

# Investment Committee Charter

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1. The role of the Investment Committee (Committee) is documented in this Board approved Charter.
2. The primary role of the Committee is to maintain oversight of the structure and performance of the Group's total investment portfolio, managed both internally and externally. The Committee has oversight of traded investments only.

## Scope

3. The scope of the Committee covers GMHBA Limited and wholly controlled entities.

## Objectives

4. The objectives of the Committee are to:
  - maximise investment returns within risk tolerances while simultaneously maintaining a positive cash flow to meet benefit payments and other day to day commitments;
  - preserve the security of the Group's investments and protect member funds;
  - ensure the Group's investments are not unduly exposed to risk which could threaten its viability;
  - achieve acceptable returns from the Group's investments, to supplement the total income of the fund and enable delivery of cost effective and competitive health insurance products to members.

## Composition

5. The Board shall annually confirm the membership of the Committee, which will comprise at least two and not more than three directors, all of whom will be non-executive directors and free from any relationship which might in the opinion of the Board be construed as a conflict of interest.
6. Committee members may elect one of their number as Committee Chairman.
7. Committee membership may include non-director independent person(s) in accordance with whatever arrangements for such appointments are approved by the Board from time to time. Any such appointees would be eligible to attend all Committee meetings but would not be counted towards a quorum.
8. The Chief Executive Officer, the executive(s) responsible for investment initiatives (currently the Chief Financial Officer) and the Company Secretary are required to attend all Committee meetings.

## Duties and Responsibilities

9. The duties and responsibilities of the Committee are to:
  - select and appoint the external advisor/s within budget criteria approved by the Board;
  - recommend to the Board the appointment of external fund managers and determine appropriate performance benchmarks;
  - at least quarterly, monitor the performance of advisors and managers against the selected benchmarks;
  - annually review the Investment Policy and recommend any changes to the Board with a written report;
  - on a quarterly basis, review the asset allocation of the Investment Policy and recommend any changes to the Board;

in the event of an extraordinary investment market, consult with each director prior to action being taken to allocate assets outside the ranges identified in the Investment Policy, with any such decision to be made by way of meeting, conference call or circular resolution;

  - adjust current investment allocation subject to the allocation being within Board approved policy;

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- annually review and recommend to the Board changes to the Capital Management Policy (incorporating the Capital Management Plan and Pricing Philosophy) and Liquidity Management Plan; and
- act as delegated by the Board from time to time.

The Committee is authorised to approve new and rollover investments to the amount of \$10m. Any new or rollover investment greater than \$10m must be approved by the Board.

### **Governance**

- Develop an annual work plan for the Committee.
- Annually review the Committee Charter.
- Regularly evaluate the performance of the Committee.

### **Meetings**

10. The Committee will hold at least four regular meetings per year, and such additional meetings as the Committee Chairman shall decide in order to fulfil its duties.
11. The Committee Chairman is required to call a meeting of the Committee if requested to do so by any Committee member, the Chief Executive Officer, the Chief Financial Officer or the Board.
12. The Company Secretary is responsible, in conjunction with the Committee Chairman and relevant executives, for preparing and circulating the agenda and meeting materials to Committee members at least four working days prior to a Committee meeting.
13. The Company Secretary will prepare minutes of each Committee meeting together with any major reports considered at those meetings, and submit a summary to the next Board meeting for information.
14. A quorum shall consist of two members of the Committee.

### **Access**

15. The Committee shall have direct and unfettered access to the CEO and CFO and those executives shall have direct access to the Committee via the Committee Chairman.
16. The Committee may consult or retain independent experts where they consider it necessary to carry out their duties in accordance with whatever arrangements are approved by the Board from time to time.

### **Other Matters**

17. Where able to do so, Committee members will:
  - assist with bringing to the Committee information as to best practice in investment approaches and strategies;
  - alert the Committee to any relevant emerging risks or changes to the environment in which the Group operates that may affect investment decisions.

Approved December 2019