



Audit and Compliance Committee Charter (ACC) (the Committee)

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of Togethr Trustees Pty Ltd ABN 64 006 964 049

1. Purpose

- 1.1. This Charter sets out the roles, responsibilities, composition and operation of the Audit and Compliance Committee of Togethr Trustees Pty Ltd (Trustee), as trustee of the Equipsuper Superannuation Fund (Equip) and the MyLifeMyMoney Superannuation Fund (MLMM) together referred to as the Funds.

2. Objective

- 2.1. The objective of the ACC is to assist the Board in the effective discharge of its responsibility to:
 - (a) Independently verify and safeguard the integrity of the group's financial and regulatory reporting;
 - (b) Oversee the group's compliance with all applicable laws, regulations, standards and codes and the provisions of the trust deed for the Funds;
 - (c) Oversee the appointment, reward and performance of both the external and internal audit functions, the Tax Advisor, the Funds' Actuaries and the Custodian of Funds Assets; and
 - (d) Oversee the annual budget process and provide ongoing monitoring and oversight of financial performance against budget.

3. Authority

- 3.1. The Committee is established by the Board. The Committee's functions and powers are as set out in this Charter or otherwise delegated to it by the Board, in accordance with the Trustee's Constitution.

4. Role and Responsibilities

- 4.1. The overall role of the Committee is to provide support and make recommendations to the Board related to the matters set out below, and to exercise any delegated authority from the Board in relation to these matters:

4.1.1 Financial management

The Committee is responsible for overseeing the Trustee's financial management and reporting framework with a view to safeguarding its integrity. Its responsibilities in this capacity include:

- (a) Evaluate (at least annually) the appropriateness of, and recommending changes (where necessary) to, the accounting policies and practices of the group;
- (b) Review the Trustee and Funds annual financial reports, to ensure their integrity and compliance with statutory and contractual requirements, and in doing so considering:
 - 1) the appropriateness of accounting policies being used;
 - 2) whether the reports have been prepared in accordance with relevant accounting principles and standards;
 - 3) the methods used to value the Funds' assets;
 - 4) the methods used to account for significant unusual transactions or transactions for which there is no specific accounting standard;

- 5) significant estimates, assumptions and judgements made in the financial reports;
 - 6) the scope and appropriateness of the disclosures made; and
 - 7) statutory requirements and contractual arrangements.
- (c) Undertake any special investigations into financial reporting matters requested by the Board;
- (d) Overseeing the Trustee's and the Funds' budget processes including:
- 1) Review of the assumptions underpinning the draft budget;
 - 2) Recommending the draft budget to the Board for approval, which includes the budget requirements of the Strategic Plan; and
 - 3) Overseeing the financial performance of the Trustee and the Funds.
- (e) Overseeing the adequacy and application of the Funds' reserves, including annual review of the appropriate level of funding of the Administration and General Purpose Reserve and Operational Risk Financial Reserve; and
- (f) Assessing and monitoring the adequacy of the Trustee's policies relating to financial reporting and controls, including compliance with laws, accounting standards, regulations and ethical guidelines.

4.1.2 Internal Audit

The Committee is responsible for the overseeing of the activities and effectiveness of the Internal Audit function. The Internal Auditor reports directly to the Committee and will at all times have unfettered access to the Committee. The Committee's responsibilities in relation to Internal Audit include:

- (a) On an annual basis, review and approve the Internal Audit plan (including the budget and engagement letter for the Internal Audit function) to ensure there is an appropriate level of review of the Trustee's and Funds' internal controls and operations;
- (b) Monitoring the progress of the Internal Audit against the Internal Audit plan and objectives;
- (c) Reviewing Internal Audit findings to ensure that any reported major deficiencies or weaknesses in controls have been identified and that appropriate and timely corrective action is taken by Management;
- (d) Annually appraise the quality and objectivity of the Internal Audit function and making recommendations to the Board;
- (e) Overseeing Management's conduct of any tender process in the event the Board decides to tender the Internal Audit function and recommending its preferred tenderer to the Board for approval; and
- (f) Establish guidelines for the selection, appointment and removal of the Internal Auditor.

4.1.3 External Audit

The Committee is responsible for the overseeing the activities and performance of the External Auditor. The Committee's responsibilities include:

- (a) On an annual basis, review and approve the External Audit plan (including the budget and engagement letter) to ensure there is an appropriate level of review of the Trustee's and Funds' controls and operations;
- (b) Monitoring the progress of the External Audit against the External Audit plan;
- (c) Reviewing the annual financial statements with the External Auditor and report to the Board on those statements, and any issues arising out of those statements;
- (d) Reviewing External Audit findings to ensure that any reported major deficiencies or weaknesses in controls have been identified and that appropriate and timely corrective action is taken by Management;
- (e) Assess annually whether the External Auditor meets:
 - i. the Auditor Independence tests set out in APES 110 Code of Ethics for Professional Accountants; and
 - ii. the additional auditor independence requirements set out in the APRA Prudential Standard – Governance (SPS 510),and ensure the adequacy and independence of the External Audit function.
- (f) Annually appraise the quality of the audit work and the External Audit function and making recommendations accordingly to the Board;
- (g) Overseeing Management's conduct of any tender process in the event that the Board decides to tender the External Audit function and recommending its preferred tenderer to the Board for approval; and
- (h) Establish guidelines for the selection and appointment of the External Auditor and the rotation of the principal External Auditor.

