

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, programme leader and staff.)

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 in a way that is fair to members.

This Statement outlines what procedures are in place to:

- identify conflicts of interest that may give rise to a material risk of damage to 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 investment decisions made in respect of a Fund, it means a financial or any other interest, a relationship, or any other association of any directors, the programme leader, or any staff member (whether employed or assigned via outsource contracting) that would, or could reasonably be expected to, materially influence the investment decisions in relation to the Fund:

Conflicts of interest may arise between:

- investors in the Fund; or
- us and the Fund.

Conflicts of Interest can arise at any time and we need to be alert to the possibility that a conflict may arise at any time. This means providing 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.

The Board, programme leader and staff should 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 all the factual circumstances surrounding a given relationship and take into account:

- the likelihood of any Board members, the programme leader or staff member making a financial gain at the expense of the Fund;

- where any Board member, the programme leader or any staff member has an interest in the outcome of a service provided to the Fund or of a transaction carried out on behalf of the Fund, which is distinct from the Fund's interest in that outcome; and
- any interest any Board member, the programme leader or any staff member may have in assets of the Fund or the valuation of those assets.

Each Board member and staff member is asked to turn their mind to each potential piece of new business and to whether a conflict of interest may arise from accepting that business or undertaking a particular transaction. This is detailed further in section 5 ('Managing potential conflicts of interest').

3. Disclosing Conflicts of Interest

In the event that we consider there is a conflict of interest or potential conflict of interest we are required to disclose that conflict of interest.

We are required to individually understand that if we identify a conflict of interest, we must disclose that conflict to the Board.

The seriousness of the conflict or potential conflict will be assessed by the Board for a given identified conflict to determine the next steps for managing that conflict.

Directors and the programme leader are expected to disclose any conflicts of interest to the Chair of the Board with staff expected to disclose to the programme leader (who will raise the matter with the Board).

4. Resolving 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 resolve the conflict.

The process to resolve or extinguish the conflict will largely depend on the conflicted parties or transaction and the options for dealing with the conflict may include:

- if it is deemed necessary a staff member may be asked to step aside from working on a specific transaction or participating in the management of a potential conflict of interest;
- we may not be able to undertake a particular transaction; or
- the relevant director, programme leader 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. If necessary, the decision as to what action should be taken will be referred to the Board.

A Board member who has a continuing conflict of interest of a material nature that cannot be satisfactorily resolved after appropriate consultation should 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 management of the Fund to the same extent as the other directors.

5. Managing potential conflicts of interest

We also have procedures in place to manage potential conflicts of interest, in order to best mitigate any chance of a conflict arising. Any conflicts that do arise are managed in the most appropriate way for the particular conflict and the conflicting parties.

We manage potential conflicts in the following ways:

- We require all relevant information to be recorded and maintained in order to have adequate records to be able to identify any conflict. This includes a Register of Interests being maintained for all directors;
- Potential and actual conflicts of interest will be a formal meeting item on all Board meeting agendas with any actions and conclusions appropriately minuted;
- We have appropriate controls in place to identify and manage cross-board memberships and outside business interests of the Board members, the programme leader and other staff members; and
- There is a periodic review of the adequacy of our systems and controls.