



FUTURE GENERATION
INVESTMENT COMPANY

Corporate Governance Charter

**Future Generation Investment Company Limited
(ACN 063 935 553)**

Last updated 1 May 2018

Definitions

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| Act or Corporations Act | Corporations Act 2001 (Cth) |
| Annual General Meeting | an annual general meeting of the Company |
| ASX | ASX Limited (ACN 008 624 691) |
| ASX Recommendations | the ASX Corporate Governance Council "Corporate Governance Principles and Recommendations" (as amended from time to time) |
| Board | board of Directors |
| Board Policy | policy of corporate governance in relation to the Board contained in section 2 of this document |
| CEO or Chief Executive Officer | chief executive officer or equivalent officer of the Company |
| Chairman | chairman of the Board |
| Charter | this Corporate Governance charter |
| Code of Conduct | the Company's code of conduct as set out in section 4 of this document |
| Company | Future Generation Investment Company Limited (ACN 063 935 553) |
| Company Secretary | a secretary of the Company. For so long as the Company has 2 company secretaries, a reference to the Company Secretary in this Charter is to either company secretary unless stated otherwise |
| Constitution | constitution of the Company |
| Continuous Disclosure Policy | the Company's Continuous Disclosure Policy as set out in section 3 of this document |
| Director | director of the Company |
| Executive | an executive officer (whether or not a Director) involved in the strategic and operational management of the Company and includes each Company Secretary |
| Insider Trading Policy | the Company's insider trading policy as set out in section 6 of this document |
| Listing Rules | the ASX Listing rules as amended from time to time |
| Managing Director | the managing director of the Company as appointed from time to time |
| Shareholder | holder of shares in the Company |
| Share Trading Policy | the Company's share trading policy as set out in section 5 of this document |

Future Generation Investment Company Limited

(ACN 063 935 553)

1. Introduction

Corporate governance is a set of systems, policies and procedures which define the way in which a company is governed. It establishes the objectives of a company ensuring that the administration and management of a company is undertaken in a manner which is consistent with the interests of the company's shareholders. Additionally, it establishes a system for monitoring and evaluating the achievement of those objectives.

The ASX Recommendations define corporate governance as "the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations".

Corporate governance policies will vary from company to company as there is no single system of corporate governance that is applicable to all companies. A company must establish systems, processes and policies that help it achieve its objectives in light of the nature and size of that company.

As a result, the Company has adopted a number of policies to ensure that it has high-quality and transparent systems of corporate governance in place. These policies are incorporated in this Charter and are prepared in line with the ASX Recommendations which the Board recognises as best practice guidelines.

The Charter incorporates the following:

- (a) Board Policy – see section 2
- (b) Continuous Disclosure Policy - see section 3
- (c) Code of Conduct – see section 4
- (d) Share Trading Policy – see section 5
- (e) Insider Trading Policy – see section 6
- (f) Audit and Risk Committee Charter – see section 7
- (g) Diversity Policy – see section 8
- (h) Investment Committee Charter – see section 9

2. Board Policy

2.1. Introduction

Directors will be appointed and removed in accordance with the Corporations Act and the Constitution

The conduct of the Board is governed primarily by the Company's Constitution. This policy aims to set out the practices that the Company has established and to which the Board and each Director is committed. This policy is simply an aid to the Board and the Directors. In the course of undertaking its responsibilities, the Board at all times must act in a manner that is consistent with its duties and obligations as imposed by the Company's Constitution, the ASX Listing Rules and by the law. Should there be any inconsistency between this policy and the Constitution, the Constitution shall prevail.

2.2. Responsibilities

The Board is responsible for the overall operation, strategic direction, leadership and integrity of the Company and in particular, is responsible for the Company's growth and profitability. In meeting its responsibilities the Board shall undertake the following functions:

(a) Strategic direction

- (i) Providing and implementing the Company's strategic direction.
- (ii) Directing and monitoring the Company's performance against strategies and business plans.
- (iii) Approving and monitoring capital management and major expenditure and investments.

(b) Risk management and reporting

- (i) Reviewing and overseeing the operation of systems of risk management ensuring that the significant risks facing the Company are identified, that appropriate control, monitoring and reporting mechanisms are in place and that risk is appropriately dealt with.
- (ii) Monitoring and appraising financial performance including the approval of annual and half year financial reports and liaising with the Company's auditors.
- (iii) Identifying and managing risk.
- (iv) CEO (or equivalent) is responsible for preparing the declaration pursuant to section 295A of the Corporations Act.
- (v) The Board will ensure that there are sound systems of risk management and internal controls in place and that the systems are operating effectively in all material respects in relation to financial reporting risks.

(c) Management

- (i) Monitoring and assessing the performance of the Company's portfolio.
- (ii) Monitoring and assessing the performance of the Company in terms of its strategic direction and charitable purpose.
- (iii) Ensuring that appropriate and effective remuneration policies and packages (if any) are implemented by the Company.

- (iv) Monitoring and reviewing business results, outsourced service providers, the Board itself and monitoring and reviewing the performance of the Investment Committee and Audit and Risk Committee.

