

# Upper Yarra Community Enterprise Ltd

## POLICIES AND PRINCIPLES

Revised April 2019

Revised March 2020

Revised May 2020

Revised February 2021

Revised February 2022

**This document is to be read in conjunction with  
the UYCE Corporate Governance Charter**

## Contents

<i>Committees</i> .....	3
<i>Agenda Planning</i> .....	9
<i>Director Remuneration</i> .....	10
<i>Shares and Shareholders</i> .....	11
<i>Community Ownership</i> .....	11
<i>Shareholder Relations</i> .....	11
<i>Share Trading</i> .....	11
<i>Shareholder Privacy</i> .....	16
<i>Human Resources</i> .....	19
<i>Staff</i> .....	19
<i>Operations during periods of high fire danger</i> .....	19
<i>Workplace Diversity</i> .....	20
<i>Occupational Health and Safety</i> .....	21
<i>Staff – Performance Counseling</i> .....	22
<i>Employee Performance &amp; Bonuses</i> .....	23
<i>Motor Vehicles</i> .....	23
<i>Hold-ups</i> .....	23
<i>Role of the Executive Officer/Managing Director</i> .....	26
<i>Community Investment</i> .....	29
<i>Please refer to the Community Investment Policy adopted by the UYCE Board 04 May 2020.</i> .....	29
<i>Governance</i> .....	30
<i>Profit Distribution</i> .....	30
<i>Business Expansion</i> .....	30
<i>Communications</i> .....	31
<i>Delegation Of Authority</i> .....	32
<i>Community Bank Whistleblower Policy</i> .....	35

# Committees

The Board recognises the importance of strong and active committees. Committees are an important tool in ensuring the Board can make best use of its time at meetings and also ensure the workload is distributed fairly throughout the team.

The following committees may operate to assist in the smooth operation of the Board:

- *Community Investment*
- *Audit & Risk*
- *Marketing*
- *Staff*

Committee membership will be reviewed by the Board annually following the AGM

Each Committee will appoint a Chairman who will have the following responsibilities:

- *Convene meetings of the committee in accordance with the relevant committee procedure;*
- *Ensure preparation of agendas and reports of meetings;*
- *Chair meetings in such a way to ensure all members have opportunities to contribute to discussions;*
- *Submit a report of any recommendations to the Board;*
- *Ensure the committee operates within its terms of reference.*

The primary responsibility for each committee will include:

- *Examine issues relating to their area of responsibility;*
- *Make recommendations to the Board;*
- *Oversee implementation of decisions of the Board relating to their area of responsibility;*
- *Review terms of references from time to time and make recommendations on proposed changes to the board.*

The responsibility of each committee member will include:

- *Regularly attend meetings of the committee;*
- *Contribute to discussion and debate;*
- *Undertake tasks allocated by the committee in a timely manner.*

Title	<b>Community Investment Committee</b>
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<i>Objective</i>	<i>To promote the community bank by maximising the effectiveness of the company's investment into sponsorship activities.</i>
<i>Membership</i>	<i>Executive Officer/Managing Director, Administration Staff, minimum of 2 Directors</i>
<i>Term</i>	<i>1 year</i>
<i>Meetings</i>	<i>Four times per year or as close as practicable to the closure of each quarterly sponsorship round.</i>
<i>Quorum</i>	<i>A majority of members.</i>
<i>Responsibilities</i>	<ul style="list-style-type: none"> <li>• <i>Assessing sponsorship proposals;</i></li> <li>• <i>Submitting recommendations on sponsorship requests to the Board for approval / rejection;</i></li> <li>• <i>Sponsorship acquittals and review of value received;</i></li> <li>• <i>Overseeing Youth Foundation funding and projects;</i></li> <li>• <i>Coordinating annual processes for our Ian De La Rue Youth Award and Geoff Vickers Scholarship program.</i></li> </ul>
<i>Authority</i>	<i>Authorised to spend up to \$5,000 between sponsorship rounds. Any expenditure is to be reported to the Board at the next Board Meeting.</i>
<i>Papers</i>	<i>Prior to a meeting the committee will be provided a report summarising the proposals received, a budget spreadsheet and access to the full proposal documentation.</i>
<i>Reporting</i>	<i>A report of the Committee's meeting and recommendations will be provided to the next Board Meeting.</i>

<i>Title</i>	<b>Audit &amp; Risk Committee</b>
<i>Objective</i>	<i>To ensure the accuracy of the company's financial records. To review the Board's Policies, Principles and Procedures. Generally overview the management of risks and overall performance of the business.</i>
<i>Membership</i>	<i>The Audit &amp; Risk Committee will consist of the EO/MD), company accountant and a minimum of 2 Directors.</i>
<i>Term</i>	<i>1 year</i>
<i>Meetings</i>	<i>Audit &amp; Risk Committee meetings will be held not less than four times a year so as to enable the Committee to undertake its role effectively. In addition, the Chairman is required to call a meeting of the Audit &amp; Risk Committee if requested to do so by any member of the Audit &amp; Risk Committee, the EO/MD), or the external auditor.</i>
<i>Quorum</i>	<i>A majority of members</i>

## Responsibilities

*The Audit & Risk Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. In particular, the Audit & Risk Committee has the following duties:*

### Financial Statements

*Review yearly financial statements and any reports which accompany financial statements before submission to the Board, recommending their approval, focusing particularly on:*

- *Any changes in accounting policies and practices;*
- *Major judgmental areas;*
- *Significant adjustments, accounting and financial reporting issues resulting from the external audit;*
- *Compliance with accounting policies and standards; and*
- *Compliance with legal requirements.*

*In addition, the Audit & Risk committee will provide quarterly financial reports to the Board on the progress of the accounts against the year to date budget and to highlight any material variations and the reasons for the variations.*

### External Audit Function

- *Make recommendations to the Board on the appointment of the external auditor, including approval of the external audit annual fee.*
- *Meet privately (either in person or via telephone conference call) with the external auditor on at least an annual basis.*
- *Discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).*

