

## Purpose

As an Australian Financial Services licensee, InvestSMART Group Limited (**InvestSMART**) is committed to ensuring that its advisers comply with best practice standards in meeting their continuing professional development (**CPD**) obligations.

The purpose of this Continuing Professional Development Policy (**Policy**) is to:

1. set out InvestSMART’s approach to its CPD obligations and the CPD obligations of its advisers; and
2. describe how InvestSMART will:
  - (a) assess and approve its advisers’ CPD plans and CPD activities;
  - (b) monitor the implementation of its advisers’ CPD plans;
  - (c) monitor compliance with this Policy;
  - (d) record and maintain evidence of completion of, and the outcomes of, qualifying CPD activities; and
  - (e) ensure that appropriate records of CPD activities are completed and maintained, for each CPD year.

## Implementation of Policy

The CPD year for InvestSMART and its advisers starts on 1 July and ends on 30 June of each year.

This Policy applies to the relevant employees of InvestSMART and its direct and indirect wholly owned subsidiaries (collectively, the **Group**).

## CPD requirements

### CPD REQUIREMENTS FOR INVESTSMART EMPLOYEES WHO ARE NOT FINANCIAL ADVISERS

**Employees providing general financial advice only**

#### 1. Required knowledge

All employees who provide general financial advice need to be RG146 qualified in General Advice, Generic Knowledge and Managed Investments.

#### 2. CPD obligation

Each employee must attain 20 points/hours in correlation with each quarter:

QUARTER	MINIMUM CPD POINTS
Q1 end of September	5
Q2 end of December	10
Q3 end of March	15
Q4 end of June	20

Non-compliance is reported to the Board of InvestSMART following the end of each quarter.

#### 3. Provision and tracking of CPD

InvestSMART will ensure that adequate and suitable resources are accessible to relevant employees to enable them to satisfy their CPD obligations. This may be by engaging an accredited third-party education provider or in any other manner the Compliance Manager deems suitable. Each employee is responsible for accruing CPD points by completing CPD activities relevant to their role and maintaining accurate records showing the CPD points they have accrued in a spreadsheet or other suitable format.

**CPD REQUIREMENTS FOR INVESTSMART EMPLOYEES WHO ARE NOT FINANCIAL ADVISERS CONTINUED**

**Responsible Managers**

**1. Required knowledge**

Required knowledge will vary depending on the licence variations and the relevant knowledge, experience and skillset of the Responsible Manager. As this role is formally recognised by ASIC, a Responsible Manager will need to demonstrate that they have the training, qualifications and experience appropriate to their role.

**2. CPD obligation**

Responsible Managers appointed under their respective Australian Financial Services Licence (**Responsible Managers**) must complete 20 CPD points/hours throughout the CPD year.

**3. Provision and tracking of CPD**

Each Responsible Manager must maintain their own records detailing the seminars, presentations, courses and reading that have contributed to their CPD points. The Compliance Manager is responsible for ensuring that each Responsible Manager satisfies their CPD obligations in a timely manner.

**CPD REQUIREMENTS FOR EMPLOYEES WHO ARE FINANCIAL ADVISERS**

**Financial advisers**

**1. Required knowledge**

InvestSMART financial advisers must be degree qualified in a relevant field and have a suitable amount of experience working in the financial advisory industry.

**2. CPD obligation**

Advisers must complete 40 CPD hours each CPD year. Out of the 40 CPD hours per CPD year:

(a) at least 28 CPD hours must be in undertaking CPD activities that have the prior approval of the Compliance Manager. For the purpose of this Policy, all courses provided by any accredited third-party education provider engaged by InvestSMART have the prior approval of the Compliance Manager;

(b) a maximum of four hours may consist of professional reading; and

(c) each financial adviser must conduct a minimum number of CPD hours per year in the following areas of professional development:

AREA OF PROFESSIONAL DEVELOPMENT	MIN. HOURS
Technical	21
Client Care and Practice	5
Regulatory Compliance and Consumer Protection	5
Professionalism and Ethics	9

The allocation of a CPD activity within an area of competence is to be determined by the financial adviser and Compliance Manager by reference to the guidelines set out by the Financial Adviser Standards and Ethics Authority.

CPD activities can count across multiple CPD areas but there must not be any double counting of hours.

## CPD REQUIREMENTS FOR EMPLOYEES WHO ARE FINANCIAL ADVISERS *CONTINUED*

### Financial advisers

#### 3. Provision and tracking of CPD

Each financial adviser must meet with the Compliance Manager at the start of each CPD year to develop and agree on a CPD plan that will be adhered to by the financial adviser for that CPD year. The CPD plan will be in the form of the template set out in Schedule 1.

Subject to meeting the CPD requirements set out in this Policy, each financial adviser is given the flexibility to elect the form and structure of the CPD activities completed to accrue their CPD points for each financial year. Financial advisers must structure a CPD plan that contains CPD activities that best suit the particular role that they are performing within the InvestSMART Group.

To assist with satisfying the CPD requirements set out in this Policy, InvestSMART will ensure that adequate and suitable resources are accessible to its financial advisers to enable them to satisfy their CPD obligations. This may be by engaging an accredited third-party education provider or in any other manner the Compliance Manager deems suitable.

The Compliance Manager is responsible for ensuring that each financial adviser maintains a spreadsheet or other method to track their CPD hours on an ongoing basis throughout the CPD year and meets their CPD obligations. As a minimum, financial advisers must ensure that they maintain accurate records showing:

- (a) the CPD activities the financial adviser has completed;
- (b) when the CPD activities were completed;
- (c) the number of hours spent on each CPD activity;
- (d) evidence of completion of the CPD activity and the outcomes of the CPD activity; and
- (e) progress of the financial adviser's CPD plan.

### Application of this Policy in special circumstances

The Compliance Officer and General Counsel may consider requests to reduce the minimum number of CPD hours in any CPD year in special circumstances for those who have taken significant time off from work during a CPD year.

Special circumstances that may be considered may include parental leave or extended leave of absence for medical reasons.

Where it is agreed that special circumstances apply, the Compliance Officer and General Counsel may, in their discretion, approve a reduction (on a pro rata basis or other reasonable arrangement) in the minimum number of CPD hours for that CPD year.

### Roles and responsibilities

The Compliance Manager is responsible for:

- (a) ensuring all records of CPD activities are maintained by relevant InvestSMART employees and retained for a minimum of seven years; and
- (b) maintaining this Policy with oversight from the Compliance Officer and General Counsel.

## Review

The Board of InvestSMART must approve this Policy including any material amendments made to this Policy.

SCHEDULE 1				
Area of Professional Development	Task/Course to complete this item.	Minimum number of hours required to complete this task	Adviser sign-off/ comments	Compliance Manager sign-off/comments
Technical		5		
Client Care and Practice		5		
Regulatory Compliance and Consumer Protection		5		
Professionalism and Ethics		9		

Version	Reviewed
2022.05	ARC May 2022