(d) Remuneration

- (i) The Company recognises the ASX recommendation with respect to distinguishing the structure of non-executive directors' remuneration from that of executive directors and senior executives. However, as the Company's Board comprises of all non-executive directors and the initial directors of the Company have agreed that they will not receive any remuneration, this recommendation does not apply to the Company.

(e) Performance

- (i) Formation and monitoring of corporate governance policies and codes of conduct.
- (ii) Undertaking an annual performance evaluation of the Board in light of this Charter.
- (iii) Reviewing and overseeing internal compliance and legal regulatory compliance.

(f) Corporate governance

- (i) Ensuring compliance with the Company's Constitution and with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act.
- (ii) Communicating with and protecting the rights and interests of all Shareholders.

2.3. Board composition

The composition of the Board is determined as follows:

- (a) The Company's Board shall comprise of a minimum of 3 directors, 2 of which will be Australian residents.
- (b) The Board must be comprised of members with expertise, experience and skill relevant to the business of the Company.
- (c) The Board will determine the number of independent directors (if any) it considers appropriate based on the size, nature and complexity of the business at any given time.

2.4. Company Secretary

Each Company Secretary is directly accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

2.5. Diversity

The Company is committed to building a diverse workplace and developing policies to promote diversity to the extent appropriate for the size, nature and complexity of the Company at any given time. In light of this, the Company has adopted a diversity policy in Section 8.

2.6. Independence

The ASX Recommendations establish a number of factors that may be considered when assessing the independence of directors. The factors are whether a director:

- (a) is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;

- (b) is employed, or has previously been employed in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (c) has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another group member, or an employee (if any) materially associated with the service provider;
- (d) is a material supplier or customer of the Company or other group member, or an officer or otherwise associated directly or indirectly with a material supplier or customer;
- (e) has a material contractual relationship with the Company or another group member other than as a director.

These factors are only indicators of matters in which to assess the independence of a Director. The Board will assess the independence of each Director in light of the interests disclosed by them. The Board's assessment of the independence of Directors will be disclosed in the Company's future annual reports (to the extent deemed necessary).

All Directors are to disclose to the Company, as soon as possible, any information that may affect their independence. A review of Directors' independence is undertaken by:

- (a) tabling of individual Director interests at each and every Board meeting; and
- (b) an annual formal assessment with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

2.7. Role of the Chairman

The Chairman is responsible for:

- (a) leading the Board in its duties to the Company and ensuring that the Board's activities are efficiently organised and conducted;
- (b) oversight of the processes and procedures in place to evaluate the performance of the Board, its committees, the Chief Executive Officer and individual directors;
- (c) facilitating effective discussions at Board meetings;
- (d) supporting the Chief Executive Officer in terms of relationship management with key stakeholders and communication on behalf of the Company.

2.8. Committees

The Company recognises the importance of establishing audit, remuneration and nomination committees as good corporate governance in circumstances where appropriate for the size, nature and complexity of the Company.

However, considering the size of the Company and the fact that the Company does not have any intention to remunerate its directors, the Company does not have a purpose for, and will not establish, a remuneration committee and the Board will be responsible for the nomination of new Directors and Executives.

The Company has established an audit and risk committee. The operations of that committee are governed by the Audit and Risk Committee Charter (see section 7).

The Company has established an investment committee. The operations of that committee are governed by the Investment Committee Charter (see section 9).

The Board may establish additional committees to assist it in carrying out its functions from time to time. At that time the Board will adopt a policy or charter for such committees in accordance with ASX Recommendations and industry best practices.

2.9. Appointment and retirement

Appointment

The Board will consider the appointment of a Director as and when a vacancy arises in accordance with the following considerations:

- (a) the skills, expertise and experience of any proposed Director;
- (b) the relevant and appropriateness of these skills, expertise and experience when compared to those of the current Board;
- (c) the remuneration requirements of any proposed Director;
- (d) the terms of appointment must be recorded in a letter of appointment taking into consideration the ASX Recommendations, if appointed this will form the basis of the written agreement between the Company and the director;
- (e) the results of an appropriate background check, which the Board will undertake; and
- (f) the terms of appointment must be in accordance with the Company's Constitution, the Corporations Act and the Listing Rules.

The Board will provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director.

Prior to making any formal offer, a potential Director must be given sufficient information about the Company to allow the potential Director to conduct his / her personal due diligence. The information will extend to non-public information and care must be taken to ensure confidentiality.

Retirement

Each year, 1/3 of all Directors (rounded down and based on who has been longest in office) are required to retire by rotation and may offer themselves for re-election by members at the Annual General Meeting. As further required by the Company's Constitution (and the Listing Rules), each Director is required to stand for re-election every 3 years.

Any Director appointed during the year is required to stand for re-election at the next Annual General Meeting of the Company.

2.10. Induction and information

Induction Program

The Company Secretary is responsible for arranging for a new Director to undertake an induction program to enable them to gain an understanding of:

- (a) the Company's investments;
- (b) the Company's financial, strategic, operational and risk management position;
- (c) their rights, duties and responsibilities; and
- (d) any other relevant information.