### Oversight of the Risk Management System

- *Provide recommendations to the Board on improvements to the risk management system.*
- *Ensure that major risks to the Company are reported at least annually to the Board.*
- *Determine and regularly review the Company's risk profile describing the material risks, including both financial and non-financial matters, facing the company.*
- *Monitor the compliance obligations and reporting requirements of the Company.*

### General Oversight

- *Regularly review the financial reporting of the company.*

	<ul style="list-style-type: none"> <li>➤ Assist all directors in having a thorough understanding of the company's performance.</li> <li>➤ Regularly review areas of potential risk to the company and report to Board.</li> <li>➤ Make recommendations to the Board on ways to mitigate areas of potential risk.</li> <li>➤ Regular monitoring of the corporate calendar.</li> <li>➤ Ensure completion of all internal and external governance requirements, within the specified timeframe.</li> <li>➤ Generally provide oversight of good governance practices</li> </ul>
<b>Authority</b>	<p>The Audit &amp; Risk Committee is authorised by the Board to investigate any activity within its charter. The Audit &amp; Risk Committee will have access to management and auditors with or without management present and has rights to seek explanations and additional information. It is authorised to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Audit &amp; Risk Committee.</p> <p>The Audit &amp; Risk Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.</p> <p>The Audit &amp; Risk Committee is required to make recommendations to the Board on all matters within the Audit &amp; Risk Committee's charter.</p>
<b>Papers</b>	Prior to the Committee's meetings the members will be provided copies of the current financial reports, any relevant material and a meeting Agenda
<b>Reporting</b>	The Audit & Risk Committee will keep minutes of its meetings. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman of the Audit & Risk Committee and circulated to the Board with the Board papers for the next Board meeting. The minutes are to be tabled at the Board meeting following the Audit & Risk Committee meeting along with any recommendations of the Committee..

<b>Title</b>	<b>Marketing Committee</b>
<b>Objective</b>	To develop, review and provide oversight of the Company's Marketing approach and Strategy.
<b>Membership</b>	Admin Officer, Executive Officer/Managing Director (Ex officio), Bank Manager, Additional Staff and a minimum of 1 Director
<b>Term</b>	1 year
<b>Meetings</b>	Monthly or as business requires

<i>Quorum</i>	<i>A majority of members</i>
<i>Responsibilities</i>	<i>Support the delivery of the Company's Strategy.</i>
<i>Authority</i>	<p><i>The Committee will have the power and resources to fulfill its responsibilities as outlined in this charter. This will include:</i></p> <ul style="list-style-type: none"> <li>• <i>Access to management.</i></li> <li>• <i>Rights to seek explanations and additional information.</i></li> <li>• <i>Authority to retain external advisors (subject to expenditure approval determined by the Board).</i></li> </ul>
<i>Papers</i>	<i>Prior to meeting the members will be provided access to the Agenda and ongoing workplan</i>
<i>Reporting</i>	<i>A report of the Committee's meeting and recommendations will be provided to the next Board Meeting.</i>

<i>Title</i>	<b>Staff Committee</b>
<i>Objective</i>	<i>Review the human resource and remuneration strategies, policies and management and make such reports and recommendations to the Board to achieve its business objectives.</i>
<i>Membership</i>	<i>Up to three members, all being Board members. The UYCE Board Deputy Chair will be the committee chair. Members will have an appropriate balance of skills and experience and will be gender balanced where possible.</i>
<i>Term</i>	<i>1 year</i>
<i>Meetings</i>	<p><i>The Committee will meet at least once annually to conduct performance and salary reviews, prepare recommendations for salary reviews and bonus payments, and develop Key Performance Indicators for the following year for presentation to the Board.</i></p> <p><i>The committee will also meet at other times as required.</i></p>
<i>Quorum</i>	<i>A majority of members</i>
<i>Responsibilities</i>	<p><i>Committee members will make themselves available to Staff in the event that a staff member does not feel comfortable talking to their Manager and they need to access the Board.</i></p> <p><i>The Committee will oversee:</i></p> <ul style="list-style-type: none"> <li>• <i>Remuneration strategy, policy and management including the overall remuneration framework and bonuses.</i></li> <li>• <i>Human resources strategy, policy and management for all staff including:</i> <ul style="list-style-type: none"> <li>○ <i>Job descriptions.</i></li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ <i>Staff policies and consultation</i></li> <li>○ <i>Recruitment</i></li> <li>○ <i>Staff reviews and appraisals.</i></li> <li>○ <i>Salary adjustments and incentive payments.</i></li> <li>○ <i>Leave and succession planning.</i></li> <li>○ <i>Staff mentoring.</i></li> <li>○ <i>Employment terminations.</i></li> </ul>
<i>Authority</i>	<p><i>The Committee will have the power and resources to fulfill its responsibilities as outlined in this charter. This will include:</i></p> <ul style="list-style-type: none"> <li>● <i>Access to management.</i></li> <li>● <i>Rights to seek explanations and additional information. Authority to retain external advisors (subject to expenditure approval determined by the Board).</i></li> </ul>
<i>Papers</i>	<i>The Committee will be provided all necessary documentation prior to any meeting.</i>
<i>Reporting</i>	<i>A report of the Committee’s meeting and recommendations will be provided to the next Board Meeting.</i>



# Agenda Planning

*The Board recognises its responsibility to ensure compliance with the Corporations Law and the Franchise Agreement.*

*Accordingly, the Board commits to developing and following an annual agenda which sets out the framework for all compliance issues. The agenda will focus on:*

- *Regularly reviewing strategic issues and results.*
- *Providing assurance that all relevant compliance issues are addressed.*
- *Improving the performance of the Board through education and continuous focus on governance and Board effectiveness.*

*he Board will hold its regular monthly meetings on the first Monday of each month with the exception of January when there will not be a regular meeting. All Directors are expected to attend the monthly meetings unless leave has been granted.*

*The agenda for the regular meetings will be available to directors during the week preceding the meeting.*

*All documents for the meeting including Matters for Decision, Strategic Issues, Branch Manager's Reports, Executive Reports and Committee Reports are to be submitted to the Executive Officer/Managing Director during the week preceding the meeting.*

