

SERVICE ONE®

RESPONSIBLE PERSON FIT AND PROPER POLICY

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TABLE OF AMENDMENTS

VERSION	RELEASE DATE	DESCRIPTION / HISTORY	APPROVED BY
1.0	27 February 2024	New Policy	Board

Version 1.0 of this Policy reflects amendments made to previous policies for the purpose of establishing the policy structure for the creation of the **Bendigo Community Banks Branches** which are operated by **Service One Financial Services**. It amalgamates a number of previous **SERVICE ONE** Mutual policies specifically relevant for a Responsible Person within the Group, such as a Director, or Chief Executive or Managing Director.

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1 INTRODUCTION

1.1 Document Purpose

The setting and maintenance of appropriate conduct, fitness, and propriety standards is central to the overall achievement of **SERVICE ONE**, and the **SERVICE ONE Group's**, strategic, contractual and policy objectives. Some of these requirements, and their form, are mandated by **Bendigo** as part of the **Franchise Agreement** applying to **Service One Financial Services** in its operation of a number of **Bendigo Community Bank Branches**.

Additionally, some issues, such as fitness and propriety obligations, are required to be maintained in compliance with the terms of the **SERVICE ONE** Constitution. While **SERVICE ONE**, and **SOFS**, have different roles, responsibilities and contractual obligations within the **SERVICE ONE Group**, the Board of **SERVICE ONE** has resolved that this Policy will apply to all **Group** companies unless specifically stated in the introduction to a section. This is on the basis that this Policy, particular amongst the suite of **SERVICE ONE** and **SOFS** policies, stands as a central underpinning of our corporate and individual decisions, actions and behaviours.

1.2 Policy Objective

This Policy will cover the following areas in relation to those positions referenced in the Policy:

- Fitness and Propriety, including the roles of a Chairperson and Directors;
- Code of Conduct;
- Anti-bullying, harassment and discrimination;
- Conflict of Interest;
- Anti-bribery and corruption; and
- Whistleblowing Policy.

1.3 Committee Approval

The Board approved this policy on 27 February 2024.

1.4 Effective Date

The effective date of this Policy is 27 February 2024.

1.5 Review

April 2025.

1.6 Nomenclature

The definition of terms in **BOLD**, other than the section headings, are contained in the Glossary.

Glossary of Terms

Bendigo and Adelaide Bank (Bendigo)	Bendigo and Adelaide Bank Limited ABN 11 068 049 178
Bendigo Community Bank Branches	A Community Bank Branch permitted to be operated by SOFS under the Franchise Agreement with Bendigo
Franchise Agreement	Community Bank Franchise Agreement between SOFS and Bendigo and its associated documents and agreements
Group or Group entities	Either, or both, SERVICE ONE Mutual or Service One Financial Services, as the case requires
SERVICE ONE Group	SERVICE ONE Mutual and its subsidiary companies
SERVICE ONE Mutual (SOM – SERVICE ONE)	SERVICE ONE Mutual Limited ABN 42 095 848 598
Service One Financial Services (SOFS)	The wholly owned subsidiary Service One Financial Services Propriety Limited ACN 662 398 272
Social Enterprise	Investments undertaken by SERVICE ONE Mutual as part of its social enterprise activities
Strategic Plan	The Strategic Plan approved by the Board for SERVICE ONE Group company

2 POLICY BACKGROUND

2.1 General

To avoid duplication and to assist Responsible Persons to remain across the requirements of specific aspects of this Policy, in so far as they relate to compliance with the terms and conditions of the **Franchise Agreement**, the Board has determined to adopt, by reference, applicable **Bendigo** policies that have been approved to cover the activities of community bank companies.

For instance, under the **Franchise Agreement**, **SOFS** is required to ensure that directors and employees comply with other standards of conduct, such as **Bendigo's** Code of Conduct. Moreover, these conduct obligations have also been extended to **SERVICE ONE**, and **SERVICE ONE** Directors and employees, through the provisions of the Support Deed that **SERVICE ONE** and **Bendigo** entered as part of the **Franchise Agreement**.

Bendigo's community bank policy structure also mandates the adoption of a Whistleblowing Policy amongst other policies.

To comply with a **Bendigo** Policy clearly requires **SERVICE ONE Group** directors and employees to read the Bendigo Policy by replacing references to **Bendigo**, or **Bendigo** specific matters, with references to **SERVICE ONE**, or **SOFS**, or a **Group** policy or procedure, as the case requires.

Where a **Bendigo** Policy has been adopted, by reference, the relevant section of this Policy will provide guidance on any amendments that need to be read into the Policy in its application to a **SERVICE ONE Group** company. For instance, the replacement of **Bendigo's** Corporate Values as set out in the Code of Conduct, for **SERVICE ONE's** corporate values as set out in its Board - Governance Policy.