As part of this induction program, a new Director will meet with all incumbent Directors (if this has not already taken place).

Ongoing Information

The Executives and any other key members of management must be conscious to ensure that updated information is provided to the Board in a timely fashion to enable them to effectively discharge their duties as Directors.

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. Any Director has the authority to seek any information he/she requires from any Executive, employee (if any) or contractor of the Company.

Directors are entitled to receive appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively. When determining what is “appropriate” for the purpose of professional development, consideration must be given to the Company’s charitable purpose.

2.11. Advice, share trading and performance

Independent Advice

In the performance of their duties as Directors, the Directors have a right to seek independent legal or other professional advice at the Company’s expense.

Director Share Trading

The Share Trading Policy imposes restrictions on the trading of financial products by people, including Directors with undisclosed price sensitive information. All Executives and senior management (if any) must follow that Policy.

Performance

The performance of Directors shall be assessed and reviewed by the Board. To determine whether it is functioning effectively, the Board shall:

- (a) review this Policy annually; and
- (b) perform an evaluation of the Board’s performance on an annual basis.

2.12. Ethical standards and share trading

The Directors must perform their duties in line with the Company’s objectives and with the utmost integrity. Furthermore, the Directors must comply with the Company’s Code of Conduct, Share Trading Policy and Insider Trading Policy as set out in Sections 4, 5 and 6 of this Charter.

2.13. Compliance with laws

The Company must comply with the Corporations Act, the Listing Rules as well as all other applicable laws, statutes and policies. Examples of applicable areas of regulation include:

- (a) Regulatory Guides and Practice Notes issued from time-to-time by the Australian Securities & Investments Commission;
- (b) occupational health & safety legislation;
- (c) employment related legislation;

- (d) anti-discrimination legislation; and
- (e) taxation legislation.

2.14. Constitutions

The Constitution of the Company is a key governance document. The Board must ensure that it complies at all times with the provisions of the Constitution.

3. Continuous Disclosure Policy

3.1. Introduction

The objective of the continuous disclosure policy is to ensure that the Company complies with its continuous disclosure obligations under the Corporations Act and the Listing Rules. Additionally, this policy aims to:

- (a) ensure that information issued by the Company is issued to Shareholders and the market in a timely manner;
- (b) to promote investor confidence in the integrity of the Company and its securities; and
- (c) to generally promote investor protection and protection of the market.

3.2. Continuous disclosure

An ASX listed company is subject to the continuous disclosure requirements under the Corporations Act and the Listing Rules, in addition to the periodic and specific disclosure requirements in the Listing Rules.

The continuous disclosure obligation is contained in Listing Rule 3.1 and states that the continuous disclosure obligation will be breached by an issuer who intentionally, recklessly or negligently fails to notify the ASX of information that:

- (a) is not generally available; and
- (b) a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.

Contravention of continuous disclosure obligations can extend to a person (director or executive) who is involved in a contravention of the continuous disclosure regime by a disclosing entity.

3.3. Disclosure exception

The continuous disclosure obligation is not applicable where:

- (a) a reasonable person would not expect the information to be disclosed;
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential;
- (c) one or more of the following applies:
 - (i) it would be a breach of a law to disclose the information;

- (ii) the information concerns an incomplete proposal or negotiation;
- (iii) the information comprises matter of supposition or is insufficiently definite to warrant disclosure;
- (iv) the information is generated for internal management purposes of the Company;
- (v) the information is a trade secret.

To rely on the exception, the above three requirements must be satisfied. Should one of the exceptions no longer be applicable then the Company can no longer rely on these exceptions and must disclose the information immediately to the market.

3.4. Compliance

The Company will ensure compliance with this Charter and will:

- (a) disclose price sensitive information to the ASX as soon as it becomes aware of that information;
- (b) ensure that the information is not false, misleading or deceptive so as to avoid creating what would constitute a false market; and
- (c) ensure that the information is disclosed clearly (expressed objectively), accurately and is complete.

In doing so the Company will ensure compliance with Listing Rule 15.7 that requires an entity not to release information to anyone until it has given the information to the ASX and has received an acknowledgement from the ASX that the information has been released to the market.

3.5. Price sensitive information

The Company will ensure that all price sensitive information is released to the market in accordance with the Listing Rules and in accordance with the Announcements Procedure in Section 3.9 of this Policy.

Price sensitive information is information that:

- (a) a reasonable person would expect will have “a material effect on the value or price” of securities; and
- (b) if the information were publicly available “would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of” those securities”.

Price sensitive information includes information relating to a takeover bid or a merger, proposed acquisition or disposal of a material asset, material variations in earnings or profits from previously published forecasts, a material change to the business plan, loss of a material contract and major litigation.

3.6. Loss of confidentiality

Where confidentiality is lost as a result of a specific rumour or media comment then the Company will respond to media speculations to the extent that such responses are required to correct or prevent a false market. In determining whether confidentiality is lost the Company will look at previous announcements it had made and will consider any likely reaction of the market or particular investors to such speculation.

