



MANAGING CONFLICTS OF INTEREST

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1. INTRODUCTION

1.1 Mandate

To protect the reputation of “BSP Life PNG Limited” (herein referred to as “BSP Life”) by significantly reducing the risk of non-compliance with regulatory and governance obligations.

The Policy underpins the Corporate Governance Principles of BSP Life and the BSP Group.

1.2 Link to the Operating Risk Management Framework

Compliance with this Policy is an element of BSP Group’s Operating Risk Management Framework (**ORMF**) and BSP Life’s Risk Management Policy.

2. OVERVIEW

2.1 Objectives

This Policy sets out the minimum requirements to enable compliance with local regulations, BSP Life’s Corporate Governance Principles and BSP Life’s Board Charter obligations to manage conflicts of interest that arise in the provision of a financial service (or other service that the BSP Life provides or receives).

It is designed to provide guidance to BSP Life to assist in establishing and maintaining procedures to manage conflicts of interest.

This Policy aims to provide guidelines on:

- What constitutes a conflict of interest, and how conflicts need to be managed and resolved through disclosure, control and/or avoidance.
- The requirement to keep written records regarding conflicts of interest.

2.2 Definition of Conflict of Interest

A conflict of interest occurs when an individual person’s personal interests conflict with their responsibility to act in the best interests of BSP Life. Personal interests include direct interests as well as those of family, friends, or other organizations a person may be involved with or have an interest in (for example, as a director or shareholder). It also includes a conflict between a Board Director’s duty to BSP Life and another duty that the Director has (for example, to another organization). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of BSP Life and must be managed accordingly.

2.3 Scope

This Policy applies to BSP Life, its Directors, employees, agents and representatives, who carry out activities for and on behalf of BSP Life.

It also applies to customers and service providers to the extent of:

- Provision of financial services (or other service that BSP Life provides) to both corporate and retail clients.
- Provision of services to BSP Life by external parties

In line with the above requirement, BSP will request external service providers to declare any conflict of interest when doing business with them, in writing, if the aggregate amount is more than K500,000.

3. POLICY FRAMEWORK

3.1 Purpose

BSP Life PNG Limited conducts its business according to the principle that it must manage conflicts of interest fairly both between BSP Life and its employees and directors, BSP Life and its clients, BSP Life and its service providers and between one client and another hence BSP Life has an obligation to manage conflicts of interest.

The purpose of this policy is to help BSP Life to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of BSP Life and manage risk.

3.2 Code of Conduct

This policy is an extension of BSP Group's Code of Conduct which relates to Honesty and Integrity. It should be noted that the BSP Group Anti-Bribery and Anti-Corruption Policy also highlights the importance of ethical behavior by staff and so both policies will exist to complement each other.

- BSP Life expects that its directors, employees, agents, representatives, customers and service providers will at all times conduct themselves with the highest standard of personal integrity and honesty and carry out their duties in a professional manner.

3.3 Disclosure of Interests

BSP Life PNG Limited expects that its directors, employees, agents, representatives, customers and service providers disclose their interest in the following manner:

- Directors are required to disclose their interest to the Company Secretary, in accordance with the law and BSP Life's principles of corporate governance, who will maintain a register for all disclosures.
- Employees are required to disclose their interest to the Country Manager in writing (completion of Conflict Disclosure Form) with a copy to the Compliance and AML Unit (for all PNG operations) who will maintain a register for all disclosures.
- Agents and representatives are required to disclose their interest in writing to the Country Manager for which the agent or representative has been engaged to represent with a copy to the Head of Group Compliance & AML(HoGC&A) (or equivalent) who will maintain a register for all disclosures.

BSP Classification: Internal Confidential

- Service Providers are required to disclose their interest, in accordance with the terms and conditions of the contract with a copy to the Head of Group Compliance & AML (or equivalent) who will maintain a register for all disclosures.