*The Annual General Meeting of shareholders will be conducted in November on the date and at a venue as determined by the Board.*

*The Board will hold an annual Strategic Planning Day at a time and venue to be determined by the Board. All Directors and Branch Managers are expected to attend the AGM and Strategic Planning Day.*

## Director Remuneration

*The Board recognises the company has been formed to govern the community bank branches as they return banking services to the community, provide a return to community projects and the shareholders who contributed the initial capital.*

*The time contributed by Directors to the ongoing governance of the company can be significant. In recognition of this, the Board may be remunerated for its efforts, at the Board's discretion.*

*Accordingly, directors will only receive remuneration after the following has occurred:*

- The company has sufficient surplus capital to ensure the stability of the company and the provision of sufficient reserves for future objectives; and*
- The shareholders have been rewarded on a commercial but not excessive basis, for their contribution of capital to the business; and*
- The company has contributed to community projects, with an overall focus on building that community's future prosperity and capacity.*

*This policy does not apply to the appointment of a Managing Director which is considered separately.*

*Any remuneration will be subject to the following:*

- Consultation with shareholders prior to a decision being made by the Board.*
- The amount payable to directors being ratified by shareholders at a General Meeting.*
- Director's remuneration is made in line with the philosophies of community banking.*
- In no circumstance will the total directors' remuneration exceed 10% of the net profit in any year.*

*Directors may seek reimbursement of reasonable out of pocket expenses associated with their role as a Director.*

*Reimbursement will be available for attendance at functions related to the Director's role or training activities but does not include costs associated with attending Board meetings. Claims for reimbursement must be made on the relevant form.*

# Shares and Shareholders

## Community Ownership

*The Board recognises a cornerstone of the community bank concept's success is broad-based community ownership. The Board recognises the need for ongoing community ownership to ensure long term commitment of the community and success of the business. Furthermore, the Board acknowledges that community ownership is essential in defining the services required within the community.*

*Accordingly, the Board commits to:*

- Regularly review the commitment and ownership of the local community. A review of the local ownership of the company by postcode should be included in the corporate calendar.*
- Maintain broad-based community ownership at the local level.*
- Consult the shareholders on issues relevant to ongoing community ownership.*

## Shareholder Relations

*he Board places great importance on maintaining a strong relationship with shareholders and keeping them informed of the company's status. The shareholders are the owners of the business and the Board acknowledges its legal and fiduciary responsibilities to them.*

*Accordingly, the Board commits to regularly reporting to shareholders each year, offering an opportunity for shareholders to:*

- Learn about UYCE success stories.*
- Nominate for Board positions.*

*letter from the Chair should accompany dividend payments each year. The letter should thank Shareholders for their continued support, inform of the AGM date and briefly refer to matters of interest in the Annual Report, Newsletters and the website.*

*The AGM is regarded as an opportunity for shareholders to ask questions of the Board in relation to their presiding over the company, to demonstrate transparency and to facilitate discussion of matters of mutual interest. It is not intended to be used for deliberate promotion or celebration of the company's activities; these outcomes are achieved by a range of other communication tools.*

## Share Trading

### 1. Application

*This policy applies to employees and directors of Upper Yarra Community Enterprise Limited. (The Company)*

### 2. The Policy

*This document sets out a trading policy for the Company directors and employees.*

*This policy is only a summary of complex legislative provisions, and should only be used as a general guide, not as legal advice. For corporate governance purposes, the policy also imposes obligations beyond those imposed by law. It remains the responsibility of each director and employee to make sure that they do not do anything prohibited by the Corporations Act.*

### **3. Purpose and Objectives**

*This document sets out the Policy of the Company regarding:*

- *Dealing in Company Securities*
- *Complying with the law on insider trading*

### **4. Adoption of Policy by the Board**

*The Board has adopted the following Policy covering directors and employees of the Company who are likely to receive price-sensitive information in the course of their jobs.*

### **5. Accountabilities and Responsibilities**

*Every Company director and employee has an individual responsibility to ensure that he or she complies with the law relating to insider trading and with this Policy.*

*In addition, the Company's directors and employees must:*

- *notify the Company of any trading in the Company's Securities.*
- *notify the Company of any changes to their Company Securities holding*

### **6. Approval and Review**

*This Policy is reviewed regularly to ensure that it reflects any legislative or regulatory requirements or "best practice" developments. The Board is responsible for approving the Policy and any changes to it.*

### **7. Insider Trading**

*Insider trading is prohibited under the Corporations Law. Essentially, insider trading involves trading in Securities by a person who has information about those Securities which is not generally available but which, if it were generally available, would be likely to have a material effect on the price or value of Company's Securities.*

*The insider trading provisions of the Corporations Act 2001 (Cwlth) apply to all persons, including all Company directors and employees, their immediate family members and to companies, trusts and entities controlled by them.*

*What constitutes "information" is widely defined by the Corporations Law and includes matters of supposition and other matters that are insufficiently definite to warrant being made known to the public, and matters relating to the intentions, or likely intentions, of a person.*

*If a person has inside information, the person is prohibited by law from buying or selling the Company's Securities until after the relevant information has become available to persons who ordinarily invest in Securities.*

Not only must persons who possess inside information not trade in the Company's Securities until that information becomes generally available, but they must not pass on that information to other persons, including family members and friends. If they do, then the person who passes on the information and the person who uses it in Securities trading both commit offences under the Corporations Law.

### **8. Blackout Periods**

Whilst trading is unlawful at any time if the person has inside information, there are other periods when trading by persons who generally have access to non-public information is unwise, due to the perception that they are likely to possess price-sensitive information that is not generally available.

For this reason many companies impose restrictions on when employees may buy or sell Securities. The periods during which these restrictions apply are called blackout periods.

The Company Board has resolved to apply the same practice to directors, officers, executives, and senior managers, and has determined that any dealings in the Company's Securities by such employees are prohibited during the following periods:

- Between the date on which the Board makes its decision on a dividend payment and the books closing date for that dividend.
- During any additional blackout periods imposed by the Company from time to time.

### **9. Dealing in Company Securities by designated officers**

For the purposes of this Policy, the following persons are considered to be designated officers:

- Directors and employees of the Company (and any family member or associate over whom they have influence).