2.2 Responsible Person Conduct

It is not the **SERVICE ONE Group's** policy position to interfere in the private and personal lives of employees, including Responsible Persons. However, it should be noted that how employees conduct themselves both during business hours, and otherwise, can reflect upon the reputation and integrity of the **Group**. Moreover, employees have a duty of care to act in the best interest of their employer within the **SERVICE ONE Group** and therefore the terms of this Policy are enforceable. It is also a requirement of the **Franchise Agreement** for the conduct of the **Bendigo Community Bank Branches** that directors and employees of **SOFS** do not do anything that could harm the reputation of **Bendigo**.

3 FIT AND PROPER

3.1 General Provisions applying to all Responsible Persons

This section constitutes the Fit and Proper Policy for **SERVICE ONE**, and the **SERVICE ONE Group**, as required under the **SERVICE ONE** Constitution.

Persons who are 'responsible persons' must meet the highest standards of fitness and propriety to be considered for, or to occupy on an ongoing basis, such a position.

A 'responsible person' (or persons) or a 'responsible position' (the terms are interchangeable), within a **SERVICE ONE Group** company are determined to be:

- A Director or a person acting as an alternate Director;
- The Chief Executive or Managing Director;
- A Secretary;
- The occupant of a Senior Manager position or above; and
- Any other position, or person, determined by the Chief Executive of **SERVICE ONE** to be a 'responsible position', or 'responsible person', for the purposes of this Policy.

A 'Senior Manager' is, or the criteria to be considered by the Chief Executive in determining a person or position to be 'responsible' include, where the person or position:

- Makes, or participates in making, decisions, or undertakes duties that affect, or could affect, the whole or a substantial part of the financial, strategic, operational and reputational outcomes, or risks for a company within the **SERVICE ONE Group**; and
- Develops, or implements, systems that identify, assess, manage, or monitor risks, or the effectiveness of those systems, in relation to a **SERVICE ONE Group** company.

'Responsible persons' will have, or must be able to demonstrate a capacity to get, the skills and knowledge that are relevant to their position.

3.2 Director Requirements

The Board of **SERVICE ONE** has determined that for a person to be eligible to be elected as a Director of a company within the **SERVICE ONE Group**, or to be assessed as continuing to be eligible by the Director Nominations Committee as part of its yearly director assessment process, they must, in addition to the other requirements of this Policy, assist the relevant company Board to meet its skills, knowledge and experience matrix obligations as contained in its designated matrix.

Additionally, Directors must, on an ongoing basis, comply with the eligibility requirements of the **SERVICE ONE** Constitution, regulatory Acts, and the **Franchise Agreement**, that apply to the **SERVICE ONE Group**, and where relevant to that person's appointment, the Constitution of a subsidiary company to which they may be appointed, as well as the requirements of this Policy.

3.3 Skills and Knowledge Matrix

SKILLS	KNOWLEDGE	EXPERIENCE
Legal	Regulatory environment	Financial Services
Accounting	Legal	Risk and Risk Assessment
Risk Assessment in financial sector	Financial Services	Accounting
Investment	Industry - Mutuals	Marketing/communications
Marketing	Business	Financial
Communications/PR	Risk and Risk Assessment	Business/economic
Information Technology	Social Enterprise	Legal
Analysis of financial statements	Community Banking	Academic
Human Resources		Company directorships
Teamwork		Public company senior management
Strategic Expertise		

3.4 Competencies and Characteristic requirements

Further for a person to be eligible to be elected as a **SERVICE ONE Group** Director they must have all of the following competencies or characteristics:

LEGAL/REGULATORY	GOOD FAME AND CHARACTER	BEHAVIOURAL
Compliance with clause 13.2 of Constitution	Independence	Critical thinking
Compliance with obligations of directors under Corporations law	Act honestly and in good faith	Consensus building
Compliance with obligations of National Consumer Credit Protection Act for persons authorised to provide credit assistance by a credit licensee	Display integrity	Commitment to organisational purpose
	Display judgement and sound reasoning	Positive impact and influence
	Have no material conflicts of interest (or comply with disclosure obligations where you do)	Commitment to continuous learning
		Ethical and decisive decision making
		Flexibility and open-mindedness
		Good communication skills
		Courage to question or speak up if a Director believes something is not right, or challenge management if necessary

3.5 Director Qualifications

At a minimum the following two sections are relevant to the consideration as to whether a person is eligible, in the first instance, and on an ongoing basis, to be a **SERVICE ONE Group** Director. Also, where a person is being considered for the first time, or at the conclusion of a term, for re-election, they must fully complete the 'Nominations Pack' that the Board of **SERVICE ONE** has approved so as to assist the Director Nominations Committee to assess the person's eligibility.

