

Conflicts of Interest

VERSION 1.4 | LAST ISSUED MAY 2026

Three Property Group Pty Ltd (ABN 77 101 540 863) trades as Held Building Management. References to 'Held' throughout this document refer to the building management operations of Three Property Group Pty Ltd.

A. PURPOSE

This policy ensures that all decisions made by Three Property Group directors, employees and contractors are made in the best interests of the building owners and clients it serves. It establishes how actual, potential and perceived conflicts of interest are identified, disclosed and managed to prevent bias, undisclosed benefits and decisions that favour personal gain over client interests.

B. SCOPE

This policy applies to all Three Property Group directors, employees and building managers, and to any contractors acting on behalf of Held in a decision-making or advisory capacity. It applies to all procurement decisions, contractor recommendations, service delivery decisions and any other situation where a personal interest could reasonably influence, or be seen to influence, the exercise of professional duties.

C. DEFINITIONS

A conflict of interest arises where a personal interest, financial, relational or otherwise, could reasonably influence, or appear to influence, an impartial decision. This includes:

- Actual conflicts: where a personal interest directly influences a decision.
- Potential conflicts: where a personal interest could arise and may influence a future decision.
- Perceived conflicts: where a reasonable observer would conclude that a personal interest might be influencing a decision, even if it is not.

A personal interest includes financial gain (including referral fees, commissions, or undisclosed payments), close relationships with suppliers or contractors (family, friends, or business associates), secondary employment or business interests, and any other benefit that could reasonably be seen to influence professional judgement.

A secret commission is any undisclosed payment, gift, benefit or advantage received from a contractor or supplier in connection with a procurement or business decision. Secret commissions are prohibited under the Crimes Act 1900 (NSW) and constitute serious misconduct.

D. POLICY STATEMENT

Three Property Group is committed to conducting all business activities with integrity and in the genuine interests of its clients. In doing so:

- Directors and staff must proactively identify and disclose any actual, potential or perceived conflict of interest as soon as they become aware of it.
- No director or staff member may accept undisclosed commissions, referral fees, or benefits from contractors or suppliers.
- Gifts and hospitality must be managed in accordance with Held's Gifts and Hospitality Register. Any gift or hospitality with a value above \$60.00, or that is recurring, must be declared.
- Any person with a conflict of interest in a procurement or decision must remove themselves from that decision and allow an unconflicted person to handle it.

All disclosures will be recorded in Held's Conflicts of Interest Register and reviewed by a director.

E. IDENTIFYING A CONFLICT

Before making or contributing to any procurement decision, contractor recommendation or client advice, directors and staff should ask:

- Could I personally benefit — financially or otherwise — from this decision?
- Do I have a close personal or business relationship with any of the parties involved?
- Would a reasonable person looking at this situation conclude that my judgement might be compromised?
- Common examples in building management:
 - Recommending a contractor who pays referral fees or commissions to the recommending party.
 - A family member or close associate owns or works for a contractor being considered for engagement.
 - Accepting gifts, meals or entertainment from a contractor beyond token value.
 - Having a personal financial interest in a business that supplies services to a building under management.

F. DISCLOSURE PROCESS

Any director or staff member who identifies an actual, potential or perceived conflict must:

- Disclose it immediately — do not wait until a decision needs to be made.
- Complete a written disclosure to a director (or, if a director is the conflicted party, to the other directors collectively).
- Step back from the relevant decision and allow an unconflicted person to manage it.
- Record the disclosure in the Conflicts of Interest Register.

Disclosures should describe the nature of the conflict, how it relates to the relevant decision or activity, and what management action is proposed.

Where a building manager will receive a commission, referral fee or any other benefit in connection with a contractor or supplier engagement, this must be disclosed in writing to the owners corporation prior to the engagement. Failure to disclose is grounds for termination of the building management agreement under the Strata Schemes Management Act 2015 (NSW) and may result in proceedings before NCAT.

G. MANAGING CONFLICTS

The appropriate response to a conflict depends on its nature and severity:

- Removal: The conflicted person is excluded from the relevant decision entirely. This is the default approach.
- Mitigation: Where full removal is not practical, the conflict is mitigated through independent quotes, transparent process and documented disclosure to the building owner or client.
- Escalation: Where a conflict cannot be adequately managed internally — particularly where a secret commission may be involved — it is escalated to all directors and, if appropriate, referred externally.

Where a conflict arises in a procurement decision, the unconflicted person managing the decision must follow the quote thresholds in the Contractor Selection Policy regardless of contract value.

H. GIFTS AND HOSPITALITY

All gifts and hospitality offered to or received by Three Property Group directors and staff must be recorded in the Gifts and Hospitality Register and managed in accordance with the Anti-Corruption, Bribery and Fraud Policy, which sets out the applicable thresholds and approval requirements.

I. CONFLICTS OF INTEREST REGISTER

Three Property Group maintains a Conflicts of Interest Register recording all disclosures made under this policy. The register is maintained by the directors and reviewed at least annually. It is available for inspection by building owners and institutional clients on request as part of the Held governance documentation suite.

J. BREACHES

Failure to disclose a conflict of interest, acceptance of a secret commission, or any other breach of this policy constitutes serious misconduct. Depending on the nature of the breach, consequences may include disciplinary action, termination of employment or engagement, and referral to relevant authorities. Secret commissions are a criminal offence under the Crimes Act 1900 (NSW) and will be referred to NSW Police where the evidence warrants it.

K. GOVERNANCE AND RESPONSIBILITIES

Directors are jointly responsible for maintaining the Conflicts of Interest Register, reviewing disclosures and ensuring this policy is communicated to all staff and relevant contractors. Building managers are responsible for identifying and disclosing conflicts in their day-to-day decisions and escalating to a director where needed. All staff must disclose conflicts promptly and cooperate with any review or investigation under this policy.

L. REVIEW

This policy is reviewed at least every two years or sooner if changes in operations or applicable law require it.

M. CONFLICTS OF INTEREST POLICY

Related Policies and Documents:

- Contractor Selection Policy
- Anti-Corruption Policy
- Gifts and Hospitality Register
- Strata Schemes Management Act 2015 (NSW) — disclosure obligations
- Crimes Act 1900 (NSW) — secret commissions

DOCUMENT REVISION HISTORY

VERSION	DATE	DESCRIPTION OF CHANGE	APPROVED BY	NEXT REVIEW
1.0	September 2023	Initial Conflicts of Interest Policy issued	John Sherman	
1.1	December 2023	Review of policy: The Strata Legislation Amendment Act 2023: \$30,000 quote threshold was extended to all scheme sizes.	Ross Kocass	
1.2	February 2025	Policy reviewed to reflect disclosure obligations introduced by the Strata Managing Agents Legislation Amendment Act 2024 (NSW), effective 3 February 2025.	Ross Kocass	
1.3	October 2025	Strata Schemes Management Act: reviewed to reflect a new section imposes a duty on building managers to act in the best interests of the owners corporation,	Ross Kocass	
1.4	September 2025	Inclusion of the Gifts and Hospitality Register	John Sherman	