Any designated officer who proposes dealing in Company Securities must, before the dealing occurs, obtain approval in writing in accordance with the following protocol:

<i>Dealing to be undertaken by</i>	<i>Dealing to be approved by</i>
<i>Chair</i>	<i>Chairperson of the Board or Deputy Chairperson of the Board.</i>
<i>Director or Company Secretary</i>	<i>Chairperson of the Board or Deputy Chairperson of the Board.</i>
<i>Employee</i>	<i>Chairperson of the Board or Deputy Chairperson of the Board.</i>

An approval to undertake the proposed dealing will be valid for five business days.

### **10. Exceptions**

The Company has determined that the following trading is not subject to this Policy:

- where the trading results in no change in beneficial interest in the Securities, for example transfers of Securities already held into a superannuation fund;
- where trading occurs via investments in a fund or other scheme (other than a scheme only investing in the Securities of the Company) where the investment decisions are exercised by a third party;
- where the director or employee has no control or influence with respect to trading decisions, for example where the director or employee is a trustee of a trust which trades in the Securities of the Company, provided the director or employee is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the director or the employee.
- where the trading occurs under an offer to all or most of the security holders of the Company, for example during a takeover offer, or under an offer or invitation made to all or most of the security holders, such as a bonus issue, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board.

#### **11. Exceptional Circumstances**

*In certain exceptional circumstances, directors or employees who are not in possession of inside information in relation to the Company may be given prior written clearance to sell or otherwise dispose of the Securities of the Company during a prohibited period. Examples of these exceptional circumstances are:*

- where the director or employee is in severe financial hardship, for example if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the Securities of the Company; and
- where the director or employee is required by a court order, or there are court enforceable undertakings, for example, in a bona fide family settlement, to transfer or sell the Securities or there is some other overriding legal or regulatory requirement to do so.

*In such cases, directors or employees are required to seek the prior approval of the Chairman of the Board or, in his absence, the Chairman of the Board Audit, Risk & Compliance Committee*

*The prior written clearance, which may be provided electronically via email, must specify how many days are available for trading once clearance has been provided.*

#### **12. Policy Awareness**

*Information on security transactions and share trading is contained in information provided to employees during their induction period.*

#### **13. Breach of Policy**

*A breach of the law relating to insider trading can have serious consequences, including individual criminal and civil liability. A breach of this Policy will be considered to be a serious matter and will be managed in accordance with the Company's performance management system.*

#### **14. Queries regarding this Policy**

Any queries regarding this Policy should be referred to the Chairman or the Company Secretary.

#### **15. Reference material and additional information**

- Corporations Act 2001 (Cwlth)

#### **16. Definitions**

Following are definitions to provide employees with assistance in understanding the concepts listed above. These definitions should not be read as all-inclusive and are a guide only. If any employee has questions related to this policy (including the definitions) they should seek assistance from the Company Secretary or seek their own independent advice.

**a. What are “Securities”?**

“Securities” include shares of any class that able to be traded on a financial market.

**b. What is “dealing”?**

“Dealing” means (whether as principal or agent) to acquire, dispose of, subscribe for, or underwrite the Securities, or make or offer to make, or induce or attempt to induce a person to make or to offer to make, an agreement:

- for or with respect to acquiring, disposing of, subscribing for or underwriting the Securities; or
- the purpose or purported purpose of which is to secure a profit or gain to a person who acquires, disposes of, subscribes for or underwrites the Securities or to any of the parties to the agreement in relation to the Securities.

**c. What is “inside information”?**

“Inside Information” is information that is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on either the price or value of the Company’s Securities.

**d. When information is deemed to be “generally available”**

Information is “generally available” if:

- It consists of a readily observable matter; or
- Where the information has been made known to persons who commonly invest in Securities, a reasonable period for it to be disseminated among such persons has elapsed. For example, it has been released to ASIC or published in an annual report or prospectus; or
- It may be deduced, inferred, or concluded from information referred to above.

**e. Books Closing Date**

The books closing date for a dividend is the day by which you must be registered as an owner of shares to receive the dividend.

f. What is a “material effect”?

“Material effect”, in relation to inside information, is where that information would, or would be likely to, influence persons who commonly acquire Securities in deciding whether or not to acquire or dispose of Securities.

Examples of information, that may have a material effect on the price or value of the Company’s Securities when it becomes generally available, include:

- Sales figures;
- Profit forecasts;
- Inventory levels;
- Items of major capital expenditure;
- Borrowings;
- Liquidity and cash flow information;
- Significant changes in operations;
  
- Management restructuring;
- Changes in distribution arrangements;
- Entering into or terminating a material contract;
- Litigation;
- Impending mergers and acquisitions, reconstructions or takeovers;
- Major asset purchases or sales; and
- New products and technology.

## Shareholder Privacy

### Personal Information

Upper Yarra Community Enterprise Ltd (the Company) is committed to ensuring privacy is protected and understands concerns regarding the confidentiality and security of personal information provided to us.

This Shareholder Privacy Policy sets out how we safeguard privacy.

### Collection of Personal Information

If you apply for shares, you will provide personal information to the Company and to the Company’s Share Registry.