3.7. Administering corporate governance compliance

This policy will be administered by the Board of the Company and key personnel as follows:

- (a) the Board will be involved in reviewing significant ASX announcements and ensuring and monitoring compliance with this policy;
- (b) the Company Secretary will be responsible for the overall administration of this policy and all communications with the ASX;
- (c) other employees (if any) will report any material price sensitive information to the Company Secretary and they will observe the Company's no comments policy as set out below.

3.8. Company Secretary

The Company Secretary is responsible for the overall administration of this policy particularly:

- (a) ensuring that the Company is compliant with its disclosure obligations;
- (b) all communications with the ASX;
- (c) reviewing proposed announcements and consulting with the Board and other advisors as necessary;
- (d) implementing reporting processes for materiality of information;
- (e) reporting on continuous disclosure issues regularly to the Board;
- (f) keeping a record of ASX announcements;
- (g) monitoring and reporting to the Board on the effectiveness of this policy in light of the ASX Recommendations; and
- (h) regularly reviewing this policy in light of legislative changes or other developments.

3.9. Announcements procedure

The Company's announcements to the ASX will be managed in accordance with the following procedure:

- (a) as soon as an Executive or employee (if any) becomes aware of any price sensitive information the Board of the Company or the Company Secretary is to be notified;
- (b) the Company Secretary will review and assess that information and determine whether it needs to be disclosed or whether it needs to be further discussed with the Board;
- (c) if an announcement of price sensitive information is required the Company Secretary will prepare a draft announcement;
- (d) the Company Secretary will provide the draft announcement to the Board for approval. If the Board cannot be convened within the timeframe which the Company Secretary considers necessary for making the announcement, it can be approved by any 2 directors;
- (e) following the approval of an announcement of price sensitive information by the Board, the Company Secretary will then lodge the announcement with the ASX electronically;

- (f) after receiving acknowledgement from the ASX that the announcement has been released the Company Secretary will ensure the announcement is accessible from the Company's website. This will be done within 24 hours of receiving that acknowledgement.

3.10. Responding to analyst reports and forecasts

If a draft report has been sent to the Company for comments the report should be forwarded directly to the Company Secretary. The Company will not endorse any reports, and will restrict any comments to factual matters and matters which have been previously disclosed to the ASX. See the Insider Trading Policy for further details.

3.11. Trading halts

The Company in certain circumstances may need to request a trading halt from the ASX. The Chairman in consultation with the Board will make decisions in relation to trading halts and the only personnel authorised to request a trading halt on behalf of the Company will be the Chairman and the Company Secretary.

3.12. Advisors

To ensure compliance with its listing obligations, the Company may from time to time require advisors to advise on its adherence to this policy. The Company may ask such advisors to sign a confidentiality agreement before disclosing any information to them.

3.13. Contravention of policy

Non-compliance with the continuous disclosure obligations may constitute a breach of the Corporations Act and the Listing Rules. This may result in fines for the Company, personal liabilities for Directors and other officers and damage to the Company's reputation. The Company takes continuous disclosure very seriously and will not tolerate any deviation from this policy by any person and will take disciplinary action where a contravention arises.

3.14. Shareholder communications

The Board aims to keep Shareholders informed of all major developments affecting the Company's activities and its state of affairs through announcements to the ASX, releases to the media and dispatch of financial reports. All such announcements are also placed on the Company's website at www.futuregeninvest.com.au

These include:

- (a) monthly net tangible asset backing announcements;
- (b) the half year report;
- (c) the full year report;
- (d) the annual report;
- (e) the notice of annual general meeting, explanatory memorandum and the Chairman's address;
- (f) occasional ASX announcements made to comply with the Company's continuous disclosure requirements; and
- (g) occasional correspondence sent to Shareholders on matters of significance to the Company.

The Board encourages full participation of Shareholders at the Annual General Meeting or any general meeting to ensure a high level of accountability and identification with the Company's strategy and goals.

3.15. Shareholder and investor queries

Shareholders with questions about their shareholdings in the Company should contact the share registrar:

Boardroom Pty Limited
Level 12, 255 George Street
Sydney NSW 2000
T: 1300 737 760
F: +612 9279 0664
W: www.boardroomlimited.com.au

For questions relating to the Company, its performance and other general investment queries, please contact the Company on (02) 9247 9202 or email us on info@futuregeninvest.com.au.

The Company aims to ensure shareholder and investor queries are dealt with in a courteous, objective and expeditious manner. Any shareholder complaints may be forwarded to info@futuregeninvest.com.au.

3.16. Ethical Standards/Business Conduct

The Company actively promotes a set of values designed to assist all personnel in their dealings with each other, competitors, customers and the community. The Company has adopted a Code of Conduct policy which is set out in this Charter.

The Company has also adopted a Share Trading Policy, which is also set out in this Charter.

4. Code of Conduct

4.1. Introduction

The Company is committed to maintaining ethical standards in the conduct of its business activities. The Company's reputation as an ethical business organisation is important to its ongoing success and it expects all its Executives and employees (if any) to be familiar and have a personal commitment to meeting these standards.