3.4 Confidentiality of Disclosure of Interest

All disclosures of interest provided by Directors and staff are confidential information and must not be disclosed to any internal or external third parties to the extent that we are not obliged to make public disclosures elsewhere. This requirement for confidentiality and privacy of information is also stipulated in BSP Life's Code of Conduct and so staffs are expected to comply with this requirement at all times. The Country Manager, BSP Life Company Secretary (or delegate) and HoGC&A shall be accountable for maintaining confidentiality of disclosures of interest and the respective registers.

However, in accordance with LIPS 9/2012, disclosure to BPNG or to the policyholders must be made readily available through a publication or upon request by policyholders.

3.5 BSP Life PNG Ltd.'s Obligation

BSP Life PNG Limited is obliged under its Corporate Governance Principles and Code of Conduct to:

- Identify and monitor the conduct of its directors, employees, agents, representatives, customers and service providers for conflicts of interest.
- Report to Group Operational Risk and Compliance on any breach of relevant laws or internal standards by anyone as soon as they become aware of them.

3.6 Reporting Arrangement

Where a director, employee, agent, representative, or service provider fails to disclose their interest and, the conflict of interest is identified, the person who identified the conflict must report the incident to the Operational Risk and Compliance Unit.

Once a potential, perceived and or actual conflict of interest has been established, the conflict of interest must be disclosed by way of completion of a Disclosure of Interest and recorded in the Register. The matter will then be escalated to the Country Manager and Group General Manager Compliance for decision and actions to take place. Where necessary, the conflict of interest register, and any actual or potential conflict of interest identified, must be submitted to the BARCC for deliberation.

3.7 Monitoring and reporting (at Business Unit Level & Group Compliance level)

BSP Life and the Group Compliance Unit must establish procedures and process to ensure adherence to this Policy.

All conflicts of interests are declared through the 'Declaration of Interests' form and submitted to the BSP Group Compliance Unit. Any declared interests are submitted to the Head of Compliance and AML to be registered and monitored.

All incidents of conflict reported to BSP Life's Quality Assurance & Compliance Manager, the Country Manager and the BSP Group Compliance Unit should include the following in the Incident Report:

- Parties Involved
- Conflicts identified;
- Action taken to manage and/or remediate;

The BSP Group Compliance Unit shall report all conflict of interest incidents and the management and remediation thereof to the Group General Manager Compliance and escalated further to BARCC where necessary.

3.8 Control Environment

BSP Life must ensure that the BSP Group Operational Risk Management Framework is integrated into business activities. Business units maintain an effective control environment and system of internal controls and they must ensure that their significant business processes and controls are documented. This includes processes to provide assurance that accountabilities are established, communicated and understood.

BSP Life must establish ownership for all significant processes and key controls affecting their business.

3.9 Key Control

The key controls identified to manage conflict of interest are:

- Disclosures of Interest in a conflict of interest register. This should be updated annually, or as and when there is a change in the interest
- Disclosures of gifts and entertainment;
- Training and awareness of this policy and the requirements of LIPS 9/2012 in regard to Conflict of Interests This will be carried out in conjunction with BSP Group Compliance Unit.
- Vendor/Supplier due diligence procedures; and
- Employee Due Diligence procedures.

4. REQUIREMENTS OF THE POLICY

4.1 Principles

Conflicts of interest should be managed in a way that enhances:

- Consumer confidence;
- Fairness,
- Honesty,
- Professionalism; and
- Market integrity.

A failure by BSP Life to effectively manage conflicts of interest shall damage our brand and reputation among regulators, customers and the public. In certain instances

there may be legal and regulatory repercussions if conflicts of interest are not managed effectively.

4.2 Identifying Conflicts of Interest

A conflict of interest can arise across the broad range of financial (& other) services provided by BSP Life. Directors and employees must be aware of the circumstances that can give rise to a conflict and be able to identify when a conflict arises or may arise.

The following are some areas where particular care needs to be taken:

- **Disclosures by BSP Life Directors and Employees**

All BSP Life directors and employees are required to disclose any relationship that they may have with their immediate family, extended family, business associates and friends when they are placed in a situation as an individual or as part of a committee that makes a decision for and on behalf of BSP Life which involves one of the persons stated above.

