



AUSTRALIA

Continuing Professional Development (CPD) Policy

Willis Australia Limited (AFSL 240600)
Towers Watson Australia Pty Ltd
(AFSL 229921)

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1. Introduction

The *Corporations Act 2001* was amended in 2017 to provide for improved standards of education, training ethical behaviour and professionalism for financial advisers. One of the four established standards requires a person to meet continuing professional development (**CPD**) requirements.

The Financial Adviser Standards and Ethics Authority (FASEA) issued the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018 (Determination)*, which requires each financial services licensee of a “**relevant provider**” to develop and adopt a Continuing Professional Development (**CPD**) policy. A relevant provider includes an individual employee or director of a financial services licensee (or its related body corporate) who provides personal advice to retail clients in relation to ‘relevant’ financial products.

To comply with this obligation, Willis Australia Limited ABN 90 000 321 237 (AFSL 240600) and Towers Watson Australia Pty Ltd ABN 45 002 415 349 (AFSL 229921) of the WTW group of companies operating in Australia (each a **Licensee** and collectively, **Licensees**) have published this policy effective 31 March 2019 which is amended from time to time (**Policy**).

The *Financial Sector Reform (Hayne Royal Commission Response – Better Advice) Act 2021* transferred functions relating to the financial adviser education and training reforms from FASEA to the Minister for Superannuation, Financial Services and the Digital Economy and to ASIC with effect from 1 January 2022.

2. CPD year

The Licensees’ CPD year runs from 1 January until 31 December.

3. Scope

In order to demonstrate compliance and meet their obligations referred to above, the following colleagues of the Licensees are required to complete CPD on an annual basis in accordance with the Policy:

- colleagues involved with providing personal advice to retail clients in relation to relevant financial products (namely, products *other than* basic banking products, general insurance products, consumer credit insurance or a combination of any of those); and
- who are registered on ASIC’s financial advisers register.

4. CPD obligations

The Licensees’ overall approach to the CPD obligations of their colleagues is to monitor and ensure compliance with those obligations in order to:

- improve professional conduct;
- assist in building skills, knowledge and expertise in a timely and efficient manner; and
- improve the quality of advisory services provided to clients across the WTW business.

5. CPD plan assessment and approval

Where a colleague has not been practising or authorised as a relevant provider for a continuous period of 2 years or more, the relevant Licensee will have to approve their CPD plan for the first CPD year before they commence with their responsibilities.

The relevant Licensee must be satisfied that the CPD plan is appropriate to address gaps in colleagues' competence, knowledge and skills arising from their absence from practice before approving it.

This will be achieved by:

- each colleague developing an annual CPD plan in conjunction with their Line of Business manager's approval;
- each colleague maintaining their individual training register;
- the relevant Line of Business manager being responsible for ensuring that the individual CPD plans are maintained.

6. Monitoring the implementation of CPD plan

To ensure effective monitoring of the implementation of each colleague's CPD plan and progress through the CPD year, colleagues and their Line of Business managers will monitor progress through formal and informal discussions throughout the year (on at least a six-monthly basis).

7. CPD activities assessment and approval

The Licensees approve CPD activities by assessing their intellectual or practical content, having satisfied themselves that:

- the activity primarily deals with matters related to provision of financial product advice and financial advice services provided by the Licensees; and
- the activity will enhance the colleague's knowledge and skills in areas that are relevant to the provision of financial product advice and, if applicable, other financial services by the Licensees; and
- the activity falls within one of the five CPD areas set out in the Determination: *technical competence, client care and practice, regulatory compliance and consumer protection, Professionalism and ethics and general.*

The Licensees will consider the following types of CPD activities for approval towards a colleague's minimum annual 40 hours (or 36 hours for a part-time colleague) CPD requirement:

- ✓ attendance at conferences, external courses, lectures or seminars, congresses, forums, conventions, workshops and lectures (including technical workshops/seminars from carriers/insurers); specific internal and external training sessions with required attendance;
- ✓ relevant in-house e-learning courses including, but not limited to, mandatory global WTW training on anti-money laundering, fraud prevention, data protection, information security, etc.;
- ✓ coursework undertaken for the purpose of obtaining relevant qualifications;
- ✓ reading of journals, newspapers, technical bulletins, industry publications on relevant subject matter;
- ✓ researching and writing technical publications, preparation and delivery of technical papers;
- ✓ professional coaching or mentoring;
- ✓ web based seminars;
- ✓ on the job training; and
- ✓ other miscellaneous CPD activities of a like or similar nature.

