

SERVICE ONE®

PEOPLE, CONDUCT AND FITNESS POLICY

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<i>Reviewer:</i>	<i>Board</i>

TABLE OF AMENDMENTS

VERSION	RELEASE DATE	DESCRIPTION / HISTORY	APPROVED BY
18.0	18 April 2023	Review for creation of Bendigo Community Bank structure	Board
17.0	24 August 2021	Annual Review	Board
16.0	30 June 2020	Annual Review	Board
15.0	28 February 2019	Annual Review	Board
14.0	18 November 2018	Annual Review	CCC
13.0	02 November 2017	Annual Review	Board
12.0	14 December 2016	Annual review	Board
11.0	27 August 2015	Annual Review to meet change from ADI status	Board
10.0	26 June 2014	Annual Review	Board
9.0	30 May 2013	Annual Review	Board
8.0	28 June 2012	Board matrix changes	Board
7.0	26 April 2012	Annual Review - APRA Recommendations	Board
6.0	27 October 2010	Securitisation Review	Board
5.0	24 September 2009	Annual Review	Board
4.0	31 July 2008	Annual Review	Board
3.0	30 August 2007	Annual Review	Board
2.0	31 August 2006	Reviewed to meet requirements in the finalised APS 520 and to provide for the development and review of System Notes	Board
1.0	28 July 2005	New Policy	Board

Version 18.0 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, such as:

- Fit and Proper Policy;
- Conflict of interest Policy;
- Staff – Conduct Monitoring Policy;
- Staff Employment, Training and Redundancy Policy; and
- Whistleblowing Policy.

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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:

- Fitness and Propriety, including the roles of a Chairperson and directors;
- Code of Conduct;
- Staff employment, training, and monitoring (including performance reviews and disciplinary matters);
- Staff remuneration policy;
- Diversity policy;
- Anti-bullying, harassment and discrimination;
- Conflict of Interest;
- Anti-bribery and corruption;
- Redeployment and redundancy;
- Corporate uniform;
- Staff travel and accommodation;
- Motor vehicle policy;
- Staff leave standards;
- Whistleblowing Policy.

1.3 Committee Approval

The Board approved this policy on the 18 April 2023

1.4 Effective Date

The effective date of this Policy is 18 April 2023.

1.5 Review

April 2024.

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 directors and employees 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 and a Local Marketing Policy (**Bendigo** has specific policies for both matters).

To comply with a **Bendigo** Policy clearly requires **SERVICE ONE Group** directors and employees to read that 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 Employee Conduct

It is not the **SERVICE ONE Group's** policy position to interfere in the private and personal lives of employees. 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 Directors and Staff

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

There are broadly two categories of person covered by the terms of this Policy. Firstly, there are 'responsible persons' or persons who occupy positions that are deemed to be 'responsible positions'. Secondly, there are the remainder of staff who are employed by a **SERVICE ONE Group** company.

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. All other employees must comply with the general requirements of this Policy, initially and on an ongoing basis.

A 'responsible person' 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 Managers 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 characteristic:

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 reasonable, 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 obligations 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 Matrixes 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 Managers 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 competes 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 Managers 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 compromises, 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, Finance and Risk 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

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 employees can adjudge their actions against either set of corporate values and beliefs. **Bendigo's** Code of Conduct is therefore adopted for the **SERVICE ONE Group**.

However, in reading the Code, **SERVICE ONE** employees 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. Employees of **SOFS** will need to replace references to **Bendigo** with **SOFS**. 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** employees 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**.

Employees 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**.

Employees must not borrow money from other employees, or from persons who are undertaking business or transactions with a **Group** company. All employees should ensure that they maintain their personal finances in good order, including ensuring sufficient funds are available to honour payments and the timely payment of bills and loans on due dates.

Employees who find themselves in financial difficulties should discuss the matter with a Senior Manager with a view to developing an action plan to address the situation. It should be noted that the Senior Manager is required to disclose an agreed action plan to the Chief Executive or Managing Director of the employee's employing **Group** company.

