

WHAI RAWA UNIT TRUST

CONFLICTS OF INTEREST



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16 October 2020

WhaiRawa NGĀI TAHU



Whai Rawa Fund Limited (WRFL) Conflicts of Interest Statement

(This is a WRFL Board approved statement. The “we” or “us” used in this statement refers to the WRFL Board or any individual director as the case may require, the Executive Director and member of staff as the case may require.)

1. Purpose

The purpose of this statement is to provide a description of how Whai Rawa Fund Limited (WRFL) manages conflicts of interest in an effective and efficient way ensuring any conflict is resolved appropriately.

This statement outlines what procedures are in place to:

- identify conflicts of interest relevant to WRFL’s management of the Whai Rawa Unit Trust (the Fund);
- provide for disclosure of conflicts of interest; and
- provide a process for resolving any conflicts of interest.

2. Identifying conflicts of interest

What is conflict of interest?

Generally speaking, a ***conflict of interest*** is a situation where a person has a personal interest or divided loyalties in a matter that is the subject of a decision or duty of that person.

In the context of WRFL’s management of the Fund, it means a financial or other interest, relationship, or association of any director, the Executive Director, or any staff member (whether employed or assigned via outsource contracting) that would, or could reasonably be expected to, materially influence decisions of WRFL in relation to the Fund.

Conflicts of interest can arise at any time and we are alert to that possibility. We have a clear understanding as to who is required to disclose a conflict of interest, and how conflicts of interest may be identified and assessed.

Who is obliged to disclose a conflict of interest?

We are all required to identify potential and actual conflicts of interests and disclose any identified conflict of interest.

All directors, the Executive Director and all members of staff understand the importance of focusing on any overlap between two interests and that disclosing even a potential conflict of interest is the best approach.

Identifying a conflict of interest

In order to identify a conflict of interest, we will consider the relevant factual circumstances surrounding a given relationship and take into account:

- the likelihood of the relevant person making a financial gain as a consequence of the WRFL action / decision in issue; and
- whether the relevant person has any other interest in the outcome of the WRFL decision / action at issue.

Each director, the Executive Director and all staff members are as part of their ordinary day to day functions, required to turn their minds to the activities and decisions of WRFL and whether a conflict of interest may arise.

3. Disclosing Conflicts of Interest

In the event that we consider there is a conflict of interest or potential conflict of interest, it will be disclosed to the Board via the channels outlined further below.

The seriousness of the conflict or potential conflict will be assessed to determine the appropriate steps for managing that conflict.

Board members and the Executive Director disclose conflicts of interest to the Chair of the Board. Staff members disclose conflicts of interest to the Executive Director who will raise the matter with the Board.

Conflicts of interest will be recorded in an 'interests register'. Items recorded as a matter of course include matters such as other directorships or governance positions held, shareholdings in relevant industry related entities, and employment or contractual relations (including by related persons) in relevant industry related entities.

Actual and potential conflicts of interest evident from this register are formally raised as items for discussion at Board meetings with discussion and actions recorded in the minutes.

4. Managing Conflicts of Interest

If a conflict of interest is identified by us and confirmed as a legitimate conflict or potential conflict, we have processes to manage the conflict.

The process to manage the conflict will largely depend on the conflict. Options for dealing with the conflict may include:

- a staff member may be required to step aside from working on a specific transaction or participating in a particular issue;
- WRFL may not be able to undertake a particular transaction; or
- a director, the Executive Director or staff member may have to withdraw from discussing a particular issue at a meeting (particularly in the case of a conflicted Board member).

We understand that if circumstances change, a decision about whether there is a conflict of interest, or how to manage it, may need to be reviewed.

A Board member who has a continuing conflict of interest of a material nature that cannot be satisfactorily resolved after appropriate consultation may consider resignation; in particular where the material continuing conflict of interest prejudices his or her ability to contribute to the affairs of the Board and to the governance of WRFL to the same extent as the other Board members.