

## II. APPENDIX —BOARD OF TRUSTEES CODE OF CONDUCT

### 1. Trustees to sign

The code of conduct shall be signed by every member of the board of trustees.

### 2. Impartiality

Each member of the board of trustees shall interact with members or make decisions affecting members in an impartial manner.

### 3. Effective trusteeship

Trustees shall have relevant knowledge and understanding to achieve effective trusteeship including knowledge:

- a. on pension scheme funding and liabilities;
- b. the scheme investment policy statement; and
- c. other policies of the scheme.

### 4. Procedures for managing conflicts of interest

- a. The interests of a trustee conflict with those of the scheme if the trustee or a person directly associated with the trustee obtains or accepts a fee, gift or other benefit, whether of a material nature or otherwise, that is connected, directly or indirectly, with the performance of the trustee's office.
- b. Trustees shall conduct their personal affairs in such a manner as to avoid any conflict of interest with their duties or responsibilities as trustees. A trustee shall not derive any personal profit or gain, directly or indirectly, by reason of the trustee's service with the scheme.
- c. Conflicts of interest may arise in respect of:
  - i. the trustee;
  - ii. the trustee's spouse or child;
  - iii. the trustee's business associate or agent; or
  - iv. a corporation, private company, partnership or other body in which the trustee has a substantial or controlling interest.
- d. Conflicts of interest may arise from time to time. Where the board of trustees requires to make a decision or approve an action which shall give rise to a conflict of interest between the best interests of the scheme and a trustee's personal interests, the trustee shall immediately disclose to the board of the conflict which shall be recorded in the minutes of the meeting at which the disclosure is made so that the board's decision or approval shall be informed by the conflict.

- e. A trustee shall ensure that the decisions of the board reflect independent thinking. If a trustee receives compensation from the scheme, the compensation shall be determined and approved by all members of the board of trustees before the compensation is paid.
- f. Any conflict of interest including financial interests of a trustee shall be disclosed to the board when a matter that affects the trustee's interests becomes a matter for the board to decide. The board shall establish and review, at least once in each year, the procedure for trustees to disclose their interests.
- g. A trustee with a conflict of interest on any matter shall not vote when the matters determined by the board and shall not use his or her influence to determine the matter. Trustee with a conflict of interest shall not be counted when determining the quorum for the meeting at which the matter shall be determined by the board.
- h. All conflicts of interest shall be recorded in the minutes of the meetings at which the conflicts have been disclosed. The minutes shall also state that the trustee with the conflict of interest did not vote on the matter during that meeting and was not included in the quorum for the purposes of that meeting.
- i. The board of trustees shall establish and maintain a conflicts of interest register which shall be available for scrutiny by members of the scheme.
- j. Each new trustee shall be informed of the conflict of interest policy during his or her induction. Each trustee shall be reminded of the conflict of interest policy at least once in each year.
- k. The conflict of interest policy shall apply to each trustee's immediate family and any other person acting on the trustee's behalf.

#### **5. Prohibition against sexual harassment**

The scheme, in the management of its affairs, shall ensure a workplace that is free of discrimination or harassment. All forms of harassment are prohibited but sexual harassment is especially singled out for prohibition. Any trustee who engages in discriminatory or harassing conduct shall be removed from the board of trustees.

Any complaint of discrimination or harassment against a trustee shall be promptly and confidentially investigated by a task force of other trustees.

#### **6. Confidentiality**

Trustees shall maintain the confidentiality of financial, personnel and other matters affecting the scheme, members, service providers or staff of the administrator.

Trustees shall not disclose any confidential information except as may be provided for in any written law or in accordance with an order of a court of competent jurisdiction.

