

**Future  
Generation  
Australia**

INVESTMENT & SOCIAL RETURNS

# Corporate Governance Charter

Approved and with effect from 22 February 2024

**Future Generation Australia Limited**

ABN: 97 063 935 553

### Definitions

<b>Act or Corporations Act</b>	Corporations Act 2001 (Cth)
<b>Annual General Meeting</b>	an annual general meeting of the Company
<b>ASX</b>	ASX Limited (ACN 008 624 691)
<b>ASX Recommendations</b>	the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" (as amended from time to time)
<b>Board</b>	board of Directors
<b>Board Charter</b>	charter of corporate governance in relation to the Board contained in section 2 of this Charter
<b>CEO or Chief Executive Officer</b>	chief executive officer or equivalent officer of the Company
<b>Chair</b>	chairperson of the Board
<b>Charter</b>	this Corporate Governance Charter
<b>Code of Conduct</b>	the Company's code of conduct as set out in section 4 of this document
<b>Company</b>	Future Generation Australia Limited (Future Generation Australia) (ACN 063 935 553)
<b>Company Secretary</b>	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
<b>Constitution</b>	constitution of the Company
<b>Continuous Disclosure Policy</b>	the Company's Continuous Disclosure Policy as set out in section 3 of this document
<b>Director</b>	Director of the Company
<b>Executive</b>	an executive officer (whether or not a Director) involved in the strategic and operational management of the Company and includes the Company Secretary
<b>Future Generation Australia</b>	Future Generation Australia Limited (Future Generation Australia) (ACN 063 935 553)
<b>Insider Trading Policy</b>	the Company's insider trading policy as set out in section 6 of this document
<b>Listing Rules</b>	the ASX Listing rules as amended from time to time
<b>Securities</b>	securities in the Company as defined in the Corporations Act and includes interests in shares, options or debentures in the Company or related body corporate, as well as interests in managed investment schemes made available by the Company or related body corporate
<b>Security Trading Policy</b>	the Company's security trading policy as set out in section 5 of this document
<b>Shareholder</b>	holder of shares in the Company
<b>Website</b>	the Company's website maintained at <a href="http://www.futuregeninvest.com.au">www.futuregeninvest.com.au</a>
<b>Wilson Asset Management</b>	Wilson Asset Management (International) Pty Limited (ACN 081 047 118)

## 1. Introduction

### 1.1 Introduction

Corporate governance is a set of systems, policies and procedures that defines 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 that 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 Corporate Governance Council's Principles and Recommendations define corporate governance as "the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within 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 that the Board recognises as best practice guidelines.

The Charter incorporates the following:

Board Charter – see section 2

Continuous Disclosure Policy - see section 3

Code of Conduct – see section 4

Security Trading Policy – see section 5

Insider Trading Policy – see section 6

Audit & Risk Committee Charter – see section 7

Diversity Policy – see section 8

Investment Committee Charter – see section 9

### 1.2 Our Purpose

The Company operates as a listed investment company and has a dual purpose to provide Shareholders with attractive investment returns and diversified exposure to leading Australian fund managers and a source of funding for Australian social impact partners with a focus on children and youth at risk.

The Company's investment objectives are to:

- a. provide a stream of fully franked dividends;
- b. achieve capital growth; and
- c. preserve shareholder capital.

The Company's charitable objectives are to:

- a. ensure Future Generation Australia's significant social investment continues to result in measurable improvements to the lives of children and youth at risk; and
- b. make a positive difference to Australia's future generations.

### 1.3 Our Values

The Company is committed to seeking to achieve its purpose and investment objectives in a manner that is consistent with its values of **integrity, accountability and transparency**:

- a. Integrity – we understand the importance of trust to the success of the Company. Every party that we engage with – our Shareholders, underlying fund managers, social impact partners, service providers and other key stakeholders rely on us being trustworthy by always acting honestly and fairly. We recognise the importance of complying with both the law and community norms in developing and retaining the deep relationships needed to achieve our stated objectives.
- b. Accountability – we recognise that our Shareholders are the owners of Future Generation Australia. Our responsibility is to manage the Company on their behalf and report to them on a regular basis. We take responsibility for our actions and are accountable to all stakeholders and each other. We are committed to effective and frequent engagement with our Shareholders.
- c. Transparency – we believe that success in our industry requires ongoing transparent communication with Shareholders and external stakeholders and good corporate governance. We encourage all Shareholders to meet with us and utilise our proactive approach to keeping them fully informed.