The Share Registry details are:

- AFS Chartered Accountants  
  
afs@Bendigo.com.au  
  
PO Box 454 Bendigo, 3552  
  
PH: (03) 5443 0344



*Some of the information that will be collected by the Company is required pursuant to tax and corporations' law. If you do not provide the information requested, your share application may not be able to be processed efficiently, or at all.*

#### *Use and Disclosure of Personal Information*

*The Company and the Share Registry collect hold and use your personal information to:*

- assess and process your application;*
- service your needs as an investor;*
- provide products, facilities and services which you may request;*
- provide you with information about products, facilities and services; and*
- carry out appropriate administration of your investment.*

*To do these things, the Company and the Share Registry may disclose your personal information for purposes related to your investment to Bendigo and Adelaide Bank and related companies, the National Stock Exchange, and to agents and service providers of the Company and of Bendigo and Adelaide Bank or as otherwise authorised under the Privacy Act 1988 (Cth). The Company does not disclose your personal information to overseas recipients.*

*Your information may be used for purposes related to your investment (including as noted above) and may also be shared with the Bendigo and Adelaide Bank Group and its joint ventures so that you can be told about products, facilities or services offered or distributed by the Group or its joint ventures or other matters concerning the Group generally that the Company or Bendigo and Adelaide Bank thinks may be of interest to you. You agree that the contact details you provide to the Company (including any personal or home phone number) can be used by the Company and any member of the Bendigo and Adelaide Bank Group or any of the Group's joint ventures indefinitely for these purposes. If you do not want your personal information to be used for this purpose, you should contact the Company and Bendigo and Adelaide Bank on the contact details below.*

#### *Access to and Correction of your Personal Information*

*Under the Privacy Act you may request access to and seek correction of your personal information held by (or on behalf of) the Company or Bendigo and Adelaide Bank. You can request access to and seek correction of your personal information held by the Company by contacting the Company's Secretary on the contact details below. You can request access to and seek correction of your personal information held by Bendigo and Adelaide Bank by contacting the Bank as follows:*

*Bendigo and Adelaide Bank Limited  
Bendigo Centre, Bendigo, Victoria 3550  
Postal Address: PO Box 480  
Bendigo, Victoria 3552  
Telephone: 1300 366 666 (local call)*

*A copy of the privacy policy of Bendigo and Adelaide Bank is available at [www.bendigobank.com.au](http://www.bendigobank.com.au).*

#### *Privacy concerns or complaints*

*If you have any concerns or complaints about the treatment of your personal information by the Company, you can contact the Company's Secretary on the contact details below.*

*The Company will promptly investigate your complaint and notify you of the outcome. If you are still not satisfied you can in some cases refer your complaint to the Office of the Australian Information Commissioner (P 1300 363 992 or via the web [www.oaic.gov.au](http://www.oaic.gov.au)).*

# Human Resources

## Staff

As a rule the Staff policies adopted by Bendigo Bank will be applied (in accordance with the franchise agreement) provided they do not conflict with UYCE policies. This has been particularly important during the Covid pandemic throughout 2020 and 2021. Where there is a conflict the UYCE policy will prevail.

*The Board recognises that our staff members are integral to the success of the community bank. The Board values the contribution made by the staff and the role they play as ambassadors of the community bank. The Board acknowledges that the primary contact with the staff is through the Branch Manager, however the Board will ensure that all staff have the opportunity to approach the Board through the appointed Board Liaison Officer if and when required.*

*Accordingly, the Board commits to:*

- Treat staff with respect and equality and always be fair and equitable.*
- Set clear objectives and goals that contribute to the overall success of the company.*
- Review staff remuneration on an annual basis, recognising feedback and advice from Bendigo, current market conditions and practices across the community bank network.*
- Provide staff with the opportunity to further their individual aspirations as part of their career development as positions become available*
- Regularly review the training requirements of staff and ensure that appropriate training programs are in place.*
- Provide a satisfying and rewarding workplace that, time and resource permitting, allows staff to participate in projects and activities which contribute to the enhancement of our community and district.*
- Adopt Workplace Diversity and Occupational Health and Safety policies and review the policies on an annual basis.*
- Utilise specialist advisers as required.*
- Ensure compliance with all regulatory requirements.*
- Recruit staff that possess the requisite attitude and skills, are community focussed and display an understanding and willingness to embrace the community bank concept.*
- Monitor the adequacy and effectiveness of the staff leave rostering process.*

## Operations during periods of high fire danger

The Board is committed to providing a safe workplace and endeavours to ensure the safety of all personnel.

The Company's premises in Yarra Junction and Warburton are considered low risk in terms of bushfire. Both are suitable constructed, well maintained and have buffer zones of more than 40 metres.

The Board recognises most, if not all, its employees live in bushfire prone areas. Individual fire plans will be diverse across the workforce and UYCE should not attempt to coordinate them.

This policy is intended to provide staff with choices that will allow them to meet their work obligations but recognises everyone's circumstances will be different and variously complex. It allows staff to implement their personal fire plans and maintains business continuity if it is safe to do so.

### Policy

On the day before Bushfire Ratings are expected to be elevated the Branch Manager will refer to the Emergency Management Victoria website [www.emv.vic.gov.au](http://www.emv.vic.gov.au) to ascertain the declared Fire Danger Rating (FDR) for the coming day. Once the FDR has been established the following will apply:

#### Code Red:

Both branches and the Corporate Offices will be closed. Staff will be instructed not to attend work that day. Permanent Staff will be paid their normal wages if they were rostered on that day.

#### Severe and Extreme:

Staff will be allowed to implement their personal Fire Plans on these days. They will be required to inform the Branch Manager on the day prior if they intend to be absent. Staff will be required to log a leave day if they choose not to attend work.

The Branch Manager will determine if there will be sufficient staff in attendance to allow each branch to open. If staff numbers fall below the minimum-security requirement of 2, the branch will not open for business, or will close if this occurs after opening. Staff members choosing to stay at work will be given appropriate tasks while the branch is closed and will be paid their normal wages for the day.

#### Low-Moderate, High or Very High:

Staff will not be granted leave to implement their fire plans on these FDR days.

#### Incidents effecting individual staff members

If on a day where the FDR is below Severe a staff member is unable to attend work due to fire or fire danger impacting them personally, the staff member will be required to log a personal leave day or take leave without pay.

## *Workplace Diversity*

The Board recognises its workforce and local community is made up many different individuals with unique skills, experiences and needs. The Board values this diversity and the many benefits it brings. In order to attract and retain a diverse workforce and customer base we must create an environment that is fair, open and respectful.

Accordingly, the Board commits to ensuring that the philosophy and principles outlined in this policy are adhered to by all parties acting for, or on behalf of, the company in the activities listed below:

- The advertisement of jobs

- The recruitment and selection process
- Promotion
- Training and development
- Pay and work conditions
- Terminations

In addition, this policy extends to all dealings with parties whilst in the workplace, which include customers, colleagues, suppliers and contractors.