It is further noted that the Board Charter under *clause 8.7*, requires directors to declare their interest on any matter that they have material interest in and a record of the declarations to be kept by the Company Secretary. Where a Director has declared a conflict of interest, he/she should not participate in making decisions concerning that matter.

Whilst employment contracts require employees to declare conflicts of interest at the point of employment, they will also be required to declare any conflict of interest situation that may arise during the course of their employment. A register of interest is to be maintained by Quality Assurance and Compliance Manager.

- **Holding Directorship Positions or Positions outside BSP Life PNG Limited**

The purpose of this disclosure is for the employee to be transparent and ensure that any outside employment or work does not interfere with their normal employment at BSP Life.

BSP Life discourages staff being involved in Boards and Committees that may affect loyalty and commitment to the business. However, staff may be involved in Boards of schools and membership to non-profit making, charity and community based organizations', provided that they declare their involvement in such organizations to the Country Manager.

With respect to appointment to Government or Quasi-Government Boards, staff may become directors or members only with the approval of the Group CEO.

In line with the above, some of the positions that you must disclose are:

- Director or trustee in any company that is owned by family, village, association, society, trust, private limited liability, Government /Quasi-Government, etc. plus any other similar scenarios not covered in this list;
- Participation in any form of business, sole business, partnership, joint venture (e.g. taxi business, grocery business, van or mini bus business), plus any other business that the BSP Life director and employee is involved in.

- **Asset sales/purchases within BSP Life PNG Limited**

BSP Classification: **Internal Confidential**

A clear example of a conflict is where distressed assets and company assets are sold and purchased within BSP Life PNG Limited.

- **Where a fiduciary relationship exists**

Particular care is necessary where a BSP entity holds funds in trust for the benefit of external parties, for example, managed funds, or where there is a statutory requirement to give priority to outside parties, such as the priority obligations a life insurance company has to policyholders. It should be noted that this requirement would apply to BSP Life and its agents.

- **Remuneration and pay structures**

The employment contract signed between the employer and employee allows a regular salary to be paid to the employee for services rendered to BSP Life. It is therefore important to note that employees are not allowed to receive any kind of commission for performing their lawful duties.

Where there is a conflict between the interests of the external parties and a BSP entity's own interests, the BSP entity must give priority to the interests of the external parties.

4.3 Managing Conflict of Interest

BSP Life has an obligation to manage conflicts of interest that arise in relation to the provision of financial service (or other services that it provides).

Conflicts of interest may be managed by:

- Disclosure; or
- Avoidance.

BSP Life shall ensure that conflicts of interest are managed by these two methods and guidance is provided in the Code of Conduct.

This may be achieved with assistance/discussion with the Quality Assurance and Compliance Manager who should be consulted in all cases where the conflict appears significant, so that the matter may be referred to the Group HoGC&A or Country Manager, if necessary.

In the event that a conflict of interest arises, appropriate action must be taken, through established procedure, to control or manage the conflict. This shall include:

- Consultation with Group HoGC&A to decide an appropriate course of action;
- disclosing the conflict of interest to the relevant stakeholder;
- Allocating an alternative employee or representative to provide the service to the customer;

- declining to provide the service.

To assist with the identification and management of conflicts of interest, a Disclosure of Interest must be recorded in the Disclosure of Interest Register. For Directors, the Company Secretary will maintain a Register to be able to manage issues of conflict of interest.

Where a conflict is identified, it must be reported to the Country Manager and an incident report raised with Quality Assurance and Compliance Manager and Group Operational Risk and Compliance Unit. The conflict must immediately be recorded in the Disclosure of Interest register.

Where there is a conflict of interest between the shareholder's interest and the policyholder's interest, the Board should be made aware that the policyholder's interest must take priority in accordance with the Life Insurance Act 2000 and LIPS 9/2012.

The Disclosure of Interest Register shall be maintained by Quality Assurance and Compliance Manager and Group Operational Risk & Compliance unit.