The person must be able to demonstrate they meet the following competencies, and are not otherwise disqualified as a result of being caught by a disqualifying provision of the **SERVICE ONE** Constitution, and/or the Constitution of **Service One Financial Services** (if that is the company to which they are being considered for election, or appointment), or an Act mentioned below:

- An understanding of the role of a director, both generally, and legally;
- A knowledge of the business, risks, and regulatory environment that apply to the **SERVICE ONE Group** as a whole, and/or that part of the organisation to which they are being considered for election or appointment;
- A level of financial literacy such that they are able to read and understand financial statements;
- The Corporations Act 2001; and
- The National Consumer Credit Protection Act 2009.

Note: - there are specific requirements under the Constitution of **SOFS** related to the types of police checks, or 'probity checks' that a director is required to undergo i.e. the need to complete a Victorian Police National Police Records Check. These may be additional to, or different from, those applying generally under this Policy which are those that apply to directors under the **SERVICE ONE** Constitution.

Also, there are obligations imposed under the **Franchise Agreement** that **SOFS** provide details of all its office holders to **Bendigo**, including additional specific information in relation to any Chairperson and Secretary, and that each director of **SOFS** has signed a specific Deed in favour of **Bendigo**.

Where the Board of **SERVICE ONE**, or a **SERVICE ONE Group** company, determines to appoint, under its Constitutional power, a director to perform the role of Managing Director in a **Group** company, that person's appointment is not subject to review and advice from the Director Nominations Committee where the person being appointed otherwise holds an executive position within a **SERVICE ONE Group** company. The person appointed to such a position also does not add to, or address any of, the relevant Board's skills, knowledge and experience matrix obligations.

3.6 Good Fame and Character

The person must also have the following good fame and character characteristics:- be considered to be:

- diligent;
- honest;
- of good character;
- a person with integrity;

- a person with good judgement and acumen; and
- a person who does not have any real or perceived conflicts of interest as detailed in the relevant part of this Policy.

3.7 Documentary Evidence and Assessment

In addition to being satisfied in relation to the above requirements, the Director Nominations Committee can also request from a nominee for a position of director, or a director as part of a yearly assessment, any and all of the following:

- a written curriculum vitae or resume which details the person's name, residential address, date of birth, country of residence, work experience;
- academic and technical qualifications and proof thereof;
- memberships of professional bodies and proof thereof;
- details of their skill and work experience and a statement as to its relevance to the position of director; and
- their employment history.

A failure to provide any information required as part of the Director nomination, or review process, or to positively respond to any reasonable request for additional information by the Director Nominations Committee in a timely manner, will result in the Committee discontinuing the fit and proper assessment and then notifying the Board of **SERVICE ONE** that the person is not suitable for appointment.

Current elected directors, except a person appointed as a Managing Director, of a **SERVICE ONE Group** company will also on a yearly basis participate in an assessment of their ongoing fitness and propriety, as set out in this Policy. The assessment will consist of two parts:

- Self-Assessment – each director to answer a standard set of questions about themselves in regard to their contribution to the Board and Board Committees' deliberations and their continuing professional development; and
- Peer Assessment – each director of the relevant company answers a set of questions in relation to other directors of that company in regard to their contribution to the Board and Board Committees' deliberations.

The yearly assessment will be referred to the Director Nominations Committee for consideration and for it to provide the relevant Board with a recommendation as to the Director's ongoing fitness and propriety to continue to hold a position of a director. Where a Director holds more than one position of Director on **SERVICE ONE Group** Boards their self- assessment can be used for consideration for one, or all positions.

If the Board Nominations Committee determines that a director is not fit and proper then the Chairperson of the relevant Board will:

- Determine whether the adverse assessment is in relation to a matter that can reasonably be addressed, then notify the director as to what action, including the completion of a particular course, needs to be undertaken and the timeframe in which it must be undertaken; or
- Determine that the adverse matter that gives rise to the assessment cannot be reasonably, and in a timely manner, remedied then refer the matter to the relevant Board. The Board will, in the absence of the relevant director, determine

what action it needs to prudently take to address the issue, including the possible referral of the matter to Members/shareholders.

The obligation to be fit and proper as required by this Policy is a continual one. Therefore, if a Board believes that a Director is no longer fit and proper because of the occurrence of an event relevant to a fit and proper assessment, it will immediately have a new fit and proper assessment undertaken for that Director.

3.8 Succession Planning Directors

While there are limits on the length of tenure of a Chairperson or Director of **SERVICE ONE** imposed by the Constitution of **SERVICE ONE**, the experience gained through the various business and economic cycles that **SERVICE ONE** faces is valued. Similarly, the corporate memory that individual directors gain over their tenure is important in being able to usefully contribute to the Vision and objectives of **SERVICE ONE** and to respectfully challenge management.

