

# RESPONSIBLE ENTITY COMPLIANCE COMMITTEE CHARTER

Equity Trustees Limited (ACN 004 031 298)  
Equity Trustees Wealth Services Limited (ACN 006 132 332)  
EQT Responsible Entities Services Ltd (ACN 101 103 011)

The boards of Equity Trustees Limited ("EQTL"), Equity Trustees Wealth Services Limited ("ETWSL") and EQT Responsible Entity Services Ltd ("EQT RES") (together "the Companies"), utilise the Responsible Entity Compliance Committee as an efficient and effective mechanism to bring the transparency and focus needed to oversee the Companies' Responsible Entity compliance obligations.

## AUTHORITY AND DELEGATION

1. The Committee is subject to the overall authority of each Company's board ("the Board(s)").
2. Committee membership is determined by the Boards with an endorsement from the EQT Holdings Limited board.
3. The Committee makes recommendations to the Boards and has no decision making powers, unless specifically delegated by the Boards by resolution.
4. The Committee may only be dissolved by resolution of the Boards.

## ROLE OF THE COMMITTEE

5. The role of the Committee is to review and make recommendations to the Boards in relation to the Responsible Entities' compliance with the Corporations Act 2001 (the Act) and their license obligations.
6. In performing its role, the Committee aspires to excellence in governance standards.

## RESPONSIBILITIES

7. The responsibilities of the Committee are:
  - a) to monitor the extent to which the Responsible Entities comply with their respective schemes' compliance plans and to report its findings to the Boards and its relevant committees;
  - b) to assess at regular intervals whether the Responsible Entities' compliance management frameworks and the schemes' compliance plans are adequate and fit for purpose, report to the Boards and their relevant committees on that assessment, and to make recommendations to the Boards any changes that it considers should be made to the compliance management framework and compliance plans;
  - c) to consider matters raised by its relevant committees where the matter may or does have an impact on the Responsible Entities' compliance with the Act and their license obligations;
  - d) to seek confirmation that the master compliance plan is operating as designed and has been reviewed by external legal counsel at least every 3 years;
  - e) to confirm that the Responsible Entities' registered schemes have at all times engaged a



registered company auditor, an audit firm or an authorised audit company to audit compliance with the schemes' compliance plans;

- f) with respect to the audits of the schemes' compliance plans:
  - receive confirmation that compliance with the scheme plans has been audited as required by the Act;
  - receive auditor reports and auditor independence reports;
  - monitor progress of audits, resolution of audit issues and the relationship with auditors; and
  - meet privately with the auditors to confirm that information is readily accessible and that the information they are receiving is not subject to bias;
- g) to receive confirmation that scheme assets and property is valued at regular intervals appropriate to the nature of the property;
- h) to receive confirmation that adequate records of the schemes' operations are kept;
- i) to report to the Boards as to the Committee's proper functioning including whether there are adequate arrangements relating to the membership of the committee; meeting frequency; the Committee's reports and recommendations to the Boards and its relevant committees; access to the schemes' accounting records and to the auditor of the schemes' financial statements; and access to information that is relevant to the Responsible Entities' compliance with the Act;
- j) to seek confirmation from Management that they have a direct line of reporting to the Boards, to ensure that the Boards are made fully aware of any compliance issues in order to assist the effective discharge of the Boards' governance responsibilities;
- k) to report to the Responsible Entities any breach of the Act involving the Responsible Entities' schemes or any breach of the provisions included in the schemes' constitutions, of which the Committee becomes aware or that it suspects; and
- l) to report to ASIC if the Committee is of the view that the Responsible Entities have not taken, or do not propose to take, appropriate action to deal with a matter reported in the foregoing paragraph.

## MEMBER DUTIES

- 8. Members have a duty to:
  - a) act honestly;
  - b) exercise the degree of care and diligence that a reasonable person would exercise if they were in the member's position;
  - c) not make use of information acquired through being a member of the Committee in order to gain an improper advantage for the member or another person; or cause detriment to the members of the scheme;
  - d) not make improper use of their position as a member of the Committee to gain, directly or indirectly, an advantage for themselves or for any other person or to cause detriment to the members of the schemes which the Committee monitors; and
  - e) complete adequate ongoing training and educational programs to retain the necessary knowledge and skills to continue to carry out their duties and functions.



## COMMITTEE SIZE AND COMPOSITION

9. The Committee will comprise at least three members who have the appropriate skills, knowledge, competence and expertise to enable the Committee as a whole to discharge its duties and responsibilities effectively, including:
  - a) relevant tertiary qualifications (e.g. in law, business, commerce or finance);
  - b) current work experience over a number of years in undertaking compliance activities and investigations; and
  - c) an understanding of the Act, regulatory requirements and how they apply.
10. A majority of members must be external. External members are those defined by the Act.
11. The Chair will be an external member.

## APPOINTMENT OF MEMBERS

12. The terms of appointment for Committee members will set out clear requirements about:
  - a) the role and objectives of the Committee;
  - b) the responsibilities of the member;
  - c) the term of office of the member;
  - d) whether the member is considered external;
  - e) minimum standards of experience, qualifications and competence the member must meet and maintain; and
  - f) the member's ongoing competence, including training and educational programs.

## PERFORMANCE MONITORING

13. The Committee will undertake a self-assessment of its performance at least annually and provide a summary of the assessment to the Boards.

## OPERATION

14. Two external members of the Committee form a quorum.
15. Committee meetings take place at least quarterly. Meeting papers are provided to members sufficiently far in advance of scheduled meetings to permit adequate preparation.
16. Minutes of all meetings of the Committee are to be kept and provided to each subsequent meeting of the Company.
17. The Committee will make its papers available to the Boards.

## CONFLICTS OF INTEREST

18. Members are expected to manage any actual or perceived situation, action, position or interest that conflicts with an interest of the unitholders of schemes or the EQT Holdings Limited Group or conflicts with his/her duties as a member of the Committee.
19. At each meeting, members are required to disclose any matters that may give rise to a potential or actual conflict of interest or duty in relation to the business being considered by the Committee and any other conflict of interest or duty as required by the Group's *Conflicts of Interest Policy*.



## **POLICY ON INDEPENDENT PROFESSIONAL ADVICE**

20. The Company is to provide the Committee with sufficient resources to undertake its duties. The Committee may obtain information, interview management and internal and external auditors (with or without management present), and seek advice from external consultants or specialists where the Committee considers that necessary or appropriate. The Company will pay the reasonable expenses associated with obtaining such advice. Approval from the EQT Holdings Limited Board Chair is required prior to obtaining such advice.

## **DISCLOSURES**

21. The Responsible Entities will make the following disclosures to unitholders of listed investment trusts:

- a) this charter, on the listed investment trusts' website;
- b) the relevant qualifications, experience and externality of the Committee's members;
- c) in relation to each reporting period, the number of times the Committee met throughout the period and the individual attendances of members at those meetings; and
- d) any insights the Committee gained from the evaluation of its performance and any governance changes it has made as a result.

## **REVIEW OF CHARTER**

22. This charter will be reviewed by the Committee and the Boards at least every three years.