4.4 Controlling Conflicts

- *Adequate arrangements*

Business Units as part of the Risk Assessment process and related controls must ensure that adequate processes and procedures are in place to:

- Identify conflicts of interest;
- Assess and evaluate those conflicts;
- Decide upon and implement an appropriate response to those conflicts (which will include disclosing, and may include controlling and/or avoiding them);
- Ensure that where there are any conflicts, the quality of the financial services BSP Life provides is not materially compromised; and

- *Implement and maintain arrangements.*

The processes (refer Appendix C and D) for controlling conflicts of interest need to be:

- Effectively implemented;
- Regularly monitored and reviewed, and updated as needed (including taking appropriate action where non-compliance is identified);
- Overseen by the Quality Assurance and Compliance Manager who takes responsibility for their implementation and monitoring; and
- Inclusive of a requirement that any conflict of interest must be reported to the Country Manager and HoGC&A and included in a Disclosure of Interest Register.

A common way of controlling conflicts is through disclosure of the conflict.

Regular reviews and updates on existing processes will be done to ensure that effective controls are in place and this may include having confidentiality agreements in place; use of grey/restricted lists; establishing Chinese Walls policies and procedures; ensuring adequate monitoring and testing procedures.

There are also some examples in Employment Contracts and in the Human Resources policies (such as the Code of Conduct) of conflicts that may be controlled within BSP Life PNG Limited.

4.5 Disclosing Conflicts

Disclosure of any conflict of interest must be done in a timely manner and sufficient information must be provided so the potential impact is clearly understood and appropriate/corrective actions are taken to limit or prevent any undesirable consequences.

While disclosure can be an effective mechanism for controlling conflicts of interest, remuneration practices that place the interests of the BSP Life or its representatives or employees in direct and significant conflict with those of the customers need to be avoided rather than merely addressed by disclosure.

4.6 Avoiding Conflicts

Some conflicts of interest cannot be adequately addressed by disclosure and/or control. In some cases, the continuing presence of a conflict (even where disclosed) will be incompatible with the fair, honest and professional provision of the affected service. In these cases, the conflict must be avoided for example by declining to offer the particular financial service at that time.

The avoidance approach also applies to BSP Life employees where often the simplest method of ensuring that no conflict or perceived conflict exists is to avoid the conflict.

In some cases, it is not the seriousness of the conflict which warrants its avoidance but rather that it cannot be dealt with adequately by other means. For example, where disclosure cannot be made due to sensitive information or confidentiality requirements, the conflict may need to be avoided altogether. **Appendix B** provides some examples of conflicts which may need to be avoided.

5. ROLES AND RESPONSIBILITIES

5.1 Compliance with this Policy

It is the responsibility of the Board, Country Manager, Senior Management, and staff throughout BSP Life, to ensure that this Policy is followed.

All managers need to be familiar with the requirements of this Policy together with any additional requirements that BSP Life may choose to impose. Managers need to make their staff aware of the content of this Policy and where to find it.

5.2 Specific Roles & Responsibilities

- **Directors and Employees**

Directors and Employees are responsible for disclosing to the Board and Country Manager, respectively, any actual or potential conflicts that they are aware of. A Disclosure of Interest must be completed and registered in the Disclosure of Interest Register. For Directors, the Company Secretary will do an annual review of their directorship/membership to external entities and update the Directors Interest Register. Directors are required to disclose their interest in any matter that poses a conflict of interest situation and will not take part in the discussions concerning that matter as required by the Board Charter.

Staffs who declare a conflict of interest will be required to complete the Disclosure of Interest Form (Appendix D) and return it to the Quality Assurance and Compliance Manager with a copy to the Group Compliance Unit.

Directors and staff must avoid situations where there is a conflict between their own interests and those of BSP Life, the customer and or other third party.

Directors and staff must avoid placing themselves in a position where they may stand to benefit, even indirectly, from a transaction between BSP Life and another party. Where there is any likelihood of such a conflict arising they need to report this to their Manager who may escalate to Country Manager depending on the nature of the issue. The Manager and Country Manager will provide guidance and approval on actions to take. Directors and staff need to ensure that their personal relationships with customers and or other third parties do not influence or prejudice their obligations to BSP Life. In particular, they must comply with the BSP Group's Anti-Bribery and Anti-Corruption Policy in situations where gifts, hospitality or payments are offered by customers and or third parties. If any clarification is needed, reference should be made in the first instance to their line manager in consultation with the Country Manager. Directors and staff must:

- Be aware of this Policy and
- Report all instances where they suspect that a conflict may exist

- **Company Secretary**

The Company Secretary is responsible for registering and updating the Disclosure of Interest Register held for the Board of Directors.