4.2. Purpose of this Code

The Board has adopted this Code of Conduct to define basic principles of business conduct. This Code requires Executives and employees (if any) to abide by the policies of the Company and to the law. The Code is a set of principles giving direction and reflecting the Company's approach to business conduct and is not a prescriptive list of rules for business behaviour.

4.3. Business Ethics

- a. **Openness, honesty, fairness and integrity** – Executives and employees will conduct themselves with openness, honesty, fairness and integrity in business transactions and in dealings with others.
- b. **Mutual respect** – Executives and employees are expected to treat everyone else with whom they interact in their work with courtesy and respect.

- c. **Ethical Conduct** – Executives and employees will act ethically in their approach to business decisions.
- d. **Compliance with Laws** – Executives and employees are expected to comply with all laws that govern the Company's business and the policies that the Company adopts from time to time.

4.4. Business Conduct

Executives and employees will observe appropriate principles of behaviour when conducting Company business and interacting with others.

- a. **Compliance with laws and regulations** – Directors, Executives and employees will act in compliance with all laws that apply to the Company's business. Directors, Executives and employees should discuss with their manager and if necessary obtain the consent of the Company Secretary or Chairman to seek advice from one of the Company's legal advisors if they are unclear about any laws relating to their work. Any breaches of the law or unethical behaviour which become known to Directors and Executives must be reported to the Chairperson or the Board as a whole. Any breaches reported will be properly investigated and appropriate action taken. Persons who report suspected breaches in good faith shall be protected from victimisation.
- b. **Trading in Shares** – Any trading of the Company's shares must be done in accordance with the Share Trading Policy.
- c. **Privacy and Intellectual property** – Each Executive and employee is responsible for protecting the Company's intellectual property rights. All intellectual property that an employee or contractor generates in relation to the Company is the property of the Company.

4.5. Personal and Professional Conduct

- a. **Financial Integrity** – The Company has stringent financial accounting procedures that are overseen by management, the any audit committee and the external auditor. The use of Company funds or assets for any unethical purpose is prohibited.
- b. **Giving Gifts** – The Company does not allow the making of payments or payments in kind (gifts, favours etc) to induce individuals to award business opportunities to the Company or to make a decision in the Company's favour. This activity is prohibited by the Criminal Code Act 1995.

The Company recognises that it is accepted business practice that entertainment and small gifts may be extended to third parties with whom the Company has a relationship. However, any such gifts must be made for a proper purpose.

- c. **Accepting Gifts** – Executives and employees should not accept personal gifts or extraordinary hospitality, accommodation or travel which may influence, or appear to influence, a business decision.
- d. **Business agreements and contracts** – The Company expects to compete fairly and ethically for all business opportunities. Executives and employees involved in the negotiation of agreements and contracts must ensure that they act in accordance with the law.

All appropriate approvals must be obtained before contracts are executed. The Company is committed to meeting its contractual obligations.

- e. **Confidentiality** - Executives and employees may not at any time, directly or indirectly, profit from confidential information obtained during the course of duties they perform on behalf of the Company.

Each employee must safeguard confidential information of the Company by not transferring, publishing, using or disclosing it other than when necessary in the ordinary course of business, or as specifically directed or authorised. All confidential or proprietary information that has been entrusted to the Company by a third party must be treated as if it was the Company's confidential information.

- f. **Public Statements** – Public statements have the potential to breach the Company's obligations in respect to confidential information, share trading and continuous disclosure.

Executives and employees should not make public statements unless authorized by the Chairman or Company Secretary.

- g. **Smoking and the use of drugs and alcohol** – A safe and healthy work environment is the responsibility of every employee. This obligation includes responsible behaviour with respect to the use of alcohol, drugs and tobacco when conducting Company business and at Company sponsored activities.

Smoking and the use of recreational or non-prescription drugs is not permitted on Company premises.

- h. **Gathering information on the Company's competitors** – Information should not be gained through unlawful or deceitful means.

- i. **Conflict of Interest** – All Executives and employees have an obligation to seek to avoid financial, business or other relationships which might be opposed to the interests of the Company or which may conflict with the performance of their duties.

Where an employee or Executive has any doubt about conflicts of interest, the employee or Executive should contact the Company Secretary.

- j. **Use of Company resources** – Employees must use all Company assets for proper purposes during their employment with the Company.

No property of the Company may be sold, loaned, given away, otherwise disposed of, without proper authorisation.

- k. **E-mail and Internet** – The Company's email and internet systems have been developed to assist communication with customers, suppliers and between staff. These facilities may not be used for personal gain or in a manner which may breach the law or is inappropriate for an officer or employee of the Company.

4.6. **Respect for Others**

- a. **The Company and its employees** – The Company actively supports the principle of equal employment opportunity and expects its Executives and employees to practise and support this principle. The Company's policy is to ensure that it does not engage in discriminatory practices and to make employment and career decisions on the basis of individual ability, performance, experience, and Company requirements.

The Company regards personal, physical or sexual harassment as unacceptable. The Company expects and requires its officers and employees to comply with Occupational Health and Safety laws and Company policies.

