

1.0 Introduction

1.1 Objective of Policy

This policy forms part of FMG's governance and internal control framework in relation to Conduct and Culture established by the Board. It aligns with FMG's risk appetite as set out in the FMG Enterprise Risk Management Policy (ERMP) and Enterprise Risk Management Framework (ERMF).

The purpose of this policy is to ensure that FMG adopts a robust and consistent approach towards the identification, evaluation and control of the key Conduct and Culture risks and issues that could result in unwanted outcomes detrimental to clients and ensure that FMG is acting in the best interest of its clients (as aligned to the Code of Professional Conduct for Financial Advice Services and associated regulatory requirements).

1.1 Scope

The Conduct and Culture Policy applies to the Board, all employees and FMG contractors.

1.2 Conduct and Culture Risk Definition

'Conduct and Culture risk' is the risk of inappropriate, unethical, or unlawful behaviour on the part of an organisation, its management or employees that leads to detrimental client outcomes.

1.3 Policy Objectives

Effective Conduct and Culture risk management enables FMG to demonstrate:

- a) The right culture exists to ensure FMG is conducting itself in the best interests of its clients;
- b) Conduct and Culture risk management is embedded in the organisation;
- c) Compliance with legislation and regulation and regulatory expectations;
- d) Management's assurance to the Board that Conduct and Culture risks are identified, measured, managed, monitored, and reported to continue operating in line with FMG's risk appetite.

2. Conduct and Culture Policy Principles & Responsibilities

2.1 Conduct and Culture Risk Guiding Principles

- FMG will take appropriate and timely action if any Conduct and Culture risk crystallises, ensuring effective escalation, response and, where appropriate, remedial action is taken including satisfactorily dealing with any client detriment and addressing the root causes;
- Clients can be confident that FMG is acting in their best interests;
- FMG's products and services are regularly reviewed to ensure they continue to meet the needs of the target market. Products and services are selected for review on a risk-based approach by considering a range of factors such as number of policy holders, complexity of products, levels of complaints etc.;
- Clients are provided with clear, fair, timely and accurate information and advice and are kept informed;
- Products and services operate and perform in line with client's expectations as informed by the product literature, policy documentation and other communication provided to the client and,
- Clients are not faced with unreasonable post-sale barriers to change product, switch provider, submit a claim, provide feedback, or make a complaint.

2.2 Board Responsibility

The Board acknowledges that it is fundamentally responsible for ensuring FMG has a robust Conduct and Culture approach towards FMG's clients.

2.3 FMG Management Responsibility

Management must ensure that all employees and contractors are aware of their obligation to comply with the policies, standards, guidelines, and procedures that are relevant to their role.

2.4 Conduct and Culture Risk Process

FMG will have robust processes in place to enable the identification, measurement, management, monitoring, and reporting. Conduct and Culture risks /issues are proactively managed with appropriate and timely action. Any issues in relation to this policy will be escalated in accordance with either the Compliance Policy or the Enterprise Risk Management Policy (ERMP), as appropriate.

3. Governance

This policy is owned by the Board with direct oversight by the Chief Executive and the Chief Financial, Investment and Risk Officer. This policy is administered by the Enterprise Risk and Compliance Committee reporting through to the Board Risk and Audit Committee and the Conduct and Culture Committee, reporting through to the wider Board.

4. Policy Review

This policy will be reviewed annually by the Enterprise Risk and Compliance Committee with recommendations to the Board Risk and Audit Committee, Conduct and Culture Committee and the Board, unless required at an earlier date.

5. Related Policies & Guidelines

- Code of Professional Conduct for Financial Advice Services
- Code of Ethics
- Standards of Conduct Policy

Applicable date	October 2022
Policy owner	Chief People Officer
Review date	October 2024