UYCE is committed to:

- Creating a working environment which is free from discrimination and harassment and where all people are treated with dignity and respect.
- Ensuring all dealings with customers and any other parties are respectful and courteous at all times.
- Ensuring workplace activities and decisions are based on merit and business needs, not irrelevant personal attributes.
- Attracting and supporting a diverse workforce.
- Promoting "zero" tolerance to acts of unlawful discrimination and harassment.
- Encouraging open discussion about individual needs and circumstances.
- Eliminating any barriers that prevent men and women from entering and advancing in the workplace.

### *Occupational Health and Safety*

The Board recognises the importance of providing a safe and healthy work environment for its employees and customers. The Board acknowledges and accepts the philosophies and responsibilities of Workplace Health and Safety.

Accordingly, the Board commits to:

- Ensure the requirements of the OH&S legislation, accompanying Regulations and Codes of Practices are fully met.
- Instill the belief in staff that the development and maintenance of a safe and healthy workplace involves commitment by all employees.
- Consultation between the staff and the Board to ensure decision making processes includes all aspects of staff occupational health and safety.
- Reinforce the responsibility of each branch manager to continually review their operations and working conditions.
- Provide adequate instruction, information, training and supervision to staff regarding occupational health and safety.

- Ensure employees perform their duties in a manner that adheres to safe working practices and procedures, ensuring the individual’s health and safety as well as that of others.

Regularly evaluate the effectiveness of the Occupational Health and Safety Programs and, where applicable, implement changes to conform to our legal and moral principles.

<p>GROUPS OF DISCRIMINATION RELEVANT TO ALL STATES OF AUSTRALIA (as at 1 May 2001)</p>	
<p>Age Any connection with an AWA Colour Criminal record Disability Disease (e.g HIV virus) Family responsibilities For complaints against an employer of alleged unlawful activity Marital status Medical record Neurological or learning disabilities Parental leave Physical or mental impairment</p>	<p>Political opinion Pregnancy Pregnancy or maternity leave Race, descent, national or ethnic origin Racial Vilification Religion Sex Sexual harassment Sexual preference Temporary illness or injury Trade union activity, affiliations or non-membership</p>
<p>GROUPS OF DISCRIMINATION (Cont.) RELEVANT TO ALL STATES OF AUSTRALIA (as at 1 May 2001)</p>	
<p>Victoria Equal Opportunity Act (1995)</p>	<p>The state of being a parent, childless or a de facto spouse; Breast feeding; Gender identity; Lawful sexual activity; Carer status; Physical features; Personal association</p>
<p>INCORPORATES: Human Rights and Equal Opportunity Commission Act 1986 (Commonwealth) Workplace Relations Act 1996 (Commonwealth) Racial Discrimination Act 1975 (Commonwealth)</p>	<p>Racial Discrimination Act 1975 (Commonwealth): Racial Vilification Sex Discrimination Act 1984(Commonwealth) Disability Discrimination Act 1992 (Commonwealth)</p>

### *Staff – Performance Conselling*

The Board is committed to providing an environment that enables employees to perform at their highest level.

Accordingly, the Board commits to:

- Always treat staff with respect and equality and be fair and equitable.
- Set clear objectives and goals for staff that contribute to the overall success of the company.
- Monitor the performance of the staff on a regular basis.
- Address performance management issues in a fair and equitable manner, in line with the relevant legislation.
- Involve Bendigo in all significant performance counselling issues.
- Seek professional assistance to ensure the company complies with legislative obligations.

## *Employee Performance & Bonuses*

*From July 2018 employee bonuses will be adjusted to align with the Bendigo Bank staff bonus scheme.*

*Staff performance will be measured using Bendigo's approved Performance, Talent & Reward assessment tool.*

*Bonuses once assessed at staff level using the system will be referred through to the **Staff Committee** for consideration and final recommendation to the Board.*

*As part of the annual assessment consideration will also be given to any annual CPI increases and any changes to staff salary banding. Generally increase in banding will be subject to:*

1. *12 months in the role,*
2. *Demonstrated learnings in the position, and*
3. *Satisfactory performance.*

*The Executive Officer/Managing Director's performance will be assessed using two measures.*

1. *The routine tasks as detailed in the Role of The Executive Officer/Managing Director Policy;*
2. *A set of up to five goals and or priorities for the period as determined by the Board.*

*There will be no bonus payable to the Corporate Staff.*

## *Motor Vehicles*

*Motor vehicles will not be provided to employees. All staff and director travel expenses will be reimbursed at the kilometre rate published by the Australian Tax Office each year.*

*Cash payment will be made once an expenses reimbursement form has been completed and forwarded to the Executive Officer/Managing Director or the Deputy Chair in regard to any claims by the Chairperson.*

## *Hold-ups*

*The Board recognizes that a hold-up (armed robbery) is a very serious and traumatic incident that can have a lasting impact on the Community Bank branch team and possibly Community Bank customers as well.*

*Upper Yarra Community Enterprise truly values its customers, staff and those of our partners and wants to provide full professional support following a critical incident to reduce the potential adverse effects such as post traumatic disorder and stress.*

*In the event of a hold-up, it is important that the Board is aware of its responsibilities and what action is required from the Board.*

*The following procedure will take place within the branch:*

- *The branch will be closed immediately following the hold-up,*
- *Police will arrive at the branch and interview all staff and customers*
- *While interviews are being conducted, other parties (except for other emergency services) are not allowed access to the branch. This includes other staff, BEN staff, the Board, and partners/family of the staff members and customers.*
- *Relevant BEN management and the UYCE chairman will be notified of the hold-up and the Regional Manager and/or the Regional Operations Manager will attend the branch.*
- *A Critical Incident Response (CIR) counsellor will also be called to the branch to counsel all staff members and customers.*
- *Once police have completed the interview process, relevant staff and BEN staff and the counsellor will be allowed into the branch.*
- *The Chairman, Branch Manager, CIR counsellor, and Regional Manager in consultation may decide to close the branch for the remainder of the day.*
- *The Regional Operations Manager will co-ordinate additional relief staff as required to allow staff affected by the hold-up to have trauma leave if necessary.*
- *Staff may avail themselves of counselling services following the hold-up to assist them to recover from the experience.*
- *An insurance claim should be lodged by the branch manager or the chairman.*