- b. **The Company and partners, customers and suppliers** – The Company’s partners, customers and suppliers will be treated fairly and with respect. The Company strives to maintain open and frank business dealings and to develop mutually advantageous relationships.

4.7. Improper Behaviour

Employees and Executives are encouraged to contact the Company Secretary where the employee or Executive has a reason to suspect that any fraudulent or unethical behaviour has occurred.

4.8. More information

An employee or Executive requiring further information regarding any aspect of the Company Code of Conduct, must contact the Company Secretary.

5. Share Trading Policy

General Trading Policy

5.1. Policy

The Board of the Company has established the following policy to apply to trading in the Company’s shares on the ASX. This policy applies to those persons defined below as “Restricted Persons” of the Company. Restricted Persons to whom this policy applies must restrict their buying and selling of Company’s shares within the Company trading window established by this policy.

In addition to the requirements of this General Trading Policy, all Restricted Persons (as defined below) must also comply with the Insider Trading Policy of the Company in section 6 below.

5.2. Executive restrictions on trading

This General Trading Policy and the restrictions on trading in shares of the Company set out below applies to the following representatives of the Company (**Restricted Persons**):

- (a) the Board;
- (b) Directors and Company Secretary of any subsidiary of the Company;
- (c) any person who is entitled to receive equity performance rights and/or options as part of any equity incentive based scheme of the Company;
- (d) any Executives; and
- (e) each Company Secretary of the Company.

The Restricted Persons of the Company are to be subject to restrictions on trading in the Company’s shares at certain times of the year. Restrictions also apply where any Restricted Persons is exposed to inside information in the course of their duties in accordance with the Insider Trading Policy (see section 6 below).

5.3. Associated Parties

Each Restricted Persons has a personal responsibility to ensure that his or her “associated parties” (being immediate family (including a spouse (or equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons.

5.4. Prohibition on Restricted Persons dealing in Shares

In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy, Restricted Persons and their associated parties are prohibited (unless otherwise agreed to by the Board) from dealing in shares during the five business days before the announcement of a dividend or any other capital management initiative that might have a material impact on the share price.

The Company may from time to time designate further periods of time as a prohibited period under this policy.

For the avoidance of doubt, it is emphasised that Restricted Persons may not deal whilst in the possession of "Inside Information" (see section 6).

5.5. Board of Directors' discretion

The Board has an absolute discretion to place an embargo on Restricted Persons and/or employees and /or their respective associated parties trading in the Company's shares at any time.

5.6. Notification rules in relation to dealing in shares

Restricted Persons are required to notify the Company of intended dealings in shares, by themselves or their associated parties, of the Company prior to such intended dealings. This should be done by written notice to the Company Secretary of the Company outlining:

- (a) name of shareholder;
- (b) type of proposed transaction (purchase, sale, etc.); and
- (c) number of shares involved.

The Company Secretary will confer with the Chairman of the Board in relation to any proposed dealing.

The Chairman and the Company Secretary must keep a written record of any information received from an employee (including a Restricted Person) in connection with this policy and any clearance or refusal to grant clearance given under this policy.

5.7. Directors to notify ASX of shareholding

The Directors are required to complete, or request that the Company Secretary complete necessary forms to the Company to be filed with the ASX in respect of their shareholding in the Company for the purposes of section 205G of the Corporations Act and the Listing Rules.

In accordance with Listing Rule 3.19A, a Director of a Company must notify ASX within 5 business days after any change in his or her relevant interest in the Company's securities.

5.8. Exceptional Circumstances

Where, in exceptional circumstances, and it is the only reasonable course of action available to a Restricted Person (e.g. a pressing financial commitment that cannot be satisfied otherwise) the Chairman may, at his discretion but subject to this section 5.8, give clearance for the Restricted Person to sell (but not to purchase) shares in the Company when that person would otherwise be prohibited from doing so.

In this section 5.8, "exceptional circumstances" includes severe financial hardship, a court order (or court enforceable undertaking), or some other overriding legal or regulatory requirement, to transfer or

sell shares in the Company, or other circumstances that may be deemed exceptional by the Chairman from time to time. For example, a Restricted Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot otherwise be satisfied.

The Chairman may not give clearance under the exception in section 5.8 if there is a matter about which there is inside information in relation to shares in the Company (whether or not the Restricted Person knows about the matter) when the Restricted Person requests clearance or proposes to deal in shares in the Company.

The determination of whether a particular set of circumstances falls within the range of exceptional circumstances can only be made the Chairman or another Director (where the Chairman is involved).

Any clearance given by the Chairman in accordance with section 5.8 must be in writing (which may be in the form of an email). The Chairman must determine, and specify in the written clearance, the maximum duration of the clearance.