Each of these principles stems from the Company operating in the best interests of all Shareholders.

## 2. Board Charter

### 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 Charter aims to set out the practices that the Company has established and to which the Board and each Director is committed. This Charter is simply an aid to the Board of 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 Charter and the Constitution, the Constitution shall prevail. The Board should also have regard to the purpose of the Company and its values and code of conduct.

### 2.2 Board role and responsibilities

The Company has a Board of Directors, an Audit & Risk Committee, an Investment Committee and a Chief Executive Officer (CEO). The Audit & Risk Committee Charter (Section 7) provides details of responsibilities delegated to the Audit & Risk Committee. The Investment Committee Charter (Section 9) provides details of responsibilities delegated to the Investment Committee. The CEO of Future Generation Australia will develop and execute the Board approved strategy while operating within the values, code of conduct, budget and risk appetite as determined by the Board.

The day-to-day management of the Company is carried out by the CEO of Future Generation Australia, under a service agreement with Wilson Asset Management (see section 2.3).

#### Responsibilities of the Board

The Board is responsible for strategic direction, approving capital management initiatives, the overall operation, 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:

##### Strategic direction

- a. Defining corporate purpose and setting its strategic objectives.
- b. Approving the Company's statement of core values, which underpin Future Generation Australia's culture.
- c. Approving the Company's strategy following the Board's oversight and input into its development.
- d. Monitoring the Company's performance against strategies and business plans.

##### Capital Management

- a. Managing the Company's capital by regularly reviewing the most efficient means by which the Company deploys its capital.
- b. Determining and arranging for the implementation of capital management initiatives such as dividends, share placements, share purchase plans, option issues and share buy-backs. The Board may implement these capital management initiatives from time to time when deemed appropriate.
- c. Determining and ensuring that the CEO of Future Generation Australia, and Wilson Asset Management, implements capital management initiatives once they have been approved by the Board and delegated accordingly.
- d. Approving major expenditure.

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### Risk management and reporting

- a. 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 managed with due regard to the risk appetite set by the Board.
- b. Monitoring and appraising financial performance including the approval of annual and half year financial reports and liaising with the Company's auditors.
- c. Identifying and managing risk.
- d. Satisfying itself that an appropriate framework exists for relevant information to be reported by the CEO of Future Generation Australia and whenever required, challenging the CEO of Future Generation Australia and holding him or her to account.
- e. The CEO of Future Generation Australia and Chief Financial Officer (CFO) of Wilson Asset Management will be responsible for preparing the declaration pursuant to section 295A of the Corporations Act. Representation letters will be required from the administrator Link Fund Solutions Pty Limited and Wilson Asset Management at each reporting period expressing a conclusion as to whether the financial report for that period has been prepared in accordance with the requirements of the *Corporations Act 2001*. Accordingly, the Board will seek to procure that Link Fund Solutions Pty Limited and Wilson Asset Management put in place sound systems of risk management and internal controls and ensure that the systems are operating effectively in all material respects in relation to financial reporting risks.
- f. Receive reports regarding all material breaches of the Code of Conduct and reportable incidents under the Whistleblower Policy and considering appropriate remedial action.

### Management

- a. The appointment of the Company Secretary and where appropriate, removal of the Company Secretary of Future Generation Australia.
- b. Monitoring and assessing the performance of the Company in terms of its strategic direction and charitable purpose.
- c. Ensuring that appropriate and effective remuneration policies and packages (if any) are implemented by the Company.
- d. Monitoring and reviewing business results, the performance of the Investment Committee, the Audit & Risk Committee, outsourced service providers and the Board itself.

### Performance

- a. Formation and monitoring of corporate governance policies, codes of conduct and committees (including the Investment Committee and the Audit & Risk Committee).
- b. Undertaking an annual performance evaluation of the Board in light of this Charter. See Section 2.12 of this Charter for performance evaluation process.
- c. Reviewing and overseeing internal compliance and legal regulatory compliance.