The Constitution sets out rotational requirements and maximum tenure length for directors and the person who is occupying the position of Chairperson of the Board. Within those limits the Board of **SERVICE ONE** believes a Chairperson should have, in addition to the other obligations that must be met to be a director, the following characteristics:

- Have experience as a director of **SERVICE ONE**;
- Have experience in the chairing of meetings; and
- Have been the chair of one, or more, of **SERVICE ONE's** sub-committees.

Where a director who is currently occupying the position of Chairperson of the Board is within 12 months of the Constitutional term limit (16 years), the Board, as a whole, will actively seek to identify a suitable candidate to replace the Chairperson.

In all other circumstances, the Board expects the Chairperson, other than in extenuating circumstances, to provide 12 months' notice of an intention to resign.

The Board will, as part of the yearly Board and Director assessment process, give specific consideration as to whether it is necessary to seek Board renewal, so as to enhance the functioning of the Board, through Director turnover. This could occur through the filling of a casual vacancy on the Board or as part of a Member election process for Directors.

3.9 Chief Executive Terms and Succession

While it is a matter for the Board to determine the terms and conditions for the Chief Executive, and any temporary appointments to the position where an absence occurs, the transition from one Chief Executive to another is an important moment in the organisation's management arrangements.

To ensure the process is conducted, where at all possible, in an orderly and efficient manner, the Chief Executive will in the 3-month period prior to **SERVICE ONE's** Annual General Meeting, provide the Chairperson of the Board with a confidential briefing on future succession arrangements for the position. The Chairperson will inform the Board, as required, of the nature of those discussions.

The discussions will include the Chief Executive's future intentions, and what specific training and development programs potential internal candidates might need to undertake to better equip them for the position.

3.10 Chief Executives – Managing Directors and Secretaries

The Board of **SERVICE ONE** is responsible for determining whether a candidate for, or a current, Chief Executive/Managing Director, or Secretary, of a **SERVICE ONE Group** company, is fit and proper in terms of this Policy. The Board may delegate the completion of the assessment process to a third party, for instance, the Director Nominations Committee, however, the Board retains ultimate decision-making responsibility for the matter.

The criteria for determining whether a person occupying, or seeking appointment to, a position identified in this section is the same as for a director of a **SERVICE ONE Group** company, save for the following:

- The Board's Skill, Knowledge and Experience, and Legal/Regulatory, Good Fame and Character and Behavioural Matrices do not apply;
- The Board will determine, and document, the skills, experience and knowledge competencies for each position; and
- A candidate for a position is not required to complete a 'Nominations Pack' approved by the Board for director positions, but must complete the 'Senior Officer Pack' which will be forwarded to each candidate.

When considering the fitness of a person under this section against the criteria and actions applying to Directors the Board will replace references to director, or directors, with the appropriate reference to the employee position being reviewed. References to the Director Nominations Committee are replaced with the **SERVICE ONE** Board, unless the Board has delegated the completion of the assessment to that Committee or another person.

3.11 Senior Managers and other Responsible Positions

The Chief Executive of **SERVICE ONE** will determine the competencies that are required for persons who occupy, or seek appointment to, a Senior Manager position, or a position that the Chief Executive of **SERVICE ONE** has determined to be a 'responsible position', within the **SERVICE ONE Group**.

In determining the relevant competencies the Chief Executive will include the following matters, or obligations:

- That the person understands the role of the position they hold, or seek to hold, or demonstrate an ability to get that understanding quickly;
- That they have a good knowledge of the businesses of the **SERVICE ONE Group** and the regulatory environment in which they operate, or demonstrate an ability to gain that knowledge quickly;
- That the person is not disqualified under any law applicable to a **SERVICE ONE Group** business from occupying a position of director in a company, or a licensee, or an authorised person. Relevant laws include the Corporations Act 2001 and National Consumer Credit Protection Act 2009;
- Not been declared bankrupt or taken advantage of the bankruptcy laws;
- That the person is of good fame and character, including that they:
 - are diligent;
 - are honest;
 - are of good character;
 - have integrity;

- demonstrate good judgement; and
- do not have any actual or perceived conflicts of interest as determined by this Policy.
- That the person completes a 'Senior Managers or Responsible Positions' pack; and
- Any other matter or criteria that the Chief Executive considers relevant to the position under review.

The competencies and job descriptions for a Chief Executive or Managing Director will be approved by the relevant **Group** Board.

A failure to provide any information required as part of the Senior Manager or 'responsible position' determination, or to positively respond to any reasonable request for additional information by the Chief Executive in a timely manner, will result in the discontinuation of the determination.

The Chief Executive will ensure that all persons who occupy a Senior Manager position, or a 'responsible position', are assessed on an annual basis to determine their ongoing compliance with the determined competencies for their position. The assessment for a Chief Executive or Managing Director will be referred to the Chairperson of the relevant **Group** Board. However, the obligations to be a fit and proper person as determined by this Policy is a continual one.

