



INVESTMENT COMMITTEE CHARTER

1. PURPOSE

The role of the Investment Committee (Committee) is to assist the boards of Australian Unity Limited (AUL) and its relevant subsidiaries (collectively the “Group”) in fulfilling their duties by reviewing and monitoring the Group’s investment policies and activities for internal and external customers.

2. DELEGATED AUTHORITY

2.1 Delegations and responsibilities

The boards of the Group have delegated the following responsibilities and authorities to the Committee:

- a) overseeing investment management matters and the monitoring of investment performance whether those activities relate to the Group’s own Investable Assets or any funds, investment products or investment services that the Group or any of its wholly-owned subsidiaries provide;
- b) approval of policies, strategies and any other guidelines (including Investment Policy Statements) for the purposes of investment management related matters pertaining to the Group’s own investable assets and those of its wholly-owned subsidiaries and controlled entities;
- c) oversight of changes to Approved Product Lists utilised and Investment Menus of benefit funds;
- d) approval of material changes to the investment policies of the benefit funds of the Group’s prudentially regulated friendly society;
- e) Review and if appropriate endorsement of any matters outside the delegated limits of the Group Executive Wealth & Capital Markets and Group Managing Director for approval by the relevant board;
- f) monitor the use of derivatives;
- g) monitor the use of debt and compliance with any relevant covenants; and
- h) review and approve bonus rates for capital guaranteed products.

2.2 Referral to relevant board

Any matter that has been reserved by a board for its approval, or which falls outside the delegations noted above, or which falls within these delegations but

may reasonably result in a material reputational consequence will be referred to the relevant board via its Chairman at the earliest opportunity.

The Chairman of the Committee will provide, and/or arrange to be provided, to the relevant board of directors regular updates (verbal or written) on any material matters considered by the Committee.

Matters in relation to the investments held by Australian Unity Office Fund (AOF) will be dealt with by Australian Unity Investment Real Estate Limited as responsible entity for AOF.

3. MEMBERSHIP

3.1 Members

The composition of the Committee comprises members of the board and managers who hold the following responsibilities (by whatever title):

- a) at least three (3) Non-Executive Directors;
- b) the Group Managing Director;
- c) the Group Executive – Wealth & Capital Markets;
- d) the Executive General Manager—Investments;
- e) the Group Executive – Retail (or delegate);
- f) the General Manager Risk & Compliance, Group Governance Services;
- g) the Group Executive - Finance & Strategy; and
- h) any other persons appointed from time to time by the board of AUL.

3.2 External appointees

The Committee, subject to approval by the AUL board, may appoint up to two individuals external to the AUL board and executive employees appointed under Clause 3.1, as members or advisers. These appointees will be eligible to attend all meetings.

External appointments will be made by letter setting out the terms of appointment as a member of the Committee or as an adviser to the Committee, including requirements for appointment, any remuneration, and matters relating to commencement and cessation.

External appointees will be bound by the same conduct requirements as a director of the AUL board as set out in the AUL board Charter. An external appointee must not have a material relationship as a supplier to or customer of the group or be an employee of the Group.

An external adviser will not be a member of the Committee, have a decision making role or be counted towards a quorum.

3.3 Chair

The AUL board will nominate a non-executive director as Chairman, and the General Manager—Executive Wealth & Capital Markets will act as Secretary to the Committee.

3.4 Attendees

In the normal course, key investment personnel shall attend Committee meetings. Other management representatives may be requested to attend meetings as required by the Committee.

Where relevant, Group executives or Actuaries of Group businesses who are responsible for a subsidiary entity, or their delegates, will attend Committee meetings for matters relating to the establishment, review and monitoring of Investment Policy Statements and the associated portfolio of investable assets of those entities. Standing invitations are in place to any other Group Executive, Actuary or Appointed Actuary of any Group business and they may receive upon request, a Notice of Meeting and relevant Committee meeting papers.

4. PROCEDURES

4.1 General

The meetings and proceedings of the Committee are to be governed by this Charter. The order of the meetings will include apologies, attendance, minutes for confirmation, agenda items and other business. The process for preparing the agenda, papers and minutes will be managed by the Executive General Manager - Investments and the Committee Secretary, in consultation with the Chairman.

4.2 Quorum

A quorum for the Committee in meetings shall be three members, including at least one Non-Executive Director.

4.3 Decision Making

Decisions of the Committee must be unanimous (excluding absent members or abstentions). If a unanimous decision cannot be reached, the matter must be referred to the relevant board.

4.4 Meeting Frequency

The Committee must meet at least four times in a calendar year. Meetings can be held in person or electronically. Meetings will be convened at the discretion of the Chairman.

The Committee may meet formally with the AUL board to review the decisions and actions of the Committee as a specific AUL board meeting agenda item.

4.5 Agenda & Meeting Papers

The Committee's meeting agendas, together with relevant papers, are to be distributed prior to meetings to such persons as the Committee directs and, where appropriate, should contain specific recommendations.

4.6 Minutes

Appropriately detailed minutes of each Committee meeting are to be prepared by the Committee Secretary and issued to all members. After finalisation of the minutes of each meeting, they are to be submitted to the next Committee and next AUL board meeting.

5. REVIEW

To ensure that the Committee is fulfilling its duties to the Board, the Committee will:

- (a) review this Charter every 18 months and recommend amendments to the Board (if required); and
 - (b) conduct a biennial self-assessment of its performance, duties and responsibilities of the Committee.
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Policy Owner	Australian Unity Wealth & Capital Markets
Effective Date	27 February 2020
Superseded Document	27 November 2018

APPENDIX 1

Investable Assets – Definition

Investable Assets are limited to those assets determined by the Chief Financial Officer (CFO) of AUL, in conjunction with the AUL board where appropriate as being available for investment from time to time.

Such Investable Assets, once determined, will subsequently be transferred to a relevant account under the control of Australian Unity Wealth & Capital Markets (**W&CM**) for investment purposes in accordance with an approved Investment Policy Statement.

For the avoidance of doubt, numerous Group companies may invest in the Australian Unity Wholesale Cash Fund or other investment funds, but such investments are made at the discretion of, and remain under the control of, the CFO