*Bendigo Bank will incur the cost of counselling for customers in the branch at the time of the hold-up.*

*Upper Yarra Community Enterprise will incur the cost of staff counselling, although some of this may be recovered through Workcover.*

## *Maternity Leave*

*The maternity leave provisions in the Ben Enterprise Agreement will apply to UYCE staff. Alternate requests may be made in writing by staff and will be referred to the staff committee for consideration. In considering any request the following shall apply:*

1. *Precedent*
2. *Individual circumstances of applicant*
3. *What can be accommodated from a roster perspective given prevailing staff and leave arrangements.*
4. *No additional cost will be incurred by UYCE*



*If these criteria can be met the Staff committee have authority to determine the request otherwise it shall be refused or directed to the Board for further consideration.*

## *Role of the Executive Officer/Managing Director*

The Executive Officer/Managing Director is expected to implement the board's strategy and ensure the organisation's structure and processes meet the strategic, regulatory and cultural needs of the organisation.

The Executive Officer/Managing Director will perform the statutory role of Company Secretary.

The Executive Officer/Managing Director will be remunerated.

In the event of the EO/MD position becoming vacant, if it is agreed by the Board to wengage an EO it will be advertised to ensure the best possible applicants.

The performance of the Executive Officer/Managing Director will be reviewed annually by the Chair of the Staff committee and one other Director appointed by the Board.

he Board may formerly delegate responsibilities to the Executive Officer/Managing Director.

The Executive Officer/Managing Director is entitled to a corporate Credit Card with a transaction limit determined and reviewed by the Board from time to time.

Major Purpose	To co-ordinate the administrative, governance, financial and legal compliance, public relations and marketing requirements of the company.
Key Tasks	<p>These will include but not be limited to:</p> <ul style="list-style-type: none"><li>• Organising monthly and special meetings of the Board.</li><li>• Preparing Board meeting agendas.</li><li>• Circulating all relevant correspondence to the Board and BEN as soon as possible prior to the meeting. e.g.:</li><li>• Agendas</li><li>• Minutes</li><li>• Financial Reports</li><li>• Special Reports</li><li>• Minute keeping.</li><li>• Ensuring all legal and compliance tasks are completed accurately and within the required timeframe as detailed in the corporate calendar.</li><li>• Co-ordination of the annual report and annual general meeting planning.</li></ul>

	<ul style="list-style-type: none"> <li>• Maintaining the Director Interests register.</li> <li>• Safekeeping of company seal and legal documentation.</li> <li>• Maintenance of the company's Low Volume Market</li> <li>• Maintenance of the company's website</li> </ul>
	<ul style="list-style-type: none"> <li>• Co-ordination of the financial operations of the company.</li> </ul>
	<ul style="list-style-type: none"> <li>• Completing IAS Statements</li> <li>• Reporting monthly expenditure to BEN.</li> <li>• Liaising with BEN regarding clarification of expense items.</li> <li>• Completing superannuation payments.</li> <li>• Co-ordination of company audits.</li> <li>• Co-ordination of the financial results for the annual report.</li> <li>• Liaising with accountant on compilation of half yearly and annual returns to ASIC.</li> <li>• Liaising with accountant re lodgment of Business Activity Statements.</li> <li>• Actively seek opportunities to promote the company</li> <li>• Maintaining regular contact with local media representatives</li> <li>• Liaise with Bendigo Bank regarding issues of future direction and business growth.</li> <li>• Identifying initiatives aimed at maintaining a viable, engaged and supportive shareholder base.</li> <li>• Identifying business opportunities which the Company could pursue for the benefit of its shareholders and communities.</li> </ul>
Key Result Area	Compliance with all legal and fiduciary responsibilities.
Key Performance Indicator	All areas of compliance are completed as required, within the specified timeframe.
Key Result Area	Financial reporting.

Key Performance Indicator	Timely and accurate financial reporting to the Board, Bendigo Bank and ASIC.
Key Result Area	Annual Report compilation.
Key Performance Indicator	Timely and accurate completion of the financials for use within the Annual Report.
Key Result Area	Media liaison.
Key Performance Indicator	Effectiveness in getting the media to action the Board's media releases Community feedback.
Key Result Area	Shareholder communication.
Key Performance Indicator	Timely and accurate completion of shareholder communications as specified in the Shareholder Relations policy. Shareholder feedback.

## *Community Investment*

*Please refer to the Community Investment Policy adopted by the UYCE Board 04 May 2020.*

*With up to 80% of profits reinvested into the Community, our commitment to Community is offered through the following key channels:*

- 1. Sponsorship program, by application, comprising a minimum of three rounds per year;*
- 2. Ongoing Club Sponsorship program, available to sporting clubs;*
- 3. Club Referral and Incentive program;*
- 4. Club Rewards Referral program;*
- 5. Club Support Program, by invitation;*
- 6. Youth, annual Geoff Vickers Youth Scholarship, and annual Ian de la Rue Youth Initiative Award*
- 7. Building the company balance sheet in accordance with any strategic plan*

# Governance

## Profit Distribution

*To be revised by Risk & Audit committee*

*The Board acknowledges its responsibilities regarding:*

- *Sustainability of the core business of the bank branches*
- *Recognising the investment made by the shareholders*
- *Ensuring adequate reserves are in place.*
- *Further expansion of the business*
- *Distribution of profits to community sponsorships*

*Accordingly, profit distribution will be considered on the following basis:*

*1. Shareholder Dividends - Dividends paid in any year will be based on 20% of Distributable Profit (Distributable Profit = net profit with Donations added back)*

*2. Community Investment - The remaining distributable profit will be available for community investment at the discretion of the Board. The Board may choose to declare some profit to build up its balance sheet.*

*In the interest of effective tax management, both the shareholder dividend and community investment amounts will be calculated during the annual budget forecasting process in order that community investments can be made in the same financial year in which the profits are earned.*