The hour system of CPD calculation is commonly applied to professional development activities. Most formal activities are rated by the provider/industry body.

There are minimum hours set across the following CPD areas:

CPD Area	Minimum Requirement
Technical Competence	5 hours
Client Care and Practice	5 hours
Regulatory Compliance and Consumer Protection	5 hours
Professionalism and Ethics	9 hours
General	0 hours

8. Qualifying CPD activities

The Licensees must ensure that colleagues spend at least 70% of the required number of CPD hours (as set out in section 7 above) on the CPD activities approved by the Licensees.

Therefore, colleagues working full-time will have to spend at least 28 hours on approved CPD activities during the CPD year. Colleagues working part-time for the whole of the CPD year must complete at least 25 hours of approved CPD activities during the CPD year.

The Licensees will monitor and ensure that the CPD plans of colleagues include the minimum required number of hours in the course of the CPD year. Each colleague will need to ensure they meet this requirement as part of their professional development plan and as discussed with/agreed by their Line of Business manager and this Policy.

The content of a CPD activity must relate to the applicable CPD area:

CPD Area	Content of CPD Activity
Technical Competence	The activity is designed to enhance participants' technical proficiency and ability to develop and provide advice strategies that are appropriate to the objectives, financial situations and needs of different classes of retail clients.
Client Care and Practice	The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.
Regulatory Compliance and Consumer Protection	The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.
Professionalism and Ethics	The activity is designed to enhance participants' capacity to act as an ethical professional.
General	The activity is designed to maintain and extend participants' professional capabilities, knowledge and skills, including keeping up to date with regulatory, technical and other relevant developments, but is not in an area referred to in another item of this table.

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9. Compliance with the Policy

Each Licensee must check compliance of that Licensee, and of its colleagues, with the Policy and with the Determination.

This check is achieved through the following measures:

- Relevant Line of Business manager obtains confirmation from relevant colleagues that they have CPD plans at beginning of the CPD year;

- Colleagues are to provide their CPD records for the year to their respective Line of Business managers by 31 January of the following year;
- ad hoc Compliance monitors that colleagues keep required records and obtain the required CPD points annually, including meeting the 70% approved activities requirement;
- Line of Business managers documenting their CPD activity approvals.

The Licensees take non-compliance with the Policy very seriously. In the event where a colleague does not meet the required annual CPD point allocation and/or does not comply with any of the other provisions of the policy and in the absence of any extenuating circumstances as set out below, the following courses of action may be considered by the Licensees:

- Escalation of the situation to the CEO, Human Resources Partners and Compliance; and
- Disciplinary action and immediate suspension of the non-compliant colleague; and
- The colleague to be required to make up the missing CPD points in order to resume their role.

The Licensees recognise that a colleague's ability to meet the required annual CPD point allocation may be affected by extenuating circumstances during the course of the CPD year, including but not limited to medical, disability or parental leave. The colleagues are urged to bring these circumstances to the attention of their relevant Licensee at the earliest opportunity. The Licensee will consider the circumstances of each individual case on its own merits and proceed on the basis of a business decision with adequate prudence.