4.3 Communications and Public Comments

No employee of a **SERVICE ONE Group** company, other than 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.

While employees have the right, as private citizens, to express personal views across a variety of topics and subject matter care should be taken at all times to not give the impression that any comments represent the views or position of a **SERVICE ONE Group** company, or **Bendigo**.

Similarly, you should not engage in conduct which involves the posting or re-tweeting, of material that is offensive, defamatory, threatening, harassing, bullying, discriminatory, hateful, racist, sexist, infringes copyright, constitutes a contempt of court, breaches a Court suppression order, or is otherwise unlawful.

Employees must not comment on, or make changes to, any material that is posted by a **SERVICE ONE Group** company on any platform, unless authorised to do so. This is particularly important where it is known as a result of the platform or means through which comment is being made that you are an employee of a **SERVICE ONE Group** company. Any such conduct can be harmful to the **SERVICE ONE Group** company for whom you work and therefore could result in disciplinary action.

To 'like' or 'follow' a **SERVICE ONE Group** site does not constitute 'commenting' on that site or information contained on that site in breach of this Policy.

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 other 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 employees 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 employees 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.

The types of conflicts of interest that might apply to staff are generally of a more practical nature – not to conduct any transactions on your own, or a family members, account; do not approve a loan for a friend or family member; do not consider or resolve a complaint of a family member or friend, or business associate.

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, Finance and Risk 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.

5 STAFF EMPLOYMENT, REMUNERATION, TRAINING AND MONITORING

5.1 General Provisions

Key to the achievement of the strategic, financial and operational goals of the **SERVICE ONE Group**, and the fulfilment of the legislative and contractual obligations that apply to the **Group**, particularly associated with the **Franchise Agreement** with **Bendigo**, is the employment of competent employees who are of good fame and character. Subsequently, it is essential to ensure that all employees receive ongoing training, support and supervision, and that their activities are appropriately monitored.

5.2 Employment

SERVICE ONE Group companies will operate their recruitment practices to always seek the best person for the job and ensure the person is capable and competent to perform the functions of the position or will be competent after adequate training. The **SERVICE ONE Group** supports the advancement of existing staff through internal promotion as part of well-developed and understood career pathways.

The regulatory obligations relevant to the employment of competent employees include, but are not limited to:

- Discharge of **SOFS's** responsibilities under its authorisation as an Australian Financial Services Representative or Australian Credit Representative to **Bendigo**;
- Avoidance of circumstances that could facilitate the commission of money laundering or financing of terrorism offences in connection with the provision of a designated service by **SOFS**, on behalf of **Bendigo**, as outlined and required under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act); and
- adherence to the fit and proper requirements under the Fit and Proper provisions of this Policy.

Adherence to these regulatory, contractual, and policy obligations requires both pre-employment checking and ongoing checking for continuing compliance with **SERVICE ONE Group** obligations and Policies. All applicants for a **SERVICE ONE Group** position must complete an 'Employee Employment Pack' which includes the information required to enable appropriate consideration of the person's suitability for the position being considered. Directors and Chief Executives, or Managing Directors, may have a specific Pack for their respective positions.

Applicants will be subject to a formal interview process, and may be required to undertake testing to demonstrate verbal, abstract and numerical reasoning.

As the finalisation of the formal checking required by the 'Employee Employment Pack' may take some time to complete, persons offered employment may commence under probation subject to the successful completion of the employment checking process.

5.3 Obligations to Bendigo

Employment of persons by **SOFS** who are to occupy a position that has customer contact within a **Bendigo Community Bank Branch** operated by **SOFS** can only occur with **Bendigo's** agreement. This requirement does not apply to those employees who were employed by **SERVICE ONE** at the time of the migration of **SERVICE ONE** Members to the **Bendigo Community Bank** model. **Bendigo** has agreed to the employment of those employees by **SOFS**.