## Business Expansion

*The Board seeks opportunities to develop and grow the business. The initial aim is to focus on growth of the enterprise within the local community; however, the longer-term vision is to enhance the prospects of the broader district. The board acknowledges the role the community enterprise can play in assisting and developing local initiatives and will embrace these opportunities. Accordingly, the Board commits to actively seeking business opportunities in addition to banking. With due consideration of their importance to the business the Board commits to proactively inform shareholders of business expansion plans.*

# Communications

*The Board recognises the importance of communicating with the company's shareholders, the community, Bendigo and the public. The Board also acknowledges the need for communication within the company to be consistent and channeled through the appropriate directors.*

*Accordingly, the Board commits to:*

- *Ensure all communication from the company is clear, timely and consistent with the stated aims and objectives of the company.*
- *Develop a protocol for directors and branch managers regarding communication with shareholders, the community and Bendigo.*
- *Comply with the disclosure requirements of ASIC.*
- *Seek approval from Bendigo Bank prior to issuing any public communications.*
- 
- *Maintain a company website*
- *Ensuring regular use of social media*
- *Use the Annual Report to communicate with shareholders*

# Delegation Of Authority

## 1. Introduction

*The Board is responsible for the control and management of UYCE and its subsidiary companies.*

*The Board proposes to focus on governance and to delegate to management the authority necessary for operational management.*

*The Board retains to itself the authority for issues prescribed in the document 'Matters reserved for the Board'.*

*This document sets out the general principles governing the delegation of the Board's powers and authority and a schedule of delegation to management.*

## 2. General Principles

- *Delegations are to positions not to individual persons.*
- *Acting appointees may exercise the same powers as the permanent appointee to a position.*
- *Delegates may not further delegate their powers except where specifically authorised to do so.*
- *Authorisations for expenditure must be signed by the appropriate delegate.*
- *No person is authorised to sign on behalf of another in authorising expenditure.*
- *The level of expenditure, quality or quantity of goods/services may not be varied from that which was approved, without the endorsement of the original authorising delegate evidenced in writing.*
- *Expenditure may not be authorised unless funds are available under the control of the authorising officer.*
- *The Schedule of Delegation shall be reviewed annually by the Board.*
- *In the event the Executive Officer/Managing Director is not available for an extended period, an alternative member of staff is to be authorised by the Board to exercise the same powers conferred in this delegation.*

## 3. Definitions

- Chairman of the Board (COB)
- Deputy chair of the board (DCOB)
- Executive Officer/Managing Director (EO/MD)
- Bank Manager (BOM)
  - In the absence of the BOM the Assistant Bank Manager may assume the delegations of the BOM

## 4. Schedule

Item	Subject	Instruction	Officer	Comments
4.1	Appointment and retention of staff	With respect to an approved permanent position, approve the appointment, terms & conditions	EO/MD BOM	Negotiation of salary for new appointments, resulting from performance reviews & for acting positions must be in accordance with



Item	Subject	Instruction	Officer	Comments
		of employment, discharge and remuneration of staff.  Approval of temporary employment up to \$5,000 or six (6) weeks, whichever is the lesser.	EO/MD  BOM	relevant Board policies. Board to be advised.  Board to be advised.
4.2	Leave/Travel approval	Approve leave of absence of the EO/MD).  Approve leave of absence of staff.  Approve domestic travel and attendance at conferences for EO/MD & BOM up to \$2,000 each.  Approve domestic travel and attendance at conferences for staff up to \$1,000 each.	COB or DCOB  EO/MD  BOM  COB or DCOB  EO/MD  BOM	Board to be advised.  Board to be advised.  Subject to funds being available within approved budget. Board to be advised.  Subject to funds being available within approved budget. Board to be advised.
4.3	Approval of project variations & progress payments	Project variations up to \$5,000  Authorise progress payments	EO/MD  EO/MD	Subject to funds being available within approved budget.  Subject to funds being available within approved budget and the expense is within project parameters.
4.4	Consumable goods, equipment & services	Value up to \$10,000	EO/MD	Subject to funds being available within approved budget.
4.5	Write-offs	Write-offs up to \$1,000	EO/MD	Board to be advised of amounts & reasons of write-offs.
4.6	Operational policy approval	Approve policies & administrative orders that effect the overall management of UYCE	EO/MD & BOM	Policies must be consistent with Board decisions & relevant statutes.
4.7	Public Relations	Authorise routine public/media statements on behalf of UYCE	EO/MD	

Item	Subject	Instruction	Officer	Comments
		Respond publicly to significant issues on behalf of UYCE	COB	
4.8	Special Functions & Entertainment	Up to \$1,000	EO/MD & BOM	Subject to funds being available within approved budget.
4.9	Reimbursement of expenses	Expenses incurred by member of staff, Board member or committee member engaged in an authorised activity.  Unplanned expenses up to \$500 incurred by member of staff, Board member or committee member.	COB or DCOB  EO/MD  BOM  COB or DCOB  EO/MD  BOM	For EO/MD or Board Member  Subject to funds being available within approved budget.  For EO/MD or Board Member  Subject to funds being available within approved budget.
4.10	Staff development	Approve expenditure on staff development up to \$1,000 per instance. In addition to the BEN-charged training.	COB or DCOB  EO/MD  BOM	For EO/MD  Subject to funds being available within approved budget.
4.11	Corporate Credit Card	Commit Expenditure on Corporate Credit card for work related expenses	EO/MD  BOM	Maximum of \$150 per month  Report to Board on monthly expenses as part of normal reporting.
4.12	Valuation offset	Withdraw valuation costs to clients for property loans where it is critical to achieving a positive outcome.	BOM	Report to Board on monthly expenses as part of normal reporting.
4.14	Club Rewards Program	Offer incentives up to \$5000 as part of program, capped to a maximum of five in a 12month period. To be allocated sparingly, and reported to the Board as it is applied.	BOM in consultation with MD	Report to Board on any occurrence as part of normal reporting.

# *Community Bank Whistleblower Policy*

*Please refer to the Community Bank Whistleblower Policy provided by Bendigo Bank and adopted by UYCE in May 2020.*