- **Head of Group Compliance & AML**

HoGC&A will work closely with the Quality Assurance & Compliance Manager of BSP Life to ensure that the requirements of the policy are fully complied with.

HoGC&A is also responsible for maintenance and distribution of the Conflicts of Interest training and will provide communications at least annually that is to be cascaded to all employees.

HoGC&A is accountable for ensuring that Business Units embed this policy (and other related policies) into the business.

HoGC&A will act as a reference point for BSP Life on conflicts of interest issues.

6. NON-COMPLIANCE TO POLICY

If an investigation of an actual or potential compliance or legal breach or failure occurs, it is expected that employees will co-operate fully with the BSP Group's Operational Risk and Compliance Unit and provide them with information in a complete, accurate, fair, comprehensible and timely manner.

BSP Life PNG Ltd has zero tolerance for dishonest or unethical behavior by employees or customers.

Those who violate the BSP Group Code of Conduct, this Policy or any related BSP Life and/or BSP Group's policies and procedures will be subject to disciplinary action, up to and including dismissal.

Disciplinary measures will also apply to anyone who directs or overrides any provision of the Conflicts of Interest Policy or has knowledge of breaches and does not promptly move to correct them.

The Country Manager will recommend exemptions from the Policy to Board when there is a legitimate reason for not meeting all or part of the requirements.

Exemption approval may involve an action plan for future compliance or a timetable to review the exemption status.

An example of the type of register to be established to record conflicts of interest may be found in **Appendix C**, though you may find it practical to integrate your conflicts register with existing risk profiles / obligations registers for ongoing management and monitoring. This may be particularly so if there are conflicts identified which are inherent in the way that BSP Life conducts its business. Some conflicts will be recorded in other registers (such as Gifts and Entertainment registers).

7. MAINTENANCE OF DOCUMENTS

Proper record keeping and documentation of conflict of interest matters is important in ensuring that actions and decisions made are consistent with this policy and also meeting any compliance requirements.

7.1 Record Keeping

The Country Manager has overall responsibility of this policy and will work in consultation with the Quality Assurance & Compliance Manager, and HoGC&A in ensuring that arrangements and processes for managing and monitoring conflicts of interest in accordance with this policy are documented.

They must ensure that records are kept of the compliance with these arrangements including:

- Identification of conflicts of interest;
- Recording disclosure of conflicts of interest;
- Non-compliance with this Policy;
- Actions taken with respect to particular conflicts;
- Reports given to the Board, and escalation processes;
- Disclosures given to particular customers or the public as a whole;
- Ongoing monitoring of conflicts.

These centralized records at Group Operational Risk and Compliance must be kept for at least seven (7) years.

BSP Life and HoGC&A need to regularly review procedures to ensure they are up to date and adequate to manage conflicts of interest.

A copy of this approved policy or any revised versions should be submitted to BPNG.

8. LEGAL ADVICE

Country Manager is responsible for the management of compliance risk for BSP Life, and reference of all potential material conflicts arising in BSP Life should be made to HoGC&A, for advice as necessary. HoGC&A may need to arrange for separate legal advice (internally or externally) to be obtained to satisfy obligations of different interests in BSP Life.

APPENDIX A – Definitions/Terms

Accountability and Accountable

Held answerable to lead, decides, direct, justify and report actions to achieve outcomes

Customers

Customers include depositors, borrowers, policy holders, unit holders, investors, clients, and the like.

Monitoring

Monitoring includes the measures, processes and procedures that BSP Life PNG Ltd has in place to check that the controls are actually working and being applied.

Responsibility and Responsible

Held answerable for doing the work to achieve outcomes

Third Parties

Third parties are suppliers to BSP, customers, and other non-customer parties with whom you may deal from time to time.