Bendigo may participate in the interview process for such employees. **Bendigo** will also undertake certain 'background' checks which might result in **Bendigo** indicating to **SOFS** that the person cannot be employed in a customer contact position.

The **SERVICE ONE Group** will ensure that it keeps **Bendigo** informed of the employment, movement, departure, or dismissal of all employees who are employed in a position that is covered by the requirements of the **Franchise Agreement** related to the operation of a **Bendigo Community Bank Branch**. This includes designated Branch Managers or employees who have customer contact within a **Bendigo Community Bank Branch** as part of their duties.

It will be a condition of all employment contracts for employees employed in a position relevant to the **Franchise Agreement** related to the operation of a **Bendigo Community Bank Branch** that the person's employment is subject to oversight, and can be influenced by decisions taken by **Bendigo** related to their continuing fitness to occupy the relevant position.

A failure to provide any requested information in a timely manner, or where it is determined that the persons does not, or has ceased to comply, with the fit and proper requirements for that position then they will either not be offered the role or be removed from the role. In some cases, this might involve the termination of a person's employment with a **SERVICE ONE Group** company.

5.4 Staff Remuneration

Remuneration for non-executive staff will be based on the Enterprise Agreement that applies to employees of the **SERVICE ONE Group**, or entity for which the person is employed.

Employment terms and conditions will have the objective of ensuring that employees meet their fit and proper obligations under this Policy and their efforts are directed towards assisting the **SERVICE ONE Group** to achieve its strategic, financial, and operational objectives while maintaining the highest levels of ethical and corporate behaviour.

The Terms and Conditions, and employment, of employees, employed by **SOFS**, who have customer contact as part of their duties within the operation of a **Bendigo Community Bank Branches**, must be agreed by **Bendigo**, or be satisfactory, to **Bendigo**. This also includes any changes to terms and conditions and remuneration.

5.5 Training and Monitoring of Staff

Initial (induction) and ongoing training of employees is important in ensuring the **SERVICE ONE Group** is able to achieve its strategic objectives as well as the fulfilment of its legal and regulatory obligation. This is a particularly important aspect of the requirements of the **Franchise Agreement** with **Bendigo** related to the operation of a number of **Bendigo Community Bank Branches**. Individual employee's training and development needs will be contained in individual development and performance appraisal plans which will be reviewed and updated on a yearly basis.

Bendigo may require employees of **SOFS** to undertake specific or generalised training as specified, from time to time and as part of the person's induction training, within an employee's profile on the myBEN U system. The successful, and timely, completion of training specified by **Bendigo** is an essential employment condition for all **SOFS** employees. A failure to complete training as required could result in disciplinary action, including the termination of employment.

Additionally, **SOFS** will ensure that employees who are Authorised Representatives are aware of and comply with their responsibilities by:

- Ensuring that all employees with the responsibility to provide financial advice to clients, are kept well-informed about their responsibilities to comply with the relevant standards as set out by ASIC through providing adequate regular training;
- Conducting random spot compliance checks and audits;
- Ensuring that Managers are appropriately monitoring and supervising employees at the workplace level;
- Ensuring that all employees have a well formulated individual training and development plan; and
- Scheduling each employee for the appropriate FSRA compliance refresher training as required.

5.6 Supervision and Monitoring of Staff

The **SERVICE ONE Group** has legal and contractual obligations to ensure that all employees discharge their responsibilities professionally and ethically. This is particularly so in relation to **SOFS's** obligations to **Bendigo** under the **Franchise Agreement** to operate a number of **Bendigo Community Bank Branches**.

The purposes of the supervisory and monitoring regime is to enable the **SERVICE ONE Group** to be assured that:

- Employees understand, on a continuing basis, their responsibilities and duty of care as regulated persons, or when working for a regulated entity;
- Employees comply with all legal and regulatory requirements when performing their duties;
- That **SERVICE ONE Group** resources, and **Bendigo** resources, are used efficiently and effectively, and in a manner to mitigate any operational or W, H & Safety risks;
- Employees provide services in an efficient, honest, and fair manner; and
- Any gaps in an employee's skills and knowledge are identified early and appropriate remedial action is taken.