5.9. Trading not subject to this Trading Policy

The following dealings are not subject to the provisions of this Share Trading Policy in respect of the Company:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (d) the sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer or pursuant to a scheme of arrangement implemented in accordance with section 411 of the Corporations Act;
- (f) transfer of shares arising out of the operation of an employee scheme into a savings scheme investing only in securities of the Company following:
 - (i) the exercise of an option under a savings related share option scheme; or
 - (ii) release of shares from a profit sharing scheme;
- (g) the cancellation or surrender of an option under an employee scheme;
- (h) the purchase of shares or the communication of information pursuant to a requirement imposed by law;
- (i) transfers of shares by an independent trustee of an employee share scheme to a beneficiary who is not a person;
- (j) bona fide gifts to a Director by a third party;
- (k) transfers of securities of the entity already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;

- (l) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (m) where a Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted Person 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 restricted person; and
- (n) trading under an offer or invitation made to all or most of the security holders, such as, 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. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue.

6. Insider Trading Policy

6.1. Policy

The Board of the Company has established the following Insider Trading Policy to apply to trading in the Company's shares on the ASX.

This policy applies to all Directors, Executives and employees (if any) of the Company. All Directors, Executives and employees of the Company must not deal in the Company's shares while in possession of price sensitive information.

In addition, the General Share Trading Policy (see above) sets out additional restrictions which apply to Directors and Executives of the Company.

The law imposes a number of significant restrictions on employees of the Company when they deal in their Company's shares. As fiduciaries, these persons must not utilise their position for their own gain or for the gain of any person other than the Company.

The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Any perception of improper conduct by employees of the Company also has the potential to substantially damage the Company's reputation.

The Company has established the policy set out in this document in an effort to prevent the incidence of insider trading in the Company's shares. The policy provides a general summary of the law in Australia in relation to insider trading, and as such operates in addition to the legal requirements. It is the personal responsibility of each Director, Executive and employee to comply with this policy.

6.2. Overview of the insider trading provisions in the Corporations Act

It is illegal for anybody to deal in any shares of a body corporate (including the Company), when in possession of information that the person knows, or ought reasonably to know:

- (a) is not generally available (including information that the Company has not disclosed to the market in accordance with the Company's Continuous Disclosure Policy); and
- (b) might have material effect on the price or value of those shares if it was generally available (Inside Information).

This prohibition extends to procuring, advising or encouraging another person to deal, and, in the case of shares of listed corporations, extends to communicating the inside information to another

person, if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the shares in question or procure another person to do so. To communicate Inside Information to another person is also an offence which carries both civil and criminal penalties.

An employee or Executive in possession of Inside Information about the Company has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.

Examples of possible “inside information” include:

- (a) entry into or termination of a material contract;
- (b) an actual or proposed takeover or merger;
- (c) an actual or proposed change to the Company’s capital structure;
- (d) a change in dividend policy; and
- (e) a material claim against the Company or other unexpected liability.

Information will have a material effect when a reasonable person would expect the information to influence an investor’s investment decision to buy and sell securities. For further guidance with respect to materiality, please refer to our Continuous Disclosure Policy.

6.3. Dealing with security analysts, institutional investors and journalists

An employee or Executive may be exposed to others outside the Company such as security analysts, institutional investors and journalists. It is important that all Directors, Executives and employees be aware that selective disclosure of non-public information may result in a breach of the insider trading rules.

It is important to emphasise that it is the mere fact of conveyance of the material non-public information that gives rise to liability, not the manner in which it is conveyed.

It is possible to convey information in breach of this policy and the Corporations Act by expressing subjective attitudes about the Company’s performance or by calling attention to selective information not available as an aggregate to the general public. It is essential to avoid the indirect conveyance of information by any means whatsoever.

If during the course of a discussion with any analyst, journalist or other outsider, material non-public information concerning the Company is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until the Company has made full public disclosure of the information. The Company Secretary should be notified of the situation immediately so that a decision can be made regarding disclosure of the information.

No public comments should be made regarding any previously undisclosed operating results or other developments unless authorised by the Company.

6.4. Consequences for non-compliance

Any breaches of this Policy will be treated seriously and may give rise to disciplinary action. Any Director or Executive who becomes aware of a violation of this Policy should immediately report the violation to the Chairman or, in their absence, the Company Secretary.

The prohibition on insider trading is absolute with civil and/or criminal penalties. Civil liability includes penalties up to \$200,000 for an individual and \$1,000,000 for a company. Criminal liability includes higher monetary penalties and/or imprisonment for 10 years or both.

7. Audit and Risk Committee Charter

7.1. Purpose

This Charter governs the operations of the Company's Audit & Risk Committee (**Committee**).

The Committee shall provide assistance to the Board in fulfilling its responsibilities in relation to the Company's financial reporting, internal control structure, risk management systems, and the external audit function.

In discharging its role, the Committee is empowered to investigate any matter brought to its attention with full access to all books and records of the Company.

The Committee is empowered to engage independent counsel and other advisers as it determines necessary to carry out its duties or delegate any of its duties and responsibilities.

7.2. Composition

The Committee shall be comprised as follows:

- (a) at least three Directors appointed by the Board from time to time, all of whom are non-executive Directors;
- (b) a majority of Committee members must be independent Directors. "Independence" shall be determined in accordance with the Board Charter;
- (c) the Chairperson of the Committee shall be an independent Director, who is not also Chairperson of the Board; and
- (d) all Committee members shall be financially literate. At least one member shall have accounting and/or related financial expertise as determined by the Board.

