no cost to the product issuer, however, if the product issuer wants to use the rating for promotional purposes, a licence fee is charged. These services are provided at a fixed fee, payable upfront and analysts are not involved in pricing discussions. Chant West also offer a number of tools to assist with product review of superannuation products, or to compare existing superannuation arrangements with alternative funds and also to compare funds on a like for like basis. Where applicable access to these tools is charged at a fixed fee. Upon request Chant West also prepares reports on fee comparisons, benchmarking and fee and insurance premium surveys. Fee control measures are also in place in relation to these reports/ surveys with analysts not involved in decisions pertaining to fees charged. Chant West provide investment research and ratings services with the provision of investment surveys which contain comparative information with no express options and recommendations and also multi manager ratings which are for client use, use with stakeholders such as financial advisers but are not for distribution to retail clients. These services are provided at a fixed fee payable upfront with no analyst involvement in the remuneration process. Remuneration is not linked to a ratings outcomes and neither the Zenith Group, Directors or employees receive any commissions or remuneration based on transaction volumes, gifts or any other benefits from an issuer of a financial product that may material influence the direction or reports or ratings. |
| 8 | Trading restrictions | Medium | Low | Low | <ul style="list-style-type: none"> Zenith Group employees must disclose all personal holdings and keep the Compliance Committee updated with any changes to such holdings. Employee holding information and trading is reviewed monthly by the Compliance Committee. The Zenith Group analysts are not prohibited from holding interests in rated products however any trading must be properly approved and subject to The Zenith Group Employee Trading Policy. The Trading Policy extends to holdings in any related companies which may benefit either directly or indirectly from the operations of a rated product (for example, shares in ASX listed fund managers). Any holdings by analysts are disclosed in the relevant Product Assessment. The Zenith Group's trading policy sets out parameters regarding trading approval, trading windows, prohibits trading ahead of distribution and improper use of information obtained in the course of employment. If potential |

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|-----|---|-------------------------------------|------------|--------------|---|
| | | Level of risk | Likelihood | Consequences | |
| | | | | | conflicts are considered to be unable to be managed according to the compliance measure available, the Zenith Group will at its discretion either deny trading approval or ensure that the analyst does not cover the investment and that appropriate information barriers are in place. |
| 9 | Reports based on 'reasonable grounds' | Medium | Medium | Medium | <ul style="list-style-type: none"> In each report, the analyst certifies that the views expressed accurately reflect their personal, professional opinion about the financial product. |
| 10 | Reports for 'proper purpose' | Medium | Medium | Medium | <ul style="list-style-type: none"> The Zenith Group does not undertake any investment banking, corporate advisory or dealing activities, reducing any potential for conflicts regarding the appropriateness of ratings versus any other corporate business. |
| 11 | Associations or relationships | Medium | Medium | Medium | <ul style="list-style-type: none"> The Zenith Group maintains strict guidelines on any relationships between itself and product issuers or fund managers outside the contractual agreements to provide research ratings. The Zenith Group does not provide any underwriting, managerial, or market making services to product issuers or fund managers. The Zenith Group has no related party or other association links with product issuers or fund managers. The Zenith Group may at times engage in contractual agreements with some product issuers as corporate clients (e.g. a large financial entity may have one business unit that is a product issuer and another unit which offers financial planning services who become a subscriber client to the Zenith Group's research). Any such corporate relationships are managed according to the Zenith Group's Conflict of Interest policy and disclosed in the relevant Product Assessments. The Zenith Group may host events which are sponsored by product issuers who receive a rating/ score from the Zenith Group. Where this occurs, it will have been contemplated and managed strictly in accordance with the Zenith Group's Conflict of Interest Policy and ensuring appropriate disclosures are made. Any arrangement which has been assessed as one where the conflict of interest cannot be appropriately managed will be avoided and banned across the Group. The Zenith Group maintains relationship guidelines within the Sales and Consulting teams. Zenith Group employees who are members of the Sales and/ or Consulting teams do not have responsibilities for clients where they have a personal financial advice relationship which extend to all entities associated with any such employee and their immediate family members. |
| 12 | Assistance provided by product issuers | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does not permit product issuers access to ratings models or to edit research reports directly. Assistance is generally limited to providing research materials and access to management staff for interviews. Product Issuers involved in Real Assets may facilitate physical inspections of such assets where required. |
| 13 | Research on own products | High | Low | High | <ul style="list-style-type: none"> The Zenith Group does not manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. If these circumstances change, the Zenith Group would act in accordance with RG |