10. CPD activities record-keeping

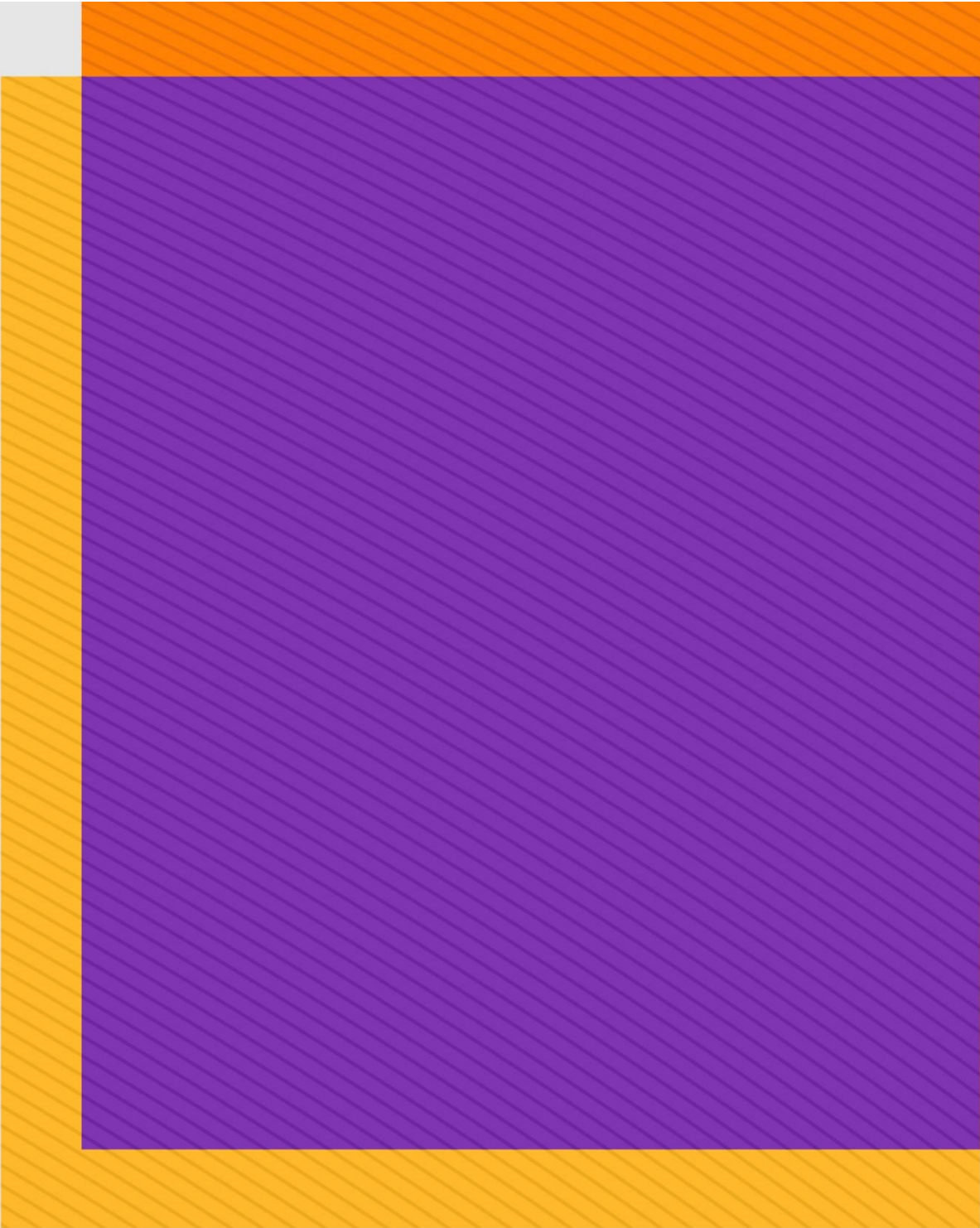
Each colleague is responsible for maintaining a record of their annual CPD activities in the prescribed format (**CPD register**) and also retaining evidence of completion and outcome of the CPD activities. Each colleague is responsible for keeping this documentation for seven years after the end of the respective CPD year.

Colleagues are required to submit to the relevant Line of Business manager or their delegate copies of their CPD registers by 31 January of each year for the previous CPD year to confirm compliance and, if requested by the Line of Business manager or their delegate, at any time during the course of the year together with copies of supporting documentation.

Each relevant Line of Business manager is responsible for ensuring that all colleagues to whom the Policy applies satisfy the annual CPD requirements and submit their completed CPD registers.

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About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organisational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.