7.3. Meetings

Meetings of the Committee will be conducted as follows:

- (a) the Committee shall meet as frequently as required, but not less than two times per year;
- (b) a quorum for Committee meetings shall be any two Committee members;
- (c) any Executive who is not a Committee member may attend (but not vote at) a meeting of the Committee for discussion on particular areas of interest to that Executive. The Committee may also invite other individuals to attend meetings of the Committee, as they consider appropriate;
- (d) the Committee shall report to the Board on all matters relevant to the Committee's role and responsibilities; and
- (e) minutes of Committee meetings shall be included in the papers for the next full Board meeting after each Committee meeting.

7.4. Duties and Responsibilities

The duties and responsibilities of the Committee shall include:

- (a) to make recommendations to the Board on the appointment, reappointment or replacement and, if relevant, remuneration of the external auditor;

- (b) to review and assess the independence of the external auditor;
- (c) to review the scope, processes and results of the external audit;
- (d) to monitor the effectiveness and appropriateness of the accounting and internal control systems and reporting of the Company;
- (e) to review half year and full year financial statements and Appendices 4D and 4E prior to filing with the ASX;
- (f) to review the adequacy and effectiveness of the Company's risk management framework by gaining assurance that major risks have been identified and are appropriately managed; and
- (g) to review its performance and Charter annually to ensure it is operating effectively.

8. Diversity Policy

8.1. Diversity Statement

The Company recognises and supports the benefits of a diverse workforce and recognise the value of attracting and retaining Directors and employees with different backgrounds, knowledge, experience and abilities. Workplace diversity includes, but is not limited to, gender, age, ethnicity and cultural background. Currently as the Company has only one employee, a diversity policy has limited applicability to the Company but the Board will consider diversity in relation to further Board appointments and have one measurable objective being 30% of the Board being women.

8.2. Monitoring and Evaluation

The Board will review progress against the measurable objective as a key performance indicator in its annual performance assessment.

9. Investment Committee Charter

9.1. Introduction

The Investment Committee is a committee of the Board.

The charter sets out the responsibilities of the Committee, its membership criteria and the manner in which the Committee's activities should be conducted.

The Board will determine Committee membership appointments and its terms of reference. Any changes thereto will require Board approval.

The membership and terms of reference of the Committee are to be reviewed at least annually.

9.2. Principal Function

The primary role of the Committee is to:

- (a) implement the Company's investment strategy in accordance with its Constitution and disclosures made by the Company (including in any prospectus issued by the Company);

- (b) utilise industry experience and relationships, to identify fund managers (Fund Managers) and investments based on the Committee's assessment of:
 - i) each Fund Manager's skills and experience as well as the asset allocation within and performance of; the relevant underlying fund;
 - ii) each Fund Manager's ability to meet the investment objective of the Company;
 - iii) each Fund Manager's capacity to provide investment capacity to the Company and accept money from the Company; and
 - iv) a Fund Manager's willingness to forgo all management and performance fees.
- (c) Monitor investment performance, ensuring compliance with the investment strategy.

9.3. Membership and Meetings

The Committee will consist of not less than three people, comprised of at least one Board member or one Executive nominated by the Board. The Board may adopt formal requirements with respect to Committee membership from time to time.

The committee membership and this charter will be reviewed by the Board annually.

The committee will meet as follows:

- (a) Once the Company is fully invested, meetings are to be held at least 4 times a year. The Committee will meet more frequently at times where the Company has funds available for allocation amount Fund Managers or direct investment.
- (b) Meetings are to be held in person, by phone, video conference or such other technology as agreed to by all members. A quorum shall consist of 3 members.
- (c) Minutes of all meetings will be taken and held and records kept of all reports and recommendations made by the Committee. Any dissenting members shall be entitled to have the opinion of that members recorded in the minutes.
- (d) Directors, Executives, external auditors and legal advisors to attend and report to meetings of the Committee as required.

9.4. Responsibilities and Authorities of the Committee

The responsibilities and authorities of the Committee will include the following:

- (a) to provide a disciplined format in which to analyse the quality and reliability of investment decisions being made for the investments made by the Company;
- (b) to monitor the performance of the Company's portfolio of investments and the markets in which the Company has investments;
- (c) to recommend the acquisition and disposal of investments;
- (d) make recommendations to the Board in relation to investments strategies; as required;
- (e) to monitor investment performance against agreed targets including a review of investments proposals and strategies;
- (f) to receive risk management assessments and monitor treatments of the identified risks;

- (g) to ensure where appropriate, that the Company's continuous disclosure obligations are complied with at all times;
- (h) to appoint, where appropriate, independent advisers and consultants; and
- (i) to provide asset valuations.

9.5. Research

The committee do not have any authorisations or influence on selecting any research or third party service providers.

9.6. Reporting

The Committee will report to the Board on its activities at least four times a year, usually at the next Board meeting following a Committee meeting.

9.7. Review

The Committee will review its performance and compliance with its terms of reference annually taking into consideration any assessment or commentary provided by the Chair of the Board.