Immediate families

Are defined as the employees spouses (current and former), biological or adoptive parents, siblings and children, including step parents, step children and step siblings.

Extended families

Are defined as spouses (current and former de facto) immediate family, paternal and maternal aunts and uncles, grandparents and cousins (including step relatives).

Business associates

Are defined as associates that you acquaint yourself with at work and they are external suppliers, company representatives that BSP Life deals with.

Friends and Associates

Can be defined as a person that you like and know well, share the same interest and share confidence in.

Chinese Walls

Maintaining client confidentiality is crucial to any firm, but particularly large multi-service businesses. Where

firms are providing a wide range of services, clients must be able to trust that information about themselves will not be exploited for the benefit of other clients with different interests. It is an imaginary barrier constructed to ensure information from one section does not permeate to another.

Terms

Terms	Explanation
Act	The formal product of a legislative body, a decision or determination of a sovereign, a legislative council or a court of justice.
Business Unit	The management and staff working within a specific business area of BSP Life PNG Ltd
Code	A system of principles or rules.
Governing Bodies	One or more people who have accountability and responsibility for governance of a legal entity or business unit. This may include Boards (including Trustee Boards and Boards of Responsible Entities), Board Committees, Management Committees and the like
Guideline	An indication or outline of policy or conduct
Manual	Is an instruction guide which outlines the processes needed to achieve an objective
Policy	Predetermined course of action established as a guide toward accepted objectives and strategies of the organization or it lays out what management wants employees to do
Procedure	The step by step actions necessary to carry out a policy or documented processes that are used when work affects more than one function
Process	A series of activities conducting to an end which normally begins with a customer's need and ends with a customer's need fulfilled
Regulation	A rule or order issued by an executive authority or regulatory agency of a government and having the force of law.
Standard	Something established by authority, custom or general consent as a model or example.
Standard Operating Procedure	Official set of instructions that details how a particular task will be carried out

APPENDIX B – Examples of Conflicts of Interest

It is not possible to determine all of the situations where a conflict of interest can arise. Some of the instances where conflicts could occur and whether they need to be avoided, controlled or disclosed are included below. This is not an exhaustive list and how the conflict will be dealt with, i.e., whether it is avoided, controlled or disclosed will need to be determined on a case by case basis. The seriousness of the conflict and the impact it could have on the quality of financial service (*or other services*) provided by BSP Life and/or the effect it could have on *BSP Life's* reputation need to be considered in determining how to manage the conflict of interest.

Avoiding Conflicts of Interest

Some examples of situations where the conflicts may be great enough to warrant avoidance of the conflict:

- when ordering goods and/or services from an external provider and the person placing the order has an interest in the external provider, for example the external provider is a company run by the family of the person making the order.
- Where information obtained from or about a *customer* is used for an improper purpose.
- Where the objectivity of research is compromised by the analyst's personal interests or relationships (e.g. recommendation to purchase investments on behalf of policyholders or unit-holders where you have a personal interest in the investment).

Controlling Conflicts of Interest

Some examples of conflicts that may need to be controlled so as to ensure the service provided by BSP Life is not materially lessened as a result of the conflict:

- Where there is a fiduciary duty owed to policy holders or fund members, for example, as a trustee compared with the duty to BSP Life's shareholders.
- The holding of common directorships of different entities within BSP Life and possibly outside of BSP Life need to be disclosed and may be controlled through relevant policies.
- When a Responsible Entity, life company or health company insurer seeks legal advice, consideration should be given to whether there is any conflict between the relevant businesses and BSP Life (or other shareholder). Independent legal advice should be obtained where necessary, which will control any conflict.
- Where one of BSP Life subsidiaries acts as the responsible entity for a managed investment scheme, that entity has a duty to act in the best interests of the scheme members. If there is a conflict of interest between that of the entity and the member, the member's interests must be given priority

Disclosing Conflicts of Interest

Some examples of conflicts of interest which need to be disclosed to the *customer* and/or BSP Life PNG Ltd:

- Any gifts or entertainment obtained by an employee from an existing or potential *customer* need to be disclosed and recorded in line with BSP Life PNG Ltd

You will note that in many cases, a conflict may be managed through a combination of internal controls and disclosure. This list is not exhaustive and there may be other conflicts of interest that may arise and require management in each *Business Unit*

APPENDIX C – Disclosure of Interest

A register will be maintained by BSP Life's Quality Assurance and Compliance Manager and HoGC&A to record and help manage conflicts of interest. An example of the type of register to be established to record conflicts of interest is below. The register contains an example of how you could complete the register. Where possible, for conflicts that are inherent in the way that the *Business Unit* conducts its business. You may also want to integrate your conflicts register with your *Business Unit* Gifts and Entertainment register.

Name of Employee	Description of interest	Has Senior management been notified of the interest	Date of disclosures taken by Senior Management for dealing with the conflicts	Actions taken by the Employee to address the conflict

APPENDIX D – Disclosure of Interest Form

DISCLOSURE OF INTEREST FORM – EMPLOYEES OF BSP Life

Conflict of Interest must be managed to ensure that the quality, honesty and integrity of the services that BSP Life provides are upheld. Our failure to manage conflicts of interest can affect the reputation and public perception of BSP Life.

Conflicts of interest can include actual, perceived or potential conflicts which may arise from the interaction between BSP Life employees, its customers, its suppliers and shareholders. Where the interests of these stakeholders are different, this can create a conflict of interest.

As required under our Managing Conflict of Interest Policy all BSP employees are to disclose their interests. Records of all these disclosures will be kept with the Quality Assurance and Compliance Manager and the HoGA&C.

Examples:

- Whilst being currently employed at BSP Life you are also participating in any form of external business whether as a sole trader, partnership, joint venture etc.
- Hold shares or convertible notes in a company.
- Office bearer in any committee, association (family, school, community, religion etc) and if you are a signatory to the bank account.
- You do part-time employment elsewhere after normal working hours or work on weekends
- Hold directorship or board or trustee positions in companies owned by (family, clan, village, association, society, trust, private limited liability, Govt / quasi-Govt and any other scenario not covered in this list)

1. Name of Company/Business(s) Relationship (e.g. Owner, **Director**¹, Adviser, Sales Representative), giving details of interest or position of influence in the business

2. Details of possible activity with BSP Life.

¹ Approval must be from the GCEO and/or BSP Life Board for positions of Director, Secretary, Public Officer or Executive Officer of a private or public company or trust

3. Name of persons employed with BSP Life with whom you have a personal relationship with and nature of the relationship (e.g. Spouse, Sibling, Parent, Child)

4. Either

☐

I declare that as a consequence of my disclosure of interest in the above mentioned, I have a potential conflict of interest in light of my employment with BSP Life (tick if appropriate).

Or

☐

I declare that, although no conflict of currently interest exists, there may be a potential conflict of interest in the future with my employment at BSP Life and the activity described in (2) and or the relationship disclosed to in (3).

5. I further declare that I will immediately inform BSP Life of any changes in circumstances regarding this action.

Signature

Date

Printed Name

Business Unit

CERTIFICATION BY HEAD OF GROUP AML AND COMPLIANCE

I have noted this business interest's declaration. I am satisfied that no conflict of interest will occur, and I authorize the dealing described below by BSP Life (*if applicable*), subject to any conditions listed below.

1. AUTHORISED DEALING
2. CONDITIONS

- a. The employee will take no part in BSP Life's decision making process regarding the business interest, and or regarding the employee with whom a personal relationship exists.
- b. The employee will not utilize any of BSP Life's facilities or property related to this business interest.

Signature

Date

Printed name

Business Unit

APPROVAL FOR POSITION OF
DIRECTOR, SECRETARY, PUBLIC OFFICER OR EXECUTIVE OFFICER

the company, provided that if any potential or actual conflict of interest should arise the employee withdraws from any BSP Life or Company dealing with the matter concerned.

Signature

Date:

Printed name

Group Chief Executive Officer
or
BSP Life PNG Board