

# BOARD INVESTMENT COMMITTEE CHARTER

## INTRODUCTION

This Charter governs the operations of the Adelaide Managed Funds Investment Committee. The Committee shall review and re-assess the Charter annually and make recommendations to the Board in relation to required changes.

## PURPOSE

The Committee shall provide assistance to the Board in fulfilling the investment strategy and performance component of its Corporate Governance responsibilities in respect of the Company and managed investment schemes ("the schemes") for which the Company acts as responsible entity.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books and records of the Company and the schemes. The members of the Committee have free and unfettered access to senior management at all times.

The Committee has authority to engage independent advisers as it determines necessary to carry out its duties.

## DUTIES AND RESPONSIBILITIES

- Establish and maintain investment strategy and policies.
- Establish and maintain investment valuation policies.
- Review proposed new investments.
- Consider whether a proposed investment is a related party transaction under Chapter 5C.7 of the Corporations Act and therefore requires review by the Board Related Party Transactions Committee.
- Monitor the performance of investments.
- Establish and maintain hedging strategy and policies.
- Establish, maintain and review compliance with policies regarding credit, liquidity and market risks.
- Review management of credit, liquidity and market risks.
- Consider the taxation treatment and taxation compliance issues associated with a transaction.
- Consider the accounting treatment of each transaction.
- Carry out any other function that may be required of the Committee from time to time by the Board or in accordance with Board policy.

## MEMBERSHIP

Members of the Committee shall meet the following requirements:

- the majority of members shall be independent members
- there shall be at least three members
- the Chair of the Committee shall be appointed by the Board of Directors - if the appointed Chair is not present at a meeting the members present may elect a Chair for that meeting
- members shall be appointed and removed by the Board of Directors
- members shall have sufficient skills and experience to undertake their responsibilities
- the Board of Directors or its delegate shall monitor the Committee to ensure that these membership requirements are satisfied on a continuing basis
- a member may retire from the Committee by giving written notice to the Chair or Secretary of the Committee.

## MEETINGS

The Committee shall meet a minimum of 4 times per annum. A quorum for a meeting of the Committee shall be three members with a majority of independent members.

Voting at a Committee meeting is by simple majority. The Chair does not have a casting vote. No objection may be made to any vote cast unless the objection is made at the meeting.

The Company Secretary will act as secretary to the Committee and shall be responsible for keeping minutes of meetings of the Committee and circulate them to Committee members and other members of the Board. The Company Secretary shall also be responsible for keeping records of the Committee's reports and recommendations.

## REPORTING

The proceedings of each Committee Meeting shall be reported to the next meeting of the Board of the Company.

## COMMITTEE PERFORMANCE

The performance of the Committee shall be evaluated as part of the annual evaluation by the Board of its performance.

References to "Senior Management" of the Company include employees of Bendigo and Adelaide Bank Limited who perform a senior management role for the Company.

# BOARD AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

## INTRODUCTION

This Charter governs the operations of the Adelaide Managed Funds Audit and Risk Management Committee. The Committee shall review and re-assess the Charter annually and make recommendations to the Board in relation to required changes.

## PURPOSE

The Committee shall provide assistance to the Board in fulfilling the audit and operational risk management components of its Corporate Governance responsibilities in respect of the Company and managed investment schemes ("the schemes") for which the Company acts as responsible entity.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books and records of the Company and the schemes. The members of the Committee have free and unfettered access to senior management, the internal auditor, the compliance plan auditor, the head of all risk management functions and the external auditor at all times, and vice versa.

The internal auditor, the compliance plan auditor and the external auditor may raise matters with the Committee without reference to other Directors or senior management.

The Committee has authority to engage independent advisers as it determines necessary to carry out its duties.

## DUTIES AND RESPONSIBILITIES

### Financial reporting and external audit

- Assess the appropriateness of the Company's and the schemes' accounting policies and principles and disclosures, and any changes to them.
- Review significant or unusual transactions and accounting estimates.
- Discuss with management and the external auditor the internal controls regarding financial information so as to review the integrity of the Company's and the schemes' financial reporting.
- Discuss with management and the external auditor the financial report for the Company and schemes, all related management reports and the external auditor's reports to the Committee.
- Assess whether the financial report represents a true and fair view of the financial position and performance of the Company and the schemes and complies with regulatory

requirements and recommend to the Board whether the financial report should be issued.

- Review and approve the scope of the external audit plan and work program.
- Monitor management's responsiveness to external audit findings and recommendations.

## INTERNAL CONTROL STRUCTURE

- Ensure that by way of internal audit (or external audit in the case of controls over financial reporting) there is independent appraisal of the Company's and the schemes' internal controls.
- Review and approve the scope of the internal audit plan and work program.
- Monitor the progress of the internal audit work program and consider the implications of internal audit findings.
- Monitor management's responsiveness to internal audit findings and recommendations.
- Meet separately with the internal auditor and external auditor to discuss assessment of the effectiveness of internal controls.

## GENERAL

- Oversee the Company's and the schemes' compliance with statutory reporting requirements and professional accounting requirements.
- Review the engagement of the external auditor, at least annually, including making an assessment of whether the auditor meets any required audit independence tests.
- Review the internal auditor's and the schemes' compliance plan auditor's engagement, including making an assessment of the independence of the auditors.
- Ensure none of the external, internal or compliance plan auditor is engaged to provide services that may impair or appear to impair judgement or independence.
- Agree to the terms of engagement of the external auditor, internal auditor and compliance plan auditor, taking into account the standards of independence referred to above.
- Oversee the co-ordination of the roles of the internal auditor, compliance plan auditor and external auditors to ensure there is a clear delineation of responsibilities.
- Evaluate the provision of services by the external, internal and compliance plan auditors and to ensure the adequacy of each of the audit functions.