### Corporate governance

- a. Ensuring compliance with the Company's Constitution and with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act.
- b. Communicating with and protecting the rights and interests of all Shareholders.
- c. Monitoring the effectiveness of, and approving changes to, the Company's internal governance practices including delegated authorities, and monitoring resources available to the CEO of the Company.

### Remuneration

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 all non-executive Directors, and the Directors and the Company have agreed that they will not receive any remuneration from the Company, this recommendation does not apply to the Company.

### 2.3 Board delegation of duties and powers to the CEO of Future Generation Australia

The Board delegates to the CEO of Future Generation Australia the authority and power to manage the Company and its daily operations within levels of authority specified by the Board from time to time. The CEO of Future Generation Australia is accountable to the Board for the development and implementation of the Company's strategy, ensuring the Company operates within the values, code of conduct, budget and risk appetite set by the Board, and is to provide the Board with accurate, timely and clear information on the Company's operations on a regular basis.

Wilson Asset Management (International) Pty Limited (Wilson Asset Management) is the lead supporter of Future Generation Australia and has been providing financial and operational support since the inception of Future Generation Australia in 2014. The Company has a service agreement with Wilson Asset Management regarding the financial and operating support provided (as announced on 16 June 2021). Under the service agreement, the Company is charged in relation to the financial and operational support provided to the Company, including the provision of services from the Chief Executive Officer and the Social Impact Manager.

Under the service agreement, Wilson Asset Management is responsible for:

- a. Appointing the CEO of Future Generation Australia. Providing advice and counsel to the CEO of Future Generation Australia including formal reviews and feedback on their performance and overseeing the development or removal of the CEO of Future Generation Australia where necessary. Wilson Asset Management conducts an annual performance appraisal meeting with the CEO to assess and provide feedback on the CEO performance and contribution during the year, and will consult with the Chair of Future Generation Australia as required.
- b. Ensuring the terms and conditions of the appointment of the CEO of Future Generation Australia have been recorded in a letter of appointment.
- c. Ensuring appropriate checks are undertaken prior to the appointment of a CEO of Future Generation Australia.
- d. Ensuring an appropriate succession plan for the CEO of Future Generation Australia is in place. The plan will consider long-term succession planning concerns on permanently filling a vacancy when the current CEO of Future Generation Australia leaves and short-term succession planning to focus around acting appointments on the sudden or unexpected departure of the CEO of Future Generation Australia.

### 2.4 Board composition

In determining the composition of the Board, consideration should be given to succession planning, board renewal and the optimal mix of background skills, experience and diversity that will position the Board to guide the Company. The composition of the Board is determined as follows:

- a. The Company's Board shall comprise a minimum of three Directors, two of whom will be Australian residents.
- b. The Board must comprise 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.

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- d. At least half of the Company's Board must be independent and non-executive Directors. The criteria for independence are set out in section 2.7 of this charter

### 2.5 Company Secretary

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

The role of the Company Secretary is to:

- a. Advise the Board and its Committees on governance matters;
- b. Monitor that the Board and Committee policies and ensure procedures are followed;
- c. Coordinate the timely completion and despatch of Board and Committee papers;
- d. Ensure that the business at the Board and Committee meetings is accurately captured in the minutes; and
- e. Help organise and facilitate the induction of Directors.

Directors are free to communicate directly with the Company Secretary and vice versa.

### 2.6 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.

### 2.7 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; or
- 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



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- b. an annual formal assessment in line with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

### 2.8 Role of the Chair

The Chair of the Board is appointed by the Directors. The Chair 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 CEO of Future Generation Australia and individual Directors;
- c. facilitating effective discussions at Board meetings;
- d. chairing general meetings; and
- e. supporting the CEO of Future Generation Australia in terms of relationship management with key stakeholders and communication on behalf of the Company.

### 2.9 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.

Considering the size of the Company, however, the functions that would be performed by a remuneration and nomination committee are best undertaken by the Board.