3.12 Auditors

To be an external auditor for a **SERVICE ONE Group** company the person must be:

- Registered as a company auditor under the Corporations Act 2001;
- Ordinarily resident in Australia;
- A member of a recognised professional accounting body;
- Independent of all **SERVICE ONE Group** companies by meeting the audit independence test set out in APES 110 Code of Ethics for Professional Accountants (including Independence standards); and
- Free from any conflicts of interest that compromise, or could be perceived to compromise, their independence as detailed below.

An external auditor will be deemed to have a conflict of interest if:

- The auditor is not capable of exercising objective and impartial judgement in relation to the conduct of the work that is undertaken in relation to the Corporations Act 2001, or the reporting standards; or
- A reasonable person, with full knowledge of all relevant facts or circumstances, would conclude the auditor is not capable of exercising objective and impartial judgement in relation to the work that is undertaken in relation to the Corporations Act 2001, or the reporting standards

The Audit, Risk and Finance Committee of the company for which the person is to be recommended for appointment, or re-appointed, as auditor will provide its Board, and the Board of **SERVICE ONE** in the case of **SOFS**, with an assessment of a person's compliance with the above requirements prior to the person's appointment. It will also undertake the same assessment on a yearly basis. However, the obligations to be a fit and proper auditor, as determined by this Policy, is a continual one.

In completing that assessment the Committee will obtain from the person being considered, or assessed, a signed copy of the Auditor Fit and Proper Declaration as annexed to this Policy.

An individual who plays a significant role in the audit of a **SERVICE ONE Group** company for 5 successive years or for more than 5 years out of 7 successive years cannot continue to play a significant role in the audit until at least a further 2 years have passed. The Board of **SERVICE ONE** may waive this requirement if it believes that the person is providing specific and specialist services that are not otherwise available.

4 CODE OF CONDUCT RESPONSIBLE PERSONS

4.1 General Provisions

Under the terms of the **Franchise Agreement**, **SOFS** is required to adopt **Bendigo's** Code of Conduct. Additionally, **SOFS** is required to adopt the Corporate Values of **Bendigo**. As noted in the Board - Governance Policy, the Board of **SERVICE ONE** believes that the corporate values and beliefs of **SERVICE ONE**, while different from **Bendigo's**, are both compatible and complimentary.

In that regard the framework and expectations established by **Bendigo's** Code of Conduct readily translate to **SERVICE ONE's** values and beliefs and represent an appropriate basis by which responsible persons can adjudge their actions against either set of corporate values and beliefs. **Bendigo's** Code of Conduct is therefore adopted for persons who are responsible persons within the **SERVICE ONE Group**.

However, in reading the Code, **SERVICE ONE** responsible persons need to replace references to **Bendigo**, or **Bendigo's** Corporate Values with **SERVICE ONE** and **SERVICE ONE'S** values and beliefs, as the case requires. Any references to Policies should be read as a reference to the relevant policy within the **SERVICE ONE Group** (this may be a **Bendigo** Policy).

References to investigations or disciplinary actions as a result of alleged non-compliance with the Code is to be read as an investigation undertaken by, or disciplinary action taken by, a **SERVICE ONE Group** company under the relevant employment arrangements for the person concerned.

A copy of the **Bendigo's** Code of Conduct can be found on BENnet on the Policy Hub.

4.2 Specific Conduct Obligations

In addition to the above requirements, **SERVICE ONE Group** responsible persons must also comply with the follow general, and specific, conduct obligations as part of their obligations to adhere to the values and beliefs applying to **SERVICE ONE**, or **SOFS** under its **Franchise Agreement** with **Bendigo**.

They will:

- Perform their duties impartially, with professionalism, objectively and integrity;
- Work effectively, efficiently and economically;
- Behave fairly and honestly, including reporting others who may be behaving dishonestly;
- Accept and obey all reasonable and lawful instructions from managers and supervisors, and where they have concerns about any such instruction refer the matter to their most senior manager or the Chief Executive or Managing Director of their employing **Group** company;
- Follow all **SERVICE ONE Group** policy to the extent that they apply to their position and activities;
- Avoid any form of discrimination, exploitation or power imbalances in personal relationships in the workplace; and

- Ensure they are able to undertake their duties in a safe manner by not being adversely affected by alcohol or drugs.

It is particularly important that personal behaviour at business, training or social functions organised by or under the auspices of a **SERVICE ONE Group** company be such as to ensure that the image and reputation of the **Group** is in no way compromised or damaged. **SOFS** has specific obligations to protect, and not harm, the reputation of **Bendigo**.