# BOARD AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

- Establish and maintain policies and procedures for an employee of the Company or of a key service provider to the Company to submit, confidentially, information about accounting, internal control, compliance, audit, and other matters about which the employee has concerns. To establish a process for ensuring employees and key service providers are aware of these policies and for dealing with matters raised by employees under these policies.

## OPERATIONAL RISK AND COMPLIANCE

- Establish, review and if appropriate, approve changes to policies regarding operational risk and compliance.
- Monitor and review compliance with the operational risk policies.
- Monitor and review the Company's and the schemes' framework for the management of operational risk and compliance to ensure the same is designed to facilitate the identification and assessment of operational risk and compliance and the adequacy of controls.
- Monitor and review operational risk issues, including but not limited to:
  - risk event reporting
  - status reporting on active operational risk issues
  - development of operational risk management tools and infrastructure
- Monitor and review compliance with the Company's legal obligations.
- Monitor to what extent the Company complies with the Compliance Plan for each scheme and to report on its findings to the Board.
- Assess at regular intervals whether the Compliance Plan for each scheme is adequate, to report to the Board on the assessment and to make recommendations to the Board about any changes that it considers should be made to the plan.
- Review all proposed amendments to a scheme's Compliance Plan.
- Review the Company's and the schemes' corporate insurance program.
- Carry out any other function that may be required of the Committee from time to time by the Board or in accordance with Board policy.

## MEMBERSHIP

Members of the Committee shall meet the following requirements:

- the majority of members shall be independent members
- there shall be at least three members
- the Chair of the Committee shall be appointed by the Board of Directors - if the appointed Chair is not present at a meeting the members present may elect a Chair for that meeting
- members shall be appointed and removed by the Board of Directors
- members shall have sufficient skills and experience (including financial literacy) to undertake their responsibilities
- the Board of Directors or its delegate shall monitor the Committee to ensure that these membership requirements are satisfied on a continuing basis
- a member may retire from the Committee by giving written notice to the Chair or Secretary of the Committee.

## MEETINGS

The Committee shall meet a minimum of 4 times per annum. A quorum for a meeting of the Committee shall be three members with a majority of independent members.

Other members of management of the Company, or parties external to the Company, may be invited to attend any meeting of the Committee.

Voting at a Committee meeting is by simple majority. The Chair does not have a casting vote. No objection may be made to any vote cast unless the objection is made at the meeting.

The Company Secretary will act as secretary to the Committee and shall be responsible for keeping minutes of meetings of the Committee and circulate them to Committee members and other members of the Board. The Company Secretary shall also be responsible for keeping records of the Committee's reports and recommendations.

## REPORTING

The proceedings of each Committee Meeting shall be reported to the next meeting of the Board of the Company.

## COMMITTEE PERFORMANCE

The performance of the Committee shall be evaluated as part of the annual evaluation by the Board of its performance.

References to "Senior Management" of the Company include employees of Bendigo and Adelaide Bank Limited who perform a senior management role for the Company.

# BOARD RELATED PARTY TRANSACTIONS COMMITTEE CHARTER

## INTRODUCTION

This Charter governs the operations of the Adelaide Managed Funds Related Party Transactions Committee. The Committee shall review and re-assess the Charter annually and make recommendations to the Board in relation to required changes.

## PURPOSE

The Committee shall provide assistance to the Board in fulfilling its Corporate Governance responsibilities in relation to related party transactions undertaken by the Company in its role as responsible entity of managed investment schemes ("the schemes").

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books and records of the Company and the schemes. The members of the Committee have free and unfettered access to senior management at all times.

The committee has authority to engage independent advisers as it determines necessary to carry out its duties.

## DUTIES AND RESPONSIBILITIES

- The Committee shall develop and maintain policies in respect of related party transactions which are aimed at ensuring the Company meets its obligations under Chapter 5C.7 of the Corporations Act.
- The Committee shall develop and maintain registers that identify:
  - the Company's related parties, and
  - transactions that will require the approval of the Committee.
- The Committee shall advise the Board on whether any agreement, appointment or other transaction involving a related party is:
  - on terms that would be reasonable in the circumstances for the Company to undertake with the related party had the Company and related party been dealing on arm's length terms, or
  - on terms less favourable to the related party than those referred to immediately above.
- Carry out any other function that may be required of the Committee from time to time by the Board or in accordance with Board policy.

## MEMBERSHIP

Members of the Committee shall meet the following requirements:

- the majority of members shall be independent members
- there shall be at least three members
- the Chair of the Committee shall be appointed by the Board of Directors. If the appointed Chair is not present at a meeting the members present may elect a Chair for that meeting
- members shall be appointed and removed by the Board of Directors
- members shall have sufficient skills and experience to undertake their responsibilities
- the Board of Directors or its delegate shall monitor the Committee to ensure that these membership requirements are satisfied on a continuing basis
- a member may retire from the Committee by giving written notice to the Chair or Secretary of the Committee.

## MEETINGS

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