Monitoring of employees activities is part of the regular activities and work processes of all managers. This will include, but is not limited to:

- Regular reviews of employee performance;
- Exception reporting on completion rates of training and performance and competency reviews;
- Branch supervisions and call centre supervision;
- System and policy restrictions related to activities that are subject to heightened regulatory requirements;
- Independent review and retail audits by **SOFS** and **Bendigo** staff;
- Credit risk sampling reviews and hindsight reviews performed by **Bendigo** Credit Risk Management; and
- Hindsight reviews of third party credit contracts.

In addition to the above type of matters, performance and adequacy of training outcomes may also be detected by other activities undertaken by either **SOFS** or **Bendigo**, including, but not limited to:

- Customer feedback reporting and analysis;
- Reporting, analysis, monitoring and escalation of Risk Events and compliance breaches;
- Half-yearly risk declarations;
- Review of compliance plan survey results;
- Preparation of annual ACL and AFSL compliance certificates and external audits.

Some of these supervisory or surveillance processes may occur through electronic systems that record employees actions and interactions within the banking and support systems that are used in the operation of a **Bendigo Community Bank Branch**. These systems may be controlled and operated by **Bendigo**.

Where surveillance is undertaken electronically, the **SERVICE ONE Group** adheres to the requirements of the *Workplace Surveillance Act 2005* (NSW). It is a requirement of that Act that employees are made aware of the circumstances in which action may be taken to restrict access to the internet, or cause or prevent the delivery of an email sent to or by an employee.

The surveillance of employees within the **SERVICE ONE Group** will occur on the following basis:

- It is a condition of giving employees' access to the intranet, email and Internet services, employees agree to the **SERVICE ONE Group**, or **Bendigo** where it is the provider of the service or equipment, conducting surveillance on employee's use of these services in accordance with procedures established under this Policy. This may involve the use of camera, computer or tracking devices to monitor employee's use of these services or any device provided for business purposes;

- The **SERVICE ONE Group**, or **Bendigo** in relation to a **Bendigo Community Bank Branch**, may install and operate camera surveillance devices in **Bendigo Community Bank Branches**, head office and other workplaces under the control of a **Group** entity, or **Bendigo**. This surveillance may be on a continuous, ongoing basis, and is considered to be primarily part of the operational risk management system. The risks sought to be managed are the risk of injury to employees in the course of their employment and the risk of damage to or loss of **SERVICE ONE**
- **Group** assets, **Bendigo** assets, or the assets of persons who use the services of a **SERVICE ONE Group** company.
- The **SERVICE ONE Group** will ensure that:
 - Where practical, all cameras will be clearly visible to employees;
 - Employees will be advised of the presence of cameras and other monitoring devices in the workplace; and
 - Premises will display adequate signage to ensure employees, clients, and members of the general public are advised and aware of the presence of cameras and other devices on the premises;
 - Any devices installed will not be in a staff change room or bathroom;
 - It does not engage in surveillance of employees outside the course of their employment unless the surveillance is computer surveillance of the use of an equipment asset or resource provided by either a **SERVICE ONE Group** company, or **Bendigo**, or the surveillance is lawful under some other legislation;
 - It does not undertake any covert surveillance of employees unless it is authorised by a covert surveillance authority; and
 - Any recording made or information obtained as a result of workplace surveillance is not used or disclosed unless it is for a legitimate purpose related to the employment of staff within the **Group** or the management of legitimate business risks or management activities or functions of the **Group**, or **Bendigo**. Disclosure may also occur to a member or officer of a law enforcement agency for use in the detection, investigation, or prosecution of an offence, or the taking of civil or criminal proceeding. Disclosure may occur when it is believed to be necessary to avert an imminent threat of serious violence to persons or of substantial damage to property.