4.3 Communications and Public Comments

Only the Chairperson of the Board, Chief Executive or Managing Director, is authorised to make public comment for, or on behalf of, a **Group** company. The Chief Executive, or Managing Director, may specifically authorise one or more staff to use social media platforms to represent the interests of a **SERVICE ONE Group** company. Where this occurs any public comments must adhere to the Social Media Guides at all times.

4.4 Confidentiality of Information

All **SERVICE ONE Group** employees are required to sign an Employee Confidentiality Agreement upon commencement. This requires that all employees hold any Confidential Information, as defined in the Agreement, in strict confidence and must take all steps necessary to preserve its confidentiality.

Those persons who engage with us for services expect their affairs will not be disclosed, without permission, to any third parties and it is essential that the confidentiality be observed absolutely.

Information gained about any person while working at a **SERVICE ONE Group** company, or about the **Group** itself, or **Bendigo**, must be treated as strictly confidential and should be used ethically and with integrity. Further, employees should not access another employee's information except for a legitimate reason such as processing a transaction or a loan application.

On resignation, employees continue to be bound post-employment and confidentiality obligations in relation to information obtained in the course of your employment within the **Group** continue to apply.

4.5 Conflict of Interest

The proper identification and management of, actual, perceived or potential conflicts of interest is central to the **SERVICE ONE Group** meeting its regulatory, constitutional, and contractual obligations. The proper management of conflicts of interest are particularly important in relation to the management and contractual obligations that **SOFS** has to **Bendigo** under the **Franchise Agreement** related to the operation of a number of **Bendigo Community Bank Branches**.

Conflicts of interest can exist at all levels of an organisation and therefore the requirements of this Policy apply to all directors and employees within the **SERVICE ONE Group**. There are particular conflict of interest obligations that apply in relation to the undertaking of consumer credit activities on behalf of **Bendigo** and special attention needs to be paid to these requirements.

There are also specific obligations contained in the **Franchise Agreement** related to not competing with **Bendigo**, or **Bendigo** related companies, in the provision of specified activities.

There are three types of conflict of interest:

- Actual – a direct conflict between someone’s current duties and responsibilities and an existing private interest;
- Perceived or apparent – when it appears or could be perceived that someone’s private interest could improperly influence the performance of their duties, whether or not this is the case;
- Potential – where someone has private interests that could conflict with their duties in the future.

To further assist Directors and responsible persons the following are examples of matters that might give rise to a conflict of interest. The examples below are not exhaustive and further, useful, examples can be found in **Bendigo’s** Conflicts of Interest Policy that can be found on BENnet on the Policy Hub.

A business, professional, personal, family or cultural relationship or association with another person or organisation that is a Member of **SERVICE ONE** or that deals with, or is likely to deal with, a **SERVICE ONE Group** entity in a business, commercial or community relations capacity.

‘Personal’ or ‘family’ or ‘cultural’ relationship or association includes family relationships, friendships and membership in a club, community group, political party or other association that is a Member of **SERVICE ONE** or that a **SERVICE ONE Group** entity deals with, or a **SERVICE ONE Group** entity is likely to deal with a business, commercial or community relations capacity.

‘Business’ or ‘professional’ ‘relationship or association’ includes being an owner of, shareholder in, Director of, or employee of, any person or organisation that provides or is likely to provide a service to a **SERVICE ONE Group** entity or an entity that has or is likely to have a business, commercial, or community relationship with a **SERVICE ONE Group** entity.

To ensure compliance with the obligations of this Policy, Directors and responsible persons must:

- Where practicable, avoid placing themselves in a situation where there may be a conflict between the interest of the **SERVICE ONE Group**, or **Bendigo**, and their own, professional, business or personal interest;
- Disclose any conflicts of interest whether actual, perceived, or potential, that may compromise their ability to act independently in any dealings between, or on behalf of, the **SERVICE ONE Group** and/or **Bendigo**, and its Members, customers or third parties;
- Disqualify themselves from participating in any decision, deliberation or any other action or dealing between the **SERVICE ONE Group** and its Members, shareholders, or business partners because of actual, perceived, or potential conflicts of interest; and
- Not act in their own interest in preference to the interests of the **SERVICE ONE Group** and/or **Bendigo**.

4.6 Conflict of Interest Reporting

All conflicts of interest covered by this Policy must be disclosed and either avoided, managed or controlled. There are different requirements as to the process to be followed depending on who the conflict of interest applies to.

While all conflicts of interest are important, greater relevance applies to conflicts that arise for persons who are in senior positions, such as Directors, Chief Executives/Managing Directors and senior managers, because of the fact that those persons have a greater ability to affect the strategic, financial, and reputational outcomes for a **SERVICE ONE Group** company, or directly impact a matter that might adversely impact **Bendigo**. The **SERVICE ONE** Constitution (Section 16) has specific provisions that deal with conflicts of interest that should be considered when dealing with conflicts of interest disclosed by Directors of **SERVICE ONE**. But they also represent a useful guide as to how to deal, more generally, with such matters.