The Company has established an Audit & Risk Committee. The operations of that committee are governed by the Audit & 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.

The Board will determine the membership and composition of the Board Committees, having regard to workload, skills and experience.

### 2.10 Appointment and retirement of Directors

#### 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 relevance and appropriateness of these skills, expertise and experience when compared to those of the current Board;
- c. 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;
- d. the results of an appropriate background check, which the Board will undertake; and

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- e. 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, one third (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 three years.

Any Director appointed to fill a casual vacancy in any given year is permitted to stand for re-election at the next Annual General Meeting of the Company.

## 2.11 Induction and ongoing information

### Induction program

The CEO 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 investment portfolio;
- b. the Company's financial, strategic, operational and risk management position and charitable purpose;
- 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).

The Directors will also periodically review whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their roles.

### Ongoing information

The Directors and 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 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. The Board will periodically review whether there is a need for existing Directors to undertake professional development. When determining what is "appropriate" for the purpose of professional development, consideration must be given to the Company's charitable purpose.

## 2.12 Advice, share trading and performance assessment

### 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 Security Trading Policy (See Section 5) imposes restrictions on the trading of financial products by people, including Directors with undisclosed price sensitive information. All Directors and executives must follow the Security Trading Policy.

### Performance evaluation

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 Charter annually; and
- b. perform an evaluation of the Board's performance on an annual basis.

Feedback will be collated by the Chair of the Board, or an external facilitator, and discussed by the Board, with consideration being given as to whether any steps should be taken to improve performance of the Board or its Committees. The CEO of Future Generation Australia will also provide feedback in connection with any issues that may be relevant in the context of the Board performance review.

The performance review of the CEO of Future Generation Australia is conducted annually by Wilson Asset Management in accordance with the service agreement (see Section 2.3 of this Charter), and will consult with the Chair of Future Generation Australia as required.

## 2.13 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, Security Trading Policy and Insider Trading Policy as set out in Sections 4, 5 and 6 of this Charter and with the Whistleblower Policy as disclosed on the website.

## 2.14 Compliance with laws

The Company must comply with the Corporations Act, the Listing Rules and 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. privacy legislation;
- c. occupational health & safety legislation;
- d. employment related legislation;
- e. anti-discrimination legislation; and
- f. taxation legislation.

## 2.15 Constitution

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. promote investor confidence in the integrity of the Company and its securities; and
- c. 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; and
- 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 Continuous Disclosure Policy and will:

- a. disclose price sensitive information to the ASX as soon as it becomes aware of that information;
- b. ensure copies of presentation materials are available via the ASX Market Announcements Platform in advance of any presentation to new and substantive investors and analysts;
- c. ensure that the information is not false, misleading or deceptive so as to avoid creating what would constitute a false market; and
- d. 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 is to expect to 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, a recommendation or a declaration of a dividend, a material change in funds under management, 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, changes to the Board, 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 has 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, in accordance with ASX Listing Rules 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; and
- c. other executives will report any material price sensitive information to the Company Secretary and they will observe the Company’s no comments policy as set out in Section 3.10 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 for material price sensitive information

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

- a. as soon as a Director or executive or employee becomes aware of any price sensitive information the Board of the Company and the Company Secretary is to be notified;
- b. the Board of the Company and the Company Secretary will review and assess the information and determine whether it needs to be disclosed;
- 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 two 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; and
- g. the Board will receive copies of all material market announcements promptly after they have been made to ensure time visibility of the nature and quality of the information being disclosed to the market and the frequency of such disclosures.

### 3.10 No comments policy

The Company has adopted a "no comments" policy in relation to any market speculation or rumours and this Policy must be observed by all executives at all times. In light of this, the Company may issue an announcement in response to a market speculation or rumour where it is necessary to do so to eliminate the possibility of a false market or contravention of the Listing Rules.

Where an executive is approached by the media, any analysts or other external parties with respect to providing any information about the Company, the general policy to be observed is a "*no comments*" policy and that person will notify the Company Secretary as soon as possible.

As part of the Company's management of investor relations, it may conduct briefings with analysts or investors from time to time. However, the Company's policy for conducting these briefings will be to

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ensure that no material price sensitive information is announced prior to it being announced to the market. No briefing will be held during the pre-results periods.