Employees must not tamper with or otherwise do anything that affects the activities of a surveillance device which has been installed within a **SERVICE ONE Group** workplace. Employees do not have access to any recording or information obtained through surveillance without the permission of the Chief Executive of **SERVICE ONE**, or **Bendigo** if the information is **Bendigo's** information, unless it is part of their job description.

Identified non-compliance with a **SERVICE ONE Group** policy, or an applicable **Bendigo** Policy, or a requirement of the **Franchise Agreement** between **Bendigo** and **SOFS**, may result in, but is not limited to, the following actions:

- Increased levels of supervision and monitoring to enhance levels of compliance knowledge;
- Counselling and formal warnings where the breach, or breaches, are considered material or serious. This can also involve the termination of a person's employment within **SOFS** where **Bendigo** believes the person's actions has caused it harm; and
- For Credit Representatives and Authorised Representatives the termination of their specific authorisation, and the potential for a breach of the **Franchise Agreement** between **Bendigo** and **SOFS** which can lead to the cancelation of the right to operate **Bendigo Community Bank Branches**.

Performance management procedures for **SOFS** employees are contained in the relevant provisions of the **SOFS** Risk Management and Operations Policy.

5.7 Acceptable use of Technology

The acceptable use of information, information systems, and technology minimises risks to individuals and the **SERVICE ONE Group** and through it, **Bendigo**, and enhances outcomes against our Corporate Values.

All employees have a responsibility to contribute to and ensure the safety and security of **SERVICE ONE Group** information, and the information of **Bendigo** used in the operation of a **Bendigo Community Bank Branch**.

As part of that role employees will:

- Minimise security risks associated with the use and access to **SERVICE ONE Group**, or **Bendigo**, information, information systems and technology assets;
- Fully comply with the expectations contained in this Policy related to compliance with the Code of Conduct, and any Federal, State or Territory laws;
- Only communicate and collaborate with fellow employees, colleagues, customers and external stakeholders via the use of technology in a professional and courteous manner consistent with the values of **SERVICE ONE**, **SOFS**, and **Bendigo**;
- Adhere to all relevant information security policies, standards and controls;
- Not bypass or circumvent any information security controls;
- Not use any provided technology to access, download, forward, or transmit offensive or discriminatory material for any purpose, or use the technology to bully, harass or discriminate against another person or group;
- Not use any unauthorised cloud based file sharing system to store or transmit any **SERVICE ONE Group**, or **Bendigo**, information;
- Not access or scan any information or systems outside of an employee's designated role; or
- Not share passwords or system access.

Employees of **SOFS** can also refer to **Bendigo's** Acceptable Use of Technology Policy (and/or the Community Bank – Acceptable Use of Technology Policy) for further particulars concerning the proper use of technology issued to them, or available for use, within a **Bendigo Community Bank Branch** operated by **SOFS**. The Policies can be found on BENnet on the Policy Hub.

While information systems and technology are provided for business purposes, its use for limited and incidental personal use is permitted if it:

- Fully complies with this Policy, or any related policies or standards issued by **Bendigo**;
- Allows business activities to continue to occur unhindered;
- Is legal and conforms with regulatory and contractual obligations;
- Does not hinder employee productivity or result in increased costs to the **SERVICE ONE Group**, or **Bendigo**, in the operation of **Bendigo Community Bank Branches**;
- Does not involve activities associated with personal endeavours or business interests including for personal gain or profit; and
- Does not involve excessive activities associated with personal interests including fund-raising, crowd-funding, online shopping, or non-business related organisations e.g. community endeavours such as volunteering.

5.8 Study Assistance

SERVICE ONE Group employees that are full time or part-time are eligible to apply for study assistance allowance or study leave.

Employees may be asked to complete a "Study Assistance" proposal which is to include an outline of the purpose of such study, cost and benefits anticipated and expected time commitments. Approval for any course of study will be required from the line-Manager of the employee and Chief Executive/Managing Director of their employing **Group** company before any study assistance can be provided.