Conflict of interests covered by the Policy in relation to Directors or a Chief Executive or Managing Director will be reported to the Chairperson of the relevant **SERVICE ONE Group** Board, or in the case of the Chairperson, the Chair of relevant Board Audit, Risk and Finance Committee. The disclosure will be included in the Board's minutes along with, where it is not possible to avoid the conflict entirely, what action is proposed to manage the conflict. The Chief Executive or Managing Director of a **SERVICE ONE Group** company will maintain a register of conflicts of interest disclosed by Board members or a Chief Executive or Managing Director.

Conflict of interests covered by the Policy in relation to Senior Managers, or persons who occupy other 'responsible person' or 'risk identified' staff position, and all other staff, will be reported to the Chief Executive or Managing Director of the relevant **SERVICE ONE Group** company. The Chief Executive or Managing Director will maintain a record of the disclosure on the person's personnel file.

To reinforce the importance of the proper identification, reporting, and management of conflicts of interest covered by this Policy non-compliance with the relevant obligations is considered to be a serious breach of **SERVICE ONE Group** policy and may result in disciplinary action as permitted under the relevant **Group** policy.

Where appropriate, a person may use the Whistleblowing procedures to report a concern about a perceived conflict of interest.

4.7 Anti-bullying, Harassment and Discrimination

The **SERVICE ONE Group** is committed to a workplace that is safe, respectful, and inclusive that is free from discrimination, harassment, sexual harassment and victimisation. It is the responsibility of all directors, responsible persons and employees to contribute to a safe and respectful workplace and to speak up when seeing or experiencing discrimination, harassment, sexual harassment or victimisation in the workplace.

To achieve these outcomes the **SERVICE ONE Group** will:

- Create a safe, inclusive and respectful workplace where everyone feels they belong and which is free from any form of discrimination, harassment, sexual harassment, or victimisation;

- Forster an environment that supports those who speak out against any harassing or discriminatory conduct through functioning complaint management processes;
- Consider reasonable flexibility in employees working arrangements particularly in relation to the needs to assist with family responsibilities, disability, religious beliefs, cultural and other circumstances; and
- Ensure its employment practices and selection decisions are based on a person's skills, experience, and capabilities, and not irrelevant personal characteristics.

The **SERVICE ONE Group** expects all directors, responsible persons, and employees, but particularly senior employees, to contribute to the achievement of these objectives by:

- Being part of a safe work environment that treats all colleagues, customers, and others with dignity and respect;
- Modelling behaviours that are in line with our Values and Code of Conduct;
- Being prepared to speak up when you see unacceptable behaviour, and do not participate in gossip, and support those who do speak up against unacceptable behaviour;
- Not victimising anyone who may have spoken up against unacceptable behaviour; and
- Respect processes of complaint handling and not divulge any confidential information that they receive as part of any such process.

Conduct that constitutes discrimination, harassment, sexual harassment, or victimisation is unacceptable in a **SERVICE ONE Group** workplace and is unlawful under Federal, State and Territory legislation. Motive or intention is irrelevant as to whether an offence has been committed. A single incident is enough to constitute discrimination, harassment, or sexual harassment – it does not have to be repeated.

4.8 Discrimination

Unlawful discrimination is treating, or proposing to treat, someone unfavourably or less favourably because of a personal characteristic protected by law such a sex, gender identity, age, race or disability. Unlawful discrimination can be direct or indirect.

Direct discrimination is when a person or group is treated unfavourably or less favourably than another person or group in a similar situation because of a personal characteristic protected by law.

Indirect discrimination is when an unreasonable requirement, condition, or practice, is imposed that has, or is likely to have, the effect of disadvantaging people with a personal characteristic protected by law.

These personal characteristics include (the following characteristics or an assumption that a person may have one at some time in the future):

- Disability, disease or injury, including work related injury;
- Family responsibilities, for example caring for children or other family members;
- Race, colour, descent, national origin, or ethnic background;
- Age, whether young or old or because of age in general;
- Sex;
- Industrial activity;
- Religion (including religious appearance or dress);

- Pregnancy, including potential pregnancy or breastfeeding or association with a child;
- Sexual orientation, sexuality, intersex status or gender identity, including gay, lesbian, bisexual, transgender, queer, and heterosexual, gender history, or chosen gender;
- Physical features;
- Social origin;
- Marital status, domestic or relationship status, whether married, divorced, unmarried, or in a defacto relationship or same sex relationship or the gender identity of a spouse or partner;
- Medical record (in some circumstances);
- Being subjected or having been subjected to domestic violence; and
- An association with someone who has, or is assumed to have, one of these characteristics, such as being the parent of a child with a disability.