See the Insider Trading Policy in Section 6 for further details.

### 3.11 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 that have been previously disclosed to the ASX.

See the Insider Trading Policy in Section 6 for further details.

### 3.12 Trading halts

The Company in certain circumstances may need to request a trading halt from the ASX to maintain the efficient trading of its securities. The Chair and CEO of Future Generation Australia 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 Chair and the Company Secretary.

### 3.13 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.

### 3.14 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.

### 3.15 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](http://www.futuregeninvest.com.au).

These include:

- a. monthly net tangible asset backing and investment update announcements;
- b. the half year report;
- c. the annual report;
- d. the notice of Annual General Meeting, explanatory memorandum and the Chair's address;
- e. occasional ASX announcements made to comply with the Company's continuous disclosure requirements;



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- f. semi-annual conference calls with Shareholders; 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.

The Company's auditor attends the Annual General Meeting to answer questions from Shareholders relating to the audit.

The Company's Annual Report is the main vehicle for communicating with Shareholders on the activities and performance of the Company in the previous 12 months. The Annual Report is posted on the Company's website and is available to download.

The Company also provides Shareholders with the option to receive communications from and send communications to the Company and its share registry electronically.

### 3.16 Shareholder 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](http://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 [info@futuregeninvest.com.au](mailto:info@futuregeninvest.com.au).

The Company aims to ensure Shareholder queries are dealt with in a courteous, objective and expeditious manner. Any Shareholder complaints may be forwarded to [info@futuregeninvest.com.au](mailto:info@futuregeninvest.com.au)

### 3.17 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 Section 4 of this Charter.

The Company has also adopted a Security Trading Policy, which is set out in Section 5 of 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 and responsible business organisation is important to its ongoing success and it expects all its Directors and executives 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. These have been developed having regard to the Company's values. 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 Values

The Company is committed to seeking to achieve its purpose and investment objectives in a manner that is consistent with the principles of integrity, accountability and transparency.

Section 1.3 sets out a summary of key implications of these principles.

### 4.4 Business ethics

**Openness, honesty, fairness and integrity** – Directors and executives will conduct themselves with openness, honesty, fairness and integrity in business transactions and in dealings with others.

**Mutual respect** – Directors and executives are expected to treat everyone with whom they interact in their work with courtesy and respect.

**Ethical conduct** – Directors and executives will act ethically in their approach to business decisions.

### 4.5 Business conduct

Directors and executives will observe appropriate principles of behaviour when conducting Company business and interacting with others.

- a. **Compliance with laws, regulations and policies that the Company adopts from time to time** – Directors and executives will act in compliance with all laws and policies that apply to the Company's business. Directors and executives should discuss with the Board and if necessary obtain the consent of the Company Secretary or Chair 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 that become known to Directors and executives must be reported to the Chair 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 Security Trading Policy which is set out in Section 5.
- c. **Privacy and intellectual property** – each Director and executive is responsible for protecting the Company’s intellectual property rights.
- d. **Reporting** - the Company is committed to satisfying not only the strict legal requirements, but also industry best practice and investor and community expectations regarding the performance of the Company. Each Director and executive is responsible for understanding market practice and continually assessing Shareholder engagement by the CEO of Future Generation Australia and Wilson Asset Management, as a key external outsourced service provider.

### 4.6 Personal and professional conduct

- a. **Financial integrity** – the Company has stringent financial accounting procedures that are overseen by management, the Audit & Risk 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** – Directors and executives 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. Directors and executives 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. **Consultancy services** – the Company will only enter into an agreement for the provision of consultancy or similar services by a Director or senior executive or by a related party of a Director or senior executive:

if it has independent advice that:

- the services being provided are outside the ordinary scope of their duties as a Director or senior executive; and
  - the agreement is on arm’s length terms; and
  - the remuneration payable is reasonable; and
  - with full disclosure of the material terms to Shareholders.
- f. **Confidentiality** – Directors and executives 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 Director and executive 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.