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|-----|---|-------------------------------------|------------|--------------|---|
| | | Level of risk | Likelihood | Consequences | |
| | | | | | 79 and outsource provision of research on its own products. |
| 14 | Zenith Partners Group shareholder actions | Medium | Medium | Medium | <ul style="list-style-type: none"> Shareholders in the Zenith Group will avoid (only where appropriate with regard to their knowledge, skills and experience) or participate as a 'spectator-only' in Research 'filter', 'screening' and/or 'scoring' meetings. Exceptions to the above are permitted on the basis that the shareholder participate only for the purpose of applying their relevant knowledge, experience and perspective to such meetings and does not Chair such a meeting. Named shareholders from within the Research team only are permitted to cast a single vote in resolutions where they have sufficient knowledge and experience. (This exception is made only on the basis of client outcomes being potentially improved by the experience, questions and perspective of suitably skilled shareholders in the Zenith Group). The Zenith Group Head of Legal and Compliance will participate in decision-making forums, with powers to veto votes which may exhibit inappropriate influence of shareholders in the voting process and that are in conflict with prioritized client outcomes. There is an obligation on shareholders, participating in Zenith Group Research and Consulting functions, to disclose any conflicts based on agenda items presented and voted on. All such research decision-making meetings should be minuted (and/or digitally recorded) |

Other Issues

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|-----|--|-------------------------------------|------------|--------------|--|
| | | Level of risk | Likelihood | Consequences | |
| 15 | <p>Remuneration practices of the business</p> <p>The receiving of benefits, compensation, commission or fees from issuing the products/services provided.</p> | High | High | High | <p>Research of investment products operates under the 'manager pays' system. Conflict is managed in 4 key ways;</p> <ul style="list-style-type: none"> Zenith only provides research and ratings on products which are screened as being eligible (potential best of breed) The screening process is designed to only identify the strongest products, not to facilitate 'mass ratings'. Zenith regularly publishes the distribution of ratings issued as a proportion of the market as a whole and statistics on the number of ratings awarded. This allows external parties to judge the transparency of our system with regard to ratings undertaken. Research of investment products is remunerated under a flat fixed fee payable up front in full before research results are released. Outcome of the rating has no bearing on the fee charged. Fees are standardised between asset classes. Fund managers are not informed of the rating until the report has been released to the Zenith Group's clients. <p>Fees for consulting services may be flat fees, asset-based fees or determined by private agreement taking into consideration the depth and complexity of services provided. Fees charged are not linked to research or rating outcomes and any discussions regarding remuneration occurs with appropriate information barriers in place.</p> <p>Research of superannuation products operates under a fixed fee arrangement payable up front and in full before ratings, research or reports are provided.</p> <p>The Zenith Group is transparent regarding the source of payments from fund manager/ product issuers in all research reports.</p> <p>Fee determination is separate from functions performed by analysts/ consultants and is not linked to employee remuneration.</p> |
| 16 | <p>Other disclosure</p> | High | High | High | <p>The Zenith Group research reports contain specific disclosure regarding:</p> <ul style="list-style-type: none"> - Any holdings (if any) held by analysts; - Any benefits (if any) likely to be received from the report; - Relationship (if any) to the product issuer; - Date the report was written and by who is responsible for it; and - State the reasons behind the recommendations/ rating. <p>Additional disclosure may be made outside of the research report in separate</p> |

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|------|---|-------------------------------------|------------|--------------|--|
| | | Level of risk | Likelihood | Consequences | |
| | | | | | documents through the Zenith Group websites relating to: <ul style="list-style-type: none"> - Status of current reports - The proportion of each rating issued compared to the market and within the ratings group; - Explanation of the rating systems and definitions. |
| 17 | Treatment of clients fairly The Zenith Group avoids providing financial services that unfairly put the interest of the Zenith Group or its representatives or associates ahead of its clients by prohibiting the below practices: | | | | |
| 17.1 | The Zenith Group may misrepresent past performance or downplays risks, to attract potential clients (research subscribers). | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does not undertake any investment banking, corporate advisory or dealing activities. Subscriber clients rely on the accuracy of our research to aid the investment decision making process. The Zenith Group's interests are in providing full illumination of the risks and true performance of an investment product in order to remain credible and secure more business from subscriber clients. |
| 17.2 | The Zenith Group advises a client to purchase a product in which the Zenith Group has a commercial interest. | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does not manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. |
| 17.3 | Allowing certain clients to be treated more favourably or with priority, in order to acquire a gain or advantage that adversely affects the interests of other clients. | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does not manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. The Zenith Group encourages analyst rotation within the Research teams to reduce the risk of analysts becoming too familiar or close to the products and product issuers under review, which may give rise to conflicts of interest. Analyst rotation is achieved by having all trainee analysts (Graduate Analysts) rotate through all asset class sectors over their initial two to three year period in addition to all analysts rotating from covering the same fund / fund manager for a period of no greater than 3 years. In circumstances where analyst rotation is not practical due to the need to develop or utilise specialist knowledge and expertise in particular areas, the Zenith Group relies on the robust and transparent research methodology which is followed internal compliance measures for the continued management and evaluation of potential conflicts of interest The Zenith Group prohibits any changes to be made to client portfolios from the commencement of an internal ratings meeting until a client release is published, for all financial products which are subject to the relevant sector review. Exceptional circumstances may apply and are subject to approval from the Compliance Committee. The ratings and research process is subject to an extensive, robust and transparent research methodology which involves monitoring and review at |