4.9 Harassment

Harassment is any behaviour that makes a person feel intimidated, insulted, or humiliated because of their race, colour, national or ethnic origin, sex, disability, sexual orientation, gender identity, age, or some other characteristic specified under anti-discrimination or human rights legislation.

Harassment can be physical, verbal, or written.

4.10 Sexual Harassment

Sexual harassment is a specific and serious form of harassment. It is unwelcome behaviour of a sexual nature which could reasonably be expected to make a person feel offended, humiliated, or intimidated. Sexual harassment is unacceptable in the workplace and is against the law.

Sexual harassment can be physical, verbal, or written.

4.11 Racial Harassment or Offensive Behaviour

It is unlawful to act in a way that is likely, in all the circumstances to, offend, insult, humiliate, or intimidate another person or a group of people, where the act is done because of the race, colour, or national or ethnic origin of the person, or of some or all of the people in the group.

4.12 Victimization

Victimization is subjecting or threatening to subject someone to a detriment because they have:

- Spoken out against and called out unacceptable behaviour;
- Raised a concern or made a complaint about a matter covered by this Policy;
- Helped another person raise a concern or complaint; or
- Refused to do something because it would be discrimination, harassment, sexual harassment, or victimization.

It is also victimisation to threaten a person who has witnessed discrimination, harassment, or sexual harassment, or to threaten a person who may be involved with investigating a concern or complaint of discrimination, harassment, sexual harassment, or victimisation.

The taking of reasonable disciplinary action against an employee is permitted under this Policy.

4.13 Consequences for Breaching of this Policy

An employee, regardless of their position, who is found to have engaged in workplace discrimination, harassment, sexual harassment, or victimisation will be held to account and disciplinary outcomes will apply, including but not limited to counselling, training, warning action, dismissal or termination of a contract arrangement.

4.14 Support for Staff

To ensure people who are subject to, or witness, workplace discrimination, harassment, sexual harassment, or victimisation are supported, the **SERVICE ONE Group** will provide free access to professional counselling through an outsourced Employee Assistance Program. Counselling is confidential and none of the discussions held are disclosed to anyone in the **SERVICE ONE Group**, or **Bendigo**.

4.15 Benefits and Gifts

The receipt of benefits or gifts can give rise to issues of conflict of interest or allegations of bribery or corruption. All directors, responsible persons, and employees need to ensure that any gifts or benefits they receive, or are offered by a third party, in the course of their employment accord with their obligations under the conflict of interest provisions of this Policy and are otherwise in accordance with, and do not give rise to any issues related to, the values of **SERVICE ONE** or **SOFS**. **Bendigo** has a Gifts and Entertainment policy which is also applicable to, and adopted for, the circumstances of employees of **SOFS** as it applies to representatives of **Bendigo**. It can be found on BENnet in the Policy Hub.

For the purposes of this Policy a gift or a benefit does not include:

- Any gift with a retail value of less than \$50.00;
- Any discount which is reasonable and generally available; and
- Any meal or related hospitality at a function where the employee is representing a Group company.

All gifts or benefits otherwise caught by this Policy, or the relevant **Bendigo** policy, must be declared and recorded in the appropriate gifts and benefits register. Where the gift or benefit is provided to a Director it must be reported at the next Board meeting.

4.16 Whistleblowing Policy

One part of the suite of policies and procedures that **Bendigo** recommends or mandates for entities that operate a **Bendigo Community Bank Branch** is a Whistleblowing Policy, and **Bendigo's Whistleblowing Policy** specifically, is noted as being mandatory.

The Board of **SERVICE ONE** therefore adopts **Bendigo's** Whistleblowing Policy for the **SERVICE ONE Group**. The current version of the Policy can be found on the BENnet on the Policy Hub.

In reading the Policy, **SERVICE ONE Group** employees should replace references to **Bendigo**, or the **Bendigo Group**, with **SERVICE ONE**, or the **SERVICE ONE Group**, or the entity within the **Group** that the person is employed by. It should be noted, however, that a **SOFS** employee can, if they so wish, use the **Bendigo** Whistleblowing Policy and processes to report any whistleblowing concerns instead of using the Policy as amended by these provisions.

Any references to an employee workplace complaint process will be read as a reference to the applicable process for **SERVICE ONE Group** employees. Similarly, any disciplinary action will be action undertaken under the relevant **SERVICE ONE Group** policy.

However, it should be noted that **Bendigo** has the right to make an adverse finding about an employee within a **Bendigo Community Bank Branch** conducted by **SOFS**, and seek action to be taken against that employee. This could include, in some cases, the termination of the person's employment.

The Whistleblower Officer for the **SERVICE ONE Group** is **SERVICE ONE's** External Auditors.

The Whistleblower Review Committee for the **SERVICE ONE Group** will be Management, Strategy and Risk Committee established under the auspices of the **SOFS** Board.