In considering and giving initial approval for the course, the line-Manager must give due regard to the value of the course and its applicability to **SERVICE ONE Group's** operations and relevance to the employee's current or possible future roles within the **Group**. The line-Manager needs to then evaluate whether assistance should be provided and if so, to what degree. The following points should be taken into consideration when approving study assistance:

- The relevance of the course in relation to the employee's development needs;
- The performance and potential of the employee;
- The commitment of the employee to complete the program; and
- The overall estimated cost of the study assistance, if approved.

If there is any doubt as to the value of the course to the **SERVICE ONE Group** then this should be discussed with either the Chief Executive or Managing Director, as required.

As part of the approval process the employee must complete the Study Assistance Acknowledgement Form.

The maximum study assistance allowance is up to 50% of costs associated with the approved study. With 'costs' including all mandatory enrolment fees, course fees and the cost of one prescribed text per subject. The **SERVICE ONE Group** may pay any amount above the 50% maximum on the employee's behalf on the basis of the employee entering a binding agreement to repay the relevant amount through salary deduction. The payment of any assistance is subject to the successful completion of the enrolled in course.

Employees are not able to change any course approved for study assistance without the prior, expressed, approval of the **SERVICE ONE Group**.

The **SERVICE ONE Group** can, at its absolute discretion, seek the repayment of all, or some, of any payments made for an employee's course participation where the employee does not successfully complete one, or more, units.

The maximum period for which course participation will be assisted is 6 years.

Any course undertaken through a person's myBEN u profile will be provided at no cost to the employee.

An employee's final pay will not be processed until any repayable funds under this Policy are received in full. The **SERVICE ONE Group** shall have the right to withhold moneys due to the employee as part of their final termination payment or use any legal means to recover such moneys.

5.9 Study Leave

A **SERVICE ONE Group** employee may, in addition to or separately from any study allowance approval, seek assistance in the form of study leave. The same criteria apply for this approval as apply to the approval of Study Assistance.

The maximum period of study leave is 5 days (or the equivalent period on a pro-rata basis for part-time employees) in each calendar year. Study leave can be taken as whole days or part days. Unless expressly approved, study leave will not be provided for the attendance at lectures. The amount of study leave granted will be determined by the Chief Executive or Managing Director of the relevant **SERVICE ONE Group** company.

5.10 Diversity Policy

The Board of **SERVICE ONE** believes in the benefits of a diverse and inclusive workplace. Therefore, the principals of inclusion and being valued in a workplace will apply to the whole of the **SERVICE ONE Group**. This also supports the achievement of our strategic objectives and underpins the value propositions that we have adopted individually and collectively.

The **SERVICE ONE Group** is therefore committed to:

- Cultivating a culture of inclusion where employees' individual uniqueness is valued and respected so that they can be themselves without fear of harassment, bullying, or unlawful discrimination, regardless of their gender identity, sexual orientation, cultural identity, faith, disability, and/or age;
- Empowering employees to participate in decision-making processes and operations in a safe and supportive work environment;
- Creating fair and equitable opportunities for advancement and career development so that they can achieve their full potential, and be fairly compensated for their efforts;
- Fully meeting our legal, regulatory and contractual obligations regarding diversity and inclusion.

In support of these principles we will ensure that we:

- Have work processes and procedures that support equal employment opportunities;

- Facilitate career development opportunities, including access to learning and development programs based on a person's ability, performance, and potential;
- Have employment practices that ensure that our workforce reflects the communities in which we operate and are seen as fair, inclusive, flexible, and accessible. That we continue to invest in our people to foster a mindset that seeks diversity and guards against unconscious and conscious bias;
- Our workplaces are respectful and are free from bullying, harassment, and discrimination, with an accessible and meaningful complaints procedure;
- Have a performance management process that seeks to drive a greater focus on employee performance through collaboration, development and support;
- Have remuneration practices that are fair and equitable where people undertaking the same role receive the same remuneration and people undertaking different work which is of equal and comparable value are paid equitably;
- Support the development of a healthy and productive work life balance for our employees through reasonable flexible working arrangements in acknowledgement of the benefits for our employees, our businesses, and our customers and Members; and
- Will seek to understand the reasons why people leave our employment.