- g. **Public statements** – public statements have the potential to breach the Company's obligations in respect to confidential information, share trading and continuous disclosure. Directors and executives should not make public statements unless authorised by the Chair, CEO of Future Generation Australia or the Company Secretary.
- h. **Safety and healthy environment** – a safe and healthy work environment is the responsibility of every Director and executive. This obligation includes following public health orders and restrictions 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.
- i. **Gathering information on the Company's competitors** – information should not be gained through unlawful or deceitful means.
- j. **Use of Company resources** – Directors and executives 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 or otherwise disposed of without proper authorisation.
- k. **E-mail and internet** – the Company's email and internet systems have been developed to assist with communication. These facilities may not be used for personal gain or in a manner which may breach the law or is inappropriate for a Director and executive of the Company.

### 4.7 Conflicts of interest

In addition to considerations of Director independence in section 2.7 of this charter, all Directors and executives also 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.

#### Disclosure

All conflicts of interest or duty, whether actual, potential or perceived, must be declared to the Chair and Company Secretary as soon as possible once the Director or Executive becomes aware of the conflict. There is also a standing agenda item in the ARC and Board meeting for Directors to disclose conflicts.

All conflicts are recorded in the minutes and the Conflicts of Interest Register, which is maintained by the Company Secretary and is circulated quarterly to the Board.

Where a Director or executive has any doubt about conflicts of interest, the Director or executive should contact the Company Secretary.

#### Conflict management

A Director may not exercise influence over the Board if an actual or potential conflict of interest exists. Conflicts are assessed and managed on a case-by-case basis, depending on the nature and degree of the conflict.

The Directors may, to the extent that they deem appropriate and necessary, adopt protocols the purpose of which are to set out procedures for the Board, and its committees, to manage conflicts of interest that may arise.

For example, the Directors may:

- determine that a Director who has a conflict of interest must not be present while a matter is being considered at a Directors' meeting, or vote on the matter at the meeting; or
- identify conditions to manage a conflict, for example setting up information barriers and other protocols, or the establishing subcommittees to deal with matters that give rise to a conflict.

### 4.8 Respect for others

- a. **The Company and its executives** – the Company actively supports the principle of equal employment opportunity and expects its Directors and executives 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 Directors and executives 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.

### 4.9 Improper behaviour

Directors and executives are encouraged to contact the Company Secretary where they have a reason to suspect that any fraudulent or unethical behaviour has occurred.

### 4.10 More information

A Director or executive requiring further information regarding any aspect of the Company Code of Conduct should contact the Company Secretary.

## 5. Security 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. Any breach of this Policy will be regarded as serious and will be subject to appropriate sanctions.

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

### 5.2 Director and executive restrictions on trading

This Security 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. any executives; and
- c. the Company Secretary.

The Restricted Persons 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 are exposed to inside information in the course of their duties in accordance with the Insider Trading Policy (see Section 6).

### 5.3 Associated parties

Each Restricted Person 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

Restricted Persons must not deal in the Company's securities during prohibited periods (closed periods) unless exceptional circumstances apply and written approval is given to a transaction in advance.

As the Company is a listed investment company, which will announce its Investment Updates and Net Tangible Assets (NTA) at least monthly on the ASX, the Board believes that Shareholders of the Company are generally fully informed.

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 prohibited periods 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 absolute discretion to place an embargo on Restricted Persons and 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 the Company's shares, by themselves or their associated parties, prior to such intended dealings. This should be done by written notice to the Company Secretary 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 Chair of the Board in relation to any proposed dealing.

The Chair and the Company Secretary must keep a written record of any information received from Restricted Persons 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, any forms 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 the ASX within five business days of any change in his or her relevant interest in the Company's securities.

All Directors have, and new Directors will, enter into a Director disclosure agreement with the Company (as set out in Guidance Note 22 of the Listing Rules). The Company Secretary will maintain records of signed copies of these Directors' disclosure agreements.

