Related Party Transaction Policy

1. Purpose

The purpose of the Related Party Transaction (‘Policy’) is to safeguard the interests of the Institution by ensuring they are protected and that adequate transparency is maintained when a related party transaction is considered appropriate or beneficial to the Institution.

2. Scope

The Policy applies to all the members of the governance boards or committees, officers, management staff and to all areas of the Institution’s business.

3. Definitions

See *Glossary of Terms.*

4. Policy Statements

4.1 The Institution recognises that related party relationships are inherent in business and may influence management decisions. All related party transactions must be conducted transparently and in the best interests of the Institution, with full disclosure and compliance with applicable accounting standards.

4.2 Related parties must act in good faith and must not use their relationship with the Institution for unfair or inequitable gains.

4.3 The Institution must not provide a financial benefit to, or transact with, a related party unless:

a. prior approval has been obtained by the Board of Directors; or

b. an approved exception applies (see paragraph 4.5).

4.4 When applying this policy, the Board of Directors will consider the commercial nature of the transaction and ensure that any consideration given for the benefit is adequate.

Exceptions to Board of Directors approval

4.5 Board of Directors approval for providing a financial benefit to, or transacting with, a related party is not required if:

a. The transaction is on arm's length terms or more favourable to the Institution. Audit, Risk and Compliance Committee approval may be sought if it is not clear whether the arm's length exception applies to a transaction (see paragraph 4.6);

b. The benefit is reasonable remuneration or reimbursement of expenses to an officer or employee;

c. The benefit is an indemnity, exemption, or insurance for an officer or employee's liability;

d. The total value of the benefit (and all other such benefits in the financial year) is less than $5,000; or

e. The transaction has no impact on the Institution's business.

4.6 In determining whether the arm's length exception applies to a transaction, the ARCC has regard to the following factors:

a. the terms and conditions of the transaction;

b. the process adopted by the Institution to manage conflicts of interest;

c. the impact of the proposed transaction on the Institution;

d. alternative options available to the Institution; and

e any expert or independent advice obtained.

4.7 Confidential reporting of concerns about related party transactions should be made in accordance with the Fraud Prevention Policy and Whistleblower Procedures.

5. Roles and responsibilities

5.1 The Board of Directors has responsibility for:

- initiating the review of related party transactions involving any of its members.
- Reviewing and determining the approval or disallowance of related party

transactions referred to the Board.
- Ensuring that decision regarding related party transactions is implemented by the Managing Director and President (President).
- Overseeing and ensuring the disclosure of approved related party transactions according to the accounting standards in the annual financial statements.

5.2 The President has responsibility for:

- initiating the review of a related party transactions involving members of governance boards or committees, officers, and the Executive Management Group.
- directing the Chief Quality Officer, as a member of the ARCC, to review any arm's length exceptions if it is not clear whether the arm's length exception applies to a transaction and referring such cases to the ARCC as appropriate.
- Implementing decision of the Board of Directors regarding related party transactions.

5.3 The Secretary is the Responsible Officer of this policy. The Secretary is responsible for:

- coordinating the reporting of related party transactions to the Board of Directors in accordance with this policy;
- ensuring the accurate and timely disclosure of related party transactions in the Institution's annual financial statements in accordance with accounting standards.
- maintaining accurate documentation and retaining all related party transaction records.

6. **Related documents**

Fraud Prevention Policy

Risk Management Framework

Risk Appetite Statement

Risk Management Policy

Whistleblower Procedures

Approved by the Board of Directors on 10 June 2025