5.11 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 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;
- Foster 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 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.

5.12 Discrimination

Unlawful discrimination is treating, or proposing to treat, someone unfavourably or less favourably because of a personal characteristic protected by law such as 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.

5.13 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.

5.14 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.

5.15 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.

5.16 Victimization

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

- Spoken out against and called out unacceptable behaviour;
- Raised concern or made 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 victimisation.

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.

5.17 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.

5.18 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 discussion held are disclosed to anyone in the **SERVICE ONE Group**, or **Bendigo**.

5.19 Staff Leave Standards

Bendigo requires all employees of **SOFS** who are involved in the operation of a **Bendigo Community Bank Branch** to take at least 10 days of consecutive leave every 12 months. **Bendigo's** 10 Consecutive Days Leave Standard is adopted by **SOFS**. It can be found on BENnet in the Policy Hub.

5.20 Redeployment and Redundancy

The **SERVICE ONE Group** has a commitment to minimise redundancies wherever possible. Accordingly, as far as practical, the **Group** will make all reasonable efforts to redeploy affected staff by taking advantage of normal employee turnover, or limiting recruitment where practicable, in order to minimise redundancies across the **Group**. The **Group** will also seek the assistance of **Bendigo**, in appropriate circumstances, to assist in limiting redundancies.

In addressing any potential redeployment or redundancies the requirements of the Fair Work Act and the Staff Enterprise Agreement for the relevant employee will also be taken into account.

For the purposes of this Policy:

- Redeployment means the appointment of an employee deemed surplus to the Group's requirements to an alternate role on comparable employment conditions as defined in the Staff Enterprise Agreement;
- Redundancy means where a job, or a major portion of the job, is no longer required to be performed by the employee, or by anyone.

In identifying potential positions that may require redeployment, or where the job may be redundant, the relevant senior manager responsible for the position will prepare a submission to the Chief Executive of **SERVICE ONE**, or the Managing Director of **SOFS**, as the case requires, which will set out the basis of the decision leading to redeployment or redundancy (including whether it is prompted by financial, technological, structural, or similar changes), the potential impacts on the achievement of the objectives of the **Group** company from the proposed change, and any other relevant matters.

The Chief Executive, or Managing Director, will ensure that there is consultation with potentially affected employees in relation to the nature of the changes, the impact on an employee, or group of employees, and what measures have been or are proposed to be taken to reduce any likely adverse effects of the change. This consultation will occur prior to any definite decision, or decisions, are made related to the actual redeployment or redundancy. In certain circumstances consultation with any relevant Union may also be appropriate.

Once consultation is concluded and a definite decision has been taken to redeploy an employee or employees, or make one or more positions redundant, then the Chief Executive, or Managing Director, will advise affected employees in writing setting out the relevant timeframes, any alternative employment opportunities (where relevant), including arrangements for retraining, details of the entitlements that will arise as a consequence of the decision, and the assistance available to affected employees as they consider the matter.

5.21 Employee Travel and Accommodation

All travel and/or accommodation while working away from the employee's home for which the employee seeks reimbursement, or for which their **Group** employee is to pay, must be approved, in advance, by a Senior Manager in the **Group** company.

This section does not apply to Directors of **Group** companies whose travel approval and reimbursement arrangements are contained in the **SERVICE ONE** Board and Committee Policy.

The approval must cover the location of the travel, the dates the employee will be away, whether the employee is seeking to take a short period of leave in conjunction with the travel, the means of transport and where the employee will be staying.

