

Audit & Investment Committee Charter

1. The role of the Audit & Investment Committee (Committee) is documented in this Board approved Charter.
- The primary role of the Committee is to provide assurance to the Board regarding the integrity of financial information prepared for use by the Board in decision making or for inclusion in financial reports, oversee the effectiveness of the internal audit program, and maintain oversight of the structure and performance of the investment portfolio (both traded and non-traded investments)

Scope

2. GMHBA Limited and any subsidiary entities.

Objectives

3. The objectives of the Committee in relation to audit functions are to:
 - provide an independent, non-executive review of the financial accounts and statements of all GMHBA entities;
 - oversee the quality and reliability of the financial information prepared for use by the Board in due diligence, decision making and for inclusion in the financial reports;
 - oversee, assess and report on the independence and performance of the internal and external auditors.
 - to the extent that it may not be performed by the Risk & Compliance Committee
 - monitor compliance with regulatory requirements; and
 - monitor and provide guidance in relation to fraud controls and incidents.
4. The objectives of the Committee in relation to investment functions are to:
 - set risk tolerances for the investment portfolio, while simultaneously protecting members' funds and maintaining sufficient cash flow to meet benefit payments and other commitments.
 - appoint and monitor the performance of external investment advisors and underlying fund managers, to ensure appropriate returns on members' funds.

Composition

5. The Committee must comprise at least three and not more than four directors, all of whom must be non-executive directors and free from any relationships which might in the opinion of the Board be construed as a conflict of interest.
6. The Committee may elect one member as Committee Chair. The Committee Chair must not also be the Chair of the Board.
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 are eligible to attend Committee meetings but are not counted towards a quorum and only directors may participate in decisions.
8. The external auditor, the internal auditor, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary should be invited to attend all Committee meetings. The Investment Advisor should attend all Committee meetings where investment items are included. Other individuals may be invited to participate depending on the agenda.

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Duties and Responsibilities

9. The duties and responsibilities of the Committee are:

9.1. Financial management and external audit

- Review the ongoing appropriateness of accounting policies and procedures and consider any new accounting policies and procedures required for compliance with Australian Accounting Standards and generally accepted accounting principles.
- Review the Tax Governance Policy and procedures.
- Provide an objective view of the effectiveness and integrity of the financial reporting framework.
- Oversee compliance with other financial and regulatory reporting requirements.
- Serve as an independent and objective party to review and recommend to the Board the Annual Report including the annual financial statements prior to it being presented to fund members, company members, regulators and the public.
- Annually review the performance and independence of the external auditor and recommend to the Board any appointment or removal.
- Meet at least once a year with the external auditor in the absence of management to:
 - discuss the external audit plan;
 - discuss any significant issues that may be foreseen;
 - review the nature and impact of any changes in accounting policies on the financial statements; and
 - review and approve the fees proposed for the audit work to be performed.
- Monitor the performance of the Appointed Actuary and recommend to the Board any appointment or removal.
- Ensure that issues identified in internal or external audit or other assurance reports are addressed by management in an appropriate and timely manner.

9.2. Internal audit

- Monitor the effectiveness of the internal audit program to ensure it is directed towards key organisational risks and that where any major deficiencies or breakdown in controls are identified, appropriate and prompt remediation action is taken by management.
- Annually review and recommend to the Board for approval the Internal Audit Plan.
- Every two years review and approve the Internal Audit Policy.
- Annually review the performance of the internal auditor (or outsourced external resource).
- Meet with the internal auditor at least once a year in the absence of management to discuss progress against the annual plan including any restrictions on the scope of activities, findings of internal audit reports and management's responses.

9.3. Investment

- Select and appoint the external advisor/s within budget criteria approved by the Board;
- Recommend to the Board the appointment of external fund managers as required and determine appropriate performance benchmarks;
- At least quarterly, monitor the performance of advisors and managers against the selected benchmarks;
- Regularly review the Investment Policy and recommend any changes to the Board;
- Regularly review the asset allocation of the Investment Policy and recommend any changes to the Board;
- Adjust investment allocation subject to the allocation being within Board approved policy;
At least every two years review and recommend to the Board changes to the Capital Management Policy (incorporating the Capital Management Plan and Pricing Philosophy), or regulatory equivalent.

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.

In the event of an extraordinary investment market, the Committee should recommend to the Board any allocation of assets outside the ranges identified in the Investment Policy.

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9.4. Governance

- Develop an annual work plan for the Committee.
- Review the Committee Charter every two years or more often as necessary.
- Regularly evaluate the performance of the Committee.

Meetings

10. The Committee will hold at least four meetings each year, and such additional meetings as the Committee Chair shall decide are necessary for the Committee to fulfil its duties.
11. Three of the meetings shall include investment items and reporting by the Investment Advisor.
12. The Committee Chair 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 Chief Risk Officer, the internal or external auditor, the Appointed Actuary, the Investment Advisor or the Board.
13. The Company Secretary will act as Committee Secretary and is responsible, in conjunction with the Committee Chair and relevant executives, for preparing and circulating the agenda and meeting materials to Committee members at least four working days prior to a meeting.
14. The Company Secretary will prepare minutes of each Committee meeting together with any major reports considered at those meetings, as well as a summary to be submitted to the next Board meeting for information.
15. Two members of the Committee constitutes a quorum.

Access

16. The Committee shall have direct and unfettered access to all GMHBA executives as well as to the internal and external auditor and the Appointed Actuary and executives shall have direct access to the Committee via the Company Secretary.
17. 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

18. Where able to do so, Committee members will:
 - assist with bringing to the Committee information as to best practice in respect of audit practices and procedures or investment approaches and strategies.
 - alert the Committee to any relevant emerging risks or changes to the environment in which GMHBA operates.

Approved: December 2024