| No. | Identification of conflicts of interest | Evaluation of conflicts of interest | | | Management of conflicts of interest |
|------|--|-------------------------------------|------------|--------------|--|
| | | Level of risk | Likelihood | Consequences | |
| | | | | | multiple levels. No one person is responsible for the ratings and research process with all recommendations peer reviewed. |
| 17.4 | Providing more favourable ratings, research or comparisons to procure other fee revenue from existing clients | Low | Low | Low | <ul style="list-style-type: none"> All relationships and associations are disclosed within research reports and are monitored by the Compliance Committee. The ratings and research process is subject to an extensive research methodology which involves monitoring and review at multiple levels. No one person is responsible for the ratings and research process with all recommendations peer reviewed. Fees and contractual arrangements for research and rating services are not linked to the rating process or outcome |
| 18 | Preferential treatment of representatives or associates | | | | |
| 18.1 | By any of the following, the Zenith Group may be permitting a representative or an associate to acquire a gain or advantage that adversely affects the interests of clients. | High | Medium | Medium | <ul style="list-style-type: none"> Any analysis is exposed to the risk of an analysts viewpoint not being objective. The combination of conflict of interest policies and research oversight is designed to mitigate these risks. |
| 18.2 | Trading for a representative or associate at a lower interest rate or charging reduced fees. | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. |
| 18.3 | Giving any form of priority to a representative or associate who is a client. | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. |
| 18.4 | Permitting a gain or advantage to be obtained by a representative or associate by trading at rates more favourable than market rates. | Low | Low | Low | <ul style="list-style-type: none"> The Zenith Group does manage or hold investment products and does not undertake any investment banking, corporate advisory or dealing activities. |

Annexure B

Disclosure of Personal Interests

Internal document to be provided on appointment and updated every 12 months

Name:

Date:

In accordance with the Zenith Group’s *Conflicts of Interest Policy* you must complete and return this document to the Head of Legal and Compliance within 14 days.

All sections are to be completed.

Please note that this information will be treated as being confidential.

If you have any difficulties in completing this disclosure or are concerned about its confidentiality, please contact the Legal and Compliance team or your direct Manager.

Part A: Directorships and Transactions Register

Directorships include acting as a director of any company including any trustee company.

Transactions to be disclosed include any loan or lease contracts or borrowing or leasing arrangements and any acquisition or disposal of property between any entity within the Zenith Group and your associates. “Associate” includes your spouse, your children, your parent and the trustee of any trust in which you have a beneficial interest.

A2: Directorships

| Date of entry | Name of Company | Date Appointed | Date of Change |
|---------------|-----------------|----------------|----------------|
| | | | |
| | | | |
| | | | |

A3: Transactions

| Date of entry | Description of Transaction | Date of Transaction | Consideration paid or payable |
|---------------|----------------------------|---------------------|-------------------------------|
| | | | |
| | | | |
| | | | |

Part B: Outside Business Activities

Describe in detail the nature of the business activity in which you are involved that is in addition to your employment with the Zenith Group. If this is a partnership or other company, please attach a list of all parties with significant involvement in your business i.e Partners, Directors, Associates, Key Employees.

Business Name:

ABN:

Parties with significant involvement:

Business activities:

Form of Compensation (please check)

| | |
|--------------------------------|--|
| Salary | |
| Commission | |
| Retainer | |
| Volunteer | |
| Fee | |
| Other (please describe) | |

Are there any possible conflict of interest with the Zenith Group?

| | |
|------------------------------|--|
| No | |
| Yes (please describe) | |

Could this outside activity involve any client of the Zenith Group?

| | |
|------------------------------|--|
| No | |
| Yes (please describe) | |

.....
Signature

.....
Date