4.1.4 Compliance

The Committee is responsible for overseeing the implementation and effectiveness of the Company's compliance systems, including:

- (a) Ensuring that the Compliance Policy is reviewed at least once every three years by an independent party;
- (b) Reviewing and approving the Compliance Policy in accordance with the review schedule set out in that document;
- (c) Overseeing the implementation of the Compliance Policy through the review of quarterly management reports or other methods determined by the Committee for the purpose of ensuring that compliance obligations are being managed effectively;
- (d) Monitoring compliance with the Trustee's internal policies and procedures (including the Code of Conduct, Incident Handling Policy, Privacy Policy and the Insurance Management Framework), and monitoring the management of incidents or breach of such policies and procedures and reviewing and recommending changes to the Board, where necessary;
- (e) Monitoring any significant legislative breaches that occur and monitoring the management of breaches to ensure breaches are remedied in a timely manner and are reported to the appropriate regulator as required;

- (f) Receiving feedback from the Governance and Rewards Committee on any non-compliance with the Gifts, Benefits and Hospitality Policy;
- (g) Overseeing the incident handling process to ensure it is operating effectively, and making any necessary recommendations to the Board; and
- (h) Consider any other matters relating to audit and compliance management that it considers desirable, and examine any other matters referred to it by the Board.

4.1.5 Anti-Money Laundering and Counter Terrorism Financing (AML/CTF)

- (a) Overseeing the Trustee's framework for identifying, mitigating and managing risks the Company may reasonably face in providing designated services that might involve or facilitate money laundering and terrorism financing; and
- (b) Reviewing and approving changes to Part A and Part B of the Anti-Money Laundering and Counter Terrorism Program.

4.1.6 Actuarial

The Committee will monitor the activities and performance of the Funds' Actuaries. The Committee's responsibilities include:

- (a) Reviewing the appointment of the Funds' Actuaries;
- (b) Receiving and discussing the annual presentation made by the Funds' Actuaries, reporting to the Board on that review, and making any necessary recommendations to the Board; and
- (c) Monitor the financial position of the defined benefit sub-plans in the Funds, including recommending any shortfall limits for approval by the Board, reviewing the regular actuarial investigations and recommending the restoration plan for approval by the Board in the event that a sub-plan moves into an unsatisfactory financial position.

4.1.7 Tax

The Committee will monitor the activities and performance of the Trustee's and Funds' tax advisors. The Committee's responsibilities include:

- (a) Reviewing the appointment of tax advisors to the Trustee and the Funds and making appropriate recommendations regarding such appointments to the Board for approval;
- (b) Overseeing Management's conduct of any tender process in the event the Board decides to tender the tax advisory arrangement and recommending its preferred tenderer to the Board for approval; and
- (c) Reviewing the annual tax review provided by the Company's tax advisors, reporting to the Board on that review, and making any necessary recommendations to the Board for approval.

4.1.8 Custody

The Committee will monitor the activities and performance of the Custodian. The Committee's responsibilities include:

- (a) Annually assess the performance of the Custodian;
- (b) Review the appointment of the Custodian at least one year prior to the expiry of the management agreement, make any recommendations on the renewal or tender

strategy accordingly to the Board;

- (c) Overseeing Management's conduct of any tender process in the event the Board decides to tender the custodian arrangement and recommending its preferred tenderer to the Board for approval;
- (d) Reviewing and monitoring compliance with the Supplier Manager Framework.

4.1.9 Provision of Non-Audit Services by External Auditors

The Committee will require the External Auditors to confirm, in writing, that they have complied with all professional and regulatory requirements relating to auditor independence prior to the completion of each year's financial statements.

The External Auditors may be permitted to provide non-audit services that are not perceived to be in conflict with the role of the auditor where their detailed knowledge of the Group's activities could permit cost and output efficiencies, and provided that the Trustee may only engage the External Auditor to conduct non-audit services if:

- (a) The prior written approval of both the Executive Officer, Governance and Risk, and the principal External Audit Partner has been obtained; and
- (b) The annual fees for all non-audit services do not exceed, or are not likely to exceed, 50% of the External Auditor's annual audit fees.

5. Committee Chair

- 5.1. The Committee Chair will be appointed by the Board.
- 5.2. The Committee Chair will be responsible for:
 - (a) Efficient conduct of the Committee's functions;
 - (b) Ensuring the Committee's responsibilities are properly discharged;
 - (c) Facilitating the effective contribution of all Committee members; and
 - (d) Reporting to the Board and, where appropriate, making recommendations to the Board.
- 5.3. The Committee Chair must be a director and cannot be the Chair of the Board.

6. Meetings

- 6.1. The Committee will generally meet at least four times per year, or as otherwise required for the proper and efficient discharge of its functions and responsibilities. All Committee members are expected to attend each meeting, unless they are genuinely unable to do so.
- 6.2. A Committee member may requisition a Committee meeting at any time. Committee members may participate in meetings by attending in person, or by means of telephone or video conference or electronic means as deemed appropriate.
- 6.3. With consent of the Committee Chair, the Committee may meet without the presence of management at any time either prior to, or during, any meeting.
- 6.4. All Directors have a standing invitation to attend all Committee meetings.
- 6.5. The Internal Auditor, the External Auditor, the Funds' Actuaries, the Executive Officer – Governance & Risk and the Head of Risk have free and unfettered access at all times to the members of the Committee and the Board as a whole to discuss any matters which they think appropriate.
- 6.6. The CEO, the Executive Officer – Governance & Risk (Company Secretary), the CFO and the Head of Compliance are generally expected to attend all meetings of the Committee (unless

requested by the Committee Chair to be absent). Other members of management and service providers attend as required.

7. Composition, Voting and Quorum

- 7.1. The Committee is comprised of four Directors.
- 7.2. A quorum of the Committee will be three members.
- 7.3. Agreement by two thirds majority of Committee Members present and able to vote