Any costs that are not directly related to the employees travel, for instance where a partner may be travelling with the employee, are the employees only and can-not be reimbursed or charged to a **Group** company. Employees should note there are circumstances where they may personally incur a potential for FBT, or other taxes due to private benefits being accrued while travelling. They may also need to take their own travel insurance where activities or circumstances render them outside of any insurance coverage that is otherwise provided under a **Group** insurance policy.

Transport can be by either air travel or motor vehicle, whichever is the most effective and efficient. Air travel will be in economy class, unless specifically approved by the Chief Executive or Managing Director, where the length of travel warrants a higher class.

Travel by motor vehicle can be either in a **SERVICE ONE Group** vehicle, in which case the costs are met by the relevant **Group** company, or by the employee's private vehicle. Where approval is obtained to use their own vehicle the distance of travel will be reimbursed on the per kilometre rate method, subject to the completion of Private Motor Vehicle Usage Application Form.

The charging of expenses directly to a **Group** issued Credit or Debit Card, or the submission of a claim for reimbursement, can only occur in relation to the following expenses:

- The direct costs of travel or accommodation (accommodation is to be in a standard room in a 3 or 4 star facility, unless at a conference venue where the rating does not apply);
- Meals (including reasonable beverage costs); and
- Costs of reasonable contact with the employee's family.

All charges to a **Group** Credit or Debit Card, or requests for reimbursement must be accompanied by a tax invoice or receipt. If the amount being charged or claimed is below \$50.00 an invoice or receipt is not mandatory (but should be obtained where possible), but a diary note covering the expense must be maintained. If the employee does not have any supporting documentation then a charge or claim can be supported by the submission of a Statutory Declaration.

No payments will be made in excess of actually incurred expenses.

5.22 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 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.

5.23 Corporate Motor Vehicle Policy

Where the **SERVICE ONE Group** has purchased a corporate vehicle for the use of employees, or has agreed to an employee packaging a vehicle as part of their employment arrangements, which is for the purposes of this Policy considered to be a corporate vehicle, the following will apply.

The type of vehicle purchased, the replacement period, and the arrangements for disposal, for vehicles covered by the above Policy is at the discretion of the **SERVICE ONE Group**.

A corporate vehicle is predominately provided for business use by the authorised driver, or other employees in regular business hours. However, authorised drivers who are custodians of the vehicle, and their partner or spouse, are entitled to unrestricted but responsible private use.

Where directed, an employee who has the benefit of a vehicle under this Policy will comply with any reporting requirements issued to them by the **Group**. If a vehicle has corporate branding then the value of the vehicle for salary package purposes will be reduced by 50%.

Any person who is permitted to use a corporate vehicles must comply will all road rules and promptly notify the **SERVICE ONE Group** where they have been charged with an offence related to the use of the vehicle, been involved in an accident, have had their licence suspended or cancelled, or been charged with a criminal offence.

5.24 Uniforms and Appearance

All employees of **SOFS** are required to wear a uniform provided by **Bendigo**. If an employee wishes to have items in addition to the allocation made by **SOFS** they can purchase additional items through **SOFS** at their own cost.

Bendigo has issued Guidelines for the wearing of corporate uniforms. Those Guidelines are adopted for **SOFS** and apply to the wearing of any **Bendigo** uniform by an employee of **SOFS**. The guidelines can be found on BENnet by searching 'Uniforms'.

The **SERVICE ONE Group** expects that all staff will, when undertaking duties on behalf of a **SERVICE ONE Group** company, maintain a professional appearance and image. It is not the **Group's** intent to specifically indicate what aspects of a person's appearance does not accord with the intent of this Policy. However, an employee's manager may discuss issues to do with an employee's appearance and their adherence to the uniform guidelines as part of general work performance discussions.

5.25 Whistleblowing Policy

As part of the suite of policies and procedures that **Bendigo** recommends or mandates for entities that operate a **Bendigo Community Bank Branch** 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.