### 5.8 Exceptional Circumstances

Where, in exceptional circumstances, and it is the only reasonable course of action available to a Restricted Person, the Chair may at his or her 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 Chair 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 Chair 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 by the Chair or another director (where the Chair is involved). Any clearance given by the Chair in accordance with section 5.8 must be in writing (which may be in the

form of an email). The Chair 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 Security Trading Policy in respect of the Company:

- a. the sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- b. 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;
- c. transfers of shares in the Company already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- d. an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the shares in the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- e. trading under an offer or invitation made to all or most of the Shareholders of the Company, 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; and
- f. bona fide gifts of the Company's securities to a Director by a third party.

The Chair and the Company Secretary must keep a written record of any information received from Restricted Persons in connection with this Policy and any clearance or refusal to grant clearance given under this Policy.

### 5.10 Hedging

A Restricted Person must not enter into hedging arrangements with respect to securities in the Company (including any shares, options and rights). For the purpose of this section, hedging arrangements include entering into transactions in financial products that operate to limit the economic risk associated with holding securities in the Company.

### 5.11 Margin loans

A Restricted Person must not include his or her securities in the Company in a margin loan portfolio or otherwise deal in securities in the Company pursuant to a margin lending arrangement without first obtaining the Board's consent. Such dealing would include:

- a. entering into a margin lending arrangement in respect of securities in the Company;
- b. transferring securities in the Company into an existing margin loan account; and
- c. selling securities in the Company to satisfy a call pursuant to a margin loan.

The Company may, at its discretion, make any clearance granted in accordance with this section 5.11 conditional upon such terms and conditions as the Company sees fit (for example, in regards to the circumstances in which the securities in the Company may be sold to satisfy a margin call).



## 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 and executives of the Company. Directors and executives of the Company must not deal in the Company's shares while in possession of price sensitive information.

In addition, the Security Trading Policy (Section 5) sets out additional restrictions which apply to Directors and executives of the Company.

The law imposes a number of significant restrictions on Directors and executives 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 Directors and executives 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 and executive 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 a 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.

Directors or executives 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

Directors or executives may deal with others outside the Company such as security analysts, institutional investors and journalists. It is important that all Directors and executives are 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 breach 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 Chair or, in their absence, the Company Secretary.

The prohibition on insider trading is absolute with civil penalties and/or criminal offences under the Corporations Act.

## 7. Audit & Risk Committee Charter

### 7.1 Purpose

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

The Committee shall assist 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.

The members of the Committee are entitled at all times to have free and unfettered access to the CEO of Future Generation Australia and senior management of Wilson Asset Management, external service providers, and the approved auditor as applicable.

### 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. Committee meetings will be held by any technological means allowing members to participate in discussions even if not all members are physically present in the same place. A member who is not physically present but participating by technological means is taken to be present;
- e. the Committee shall report to the Board verbally or in a written report on all matters relevant to the Committee's role and responsibilities; and
- f. minutes for each meeting will be drafted by the Company Secretary and circulated to all Committee members for review following the meeting. Minutes will be formally adopted for signature by the Chair of the Committee once minutes are approved by Committee members at

the next meeting. Minutes for each meeting will be entered into the minute book within one month after the relevant meeting in accordance with the section 251A of the Corporations Act.

### 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, quality and performance of the external auditor periodically and as required by law;
- c. to review the scope, processes and results of the external audit;
- d. to review any non-audit services undertaken by the Company's auditor to ensure compliance with the risk management framework of the Company;
- e. to monitor the effectiveness and appropriateness of the accounting and internal control systems and reporting of the Company;
- f. to review and recommend for adoption by the Board the half year and full year financial statements and Appendices 4D, 4E and 4G prior to filing with the ASX;
- g. to review the adequacy and effectiveness of the Company's risk management framework by gaining assurance at least annually, that major risks have been identified and are appropriately managed and that the Company is operating with due regard to the risk appetite set by the Board;
- h. to make recommendations to the Board in relation to changes that should be made to the Company's risk management framework or to the risk appetite set by the Board;
- i. to ensure the Company is compliant with its policies and all applicable external regulations; and
- j. to review its performance and Charter annually to ensure it is operating effectively.

### 7.5 Reporting

The Chair of the Committee will report to the Board after each meeting, verbally or in a written report, on all matters relevant to the Committee's role and responsibilities, including highlighting the major issues considered by the Committee and areas of concern to be brought to the Board's attention.

## 8. Diversity Policy

### 8.1 Introduction

The Company recognises that a diverse workforce is a competitive advantage and that the Company's success is the result of the quality and skills of its people. This Diversity Policy is designed to support the Company's commitment to diversity. While the Company has no employees, the Company applies this Policy when considering Board Composition.

### 8.2 Objectives

The Diversity Policy provides a framework for the Company to achieve the following objectives **(Objectives)**:

- a. a diverse and skilled workforce;
- b. a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- c. a work environment that values and utilises the contributions of executives with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity;
- d. awareness in all staff of their rights and responsibilities with regards to fairness; and
- e. equity and respect for all aspects of diversity.

### 8.3 Benefits of diversity

Diversity encompasses, among a range of matters, differences in gender, age, ethnicity, race, disability and cultural background. Embracing diversity contributes to the Company achieving its corporate objectives, enhances its reputation and enables the Company to:

- a. recruit the right people from a diverse pool of talented candidates;
- b. create a culture that embraces diversity and that rewards people to act in accordance with this Diversity Policy; and
- c. better represent the diversity of all of the Company's stakeholders.

### 8.4 Strategies

The Company's diversity strategies include:

- a. reviewing succession plans to ensure an appropriate focus on diversity;
- b. taking steps to attract, retain and motivate well qualified senior executives and Board members from a diverse pool of candidates for all positions;
- c. identifying specific factors to be taken into account in recruitment and selection processes to encourage diversity;
- d. developing and implementing programs to develop a broader pool of skilled and experienced senior executives and Board candidates;
- e. taking action against inappropriate workplace behaviours including discrimination, harassment, vilification and victimisation;

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- f. developing and implementing mentoring programs and targeted training and development; and
- g. any other strategies the Board develops from time to time.

### 8.5 Review of Policy

The Board is responsible for the review and oversight of this Policy. The Board will periodically review the Policy to ensure it is operating effectively and whether any changes are required.

## 9. Investment Committee Charter

### 9.1 Introduction

The Investment Committee (Committee) is a committee of the Board.

This 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 Board Charter and in line with disclosures made by the Company (including in any prospectus issued by the Company);
- b. utilise industry expertise and relationships, to identify 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 objectives of the Company;
  - (iii) each fund manager's ability to provide investment capacity to the Company and accept capital 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 persons, comprised of at least one Board member or one executive as 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. meetings are to be held at least four times a year. The Committee will meet more frequently at times where the Company has funds available for allocation to 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 three members.
- c. the Company Secretary or executive will take minutes of all meetings held and keep records of all reports and recommendations made by the Committee. Any dissenting member shall be entitled to have the opinion of that member recorded in the minutes.
- d. Directors, executives, external auditors, fund managers, specialist advisors and legal advisors are to attend and report to meetings of the Committee as required.

## 9.4 Responsibilities of the Committee

The responsibilities 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 make recommendations to the Board in relation to investment strategies and guidelines, as required;
- d. to monitor investment performance against agreed targets including a review of investment proposals and strategies;
- e. to receive risk management assessments and monitor treatments of the identified risks;
- f. to appoint, where appropriate, independent advisers and consultants; and
- g. to assess/determine and provide asset valuations to the Board.

## 9.5 Authority

The Committee will oversee management of the Portfolio and will be responsible for approving all investments in accordance with the Company's permitted investments and investment objectives.

The decision making authority delegated to the Committee by the Board allows the Committee to:

- make decisions on portfolio allocation weightings in line with Investment Committee guidelines and parameters; and
- make final investment allocations to a range of underlying funds and to instruct for the application to new, or redemption from existing, underlying funds in line with Investment Committee guidelines and parameters.

The Board will periodically review the Company's investment strategy and the membership of the Investment Committee.

## 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.

### 9.8 Conflict of interest

When the Committee is carrying out its functions and responsibilities under Clause 9.2, any Committee member who would have a conflict of interest, by virtue of his or her position as a Company fund manager in addition to being a Committee member, will absent himself or herself from any associated Committee discussions and decisions specific to the Investment Committee member's relevant fund. His or her absence must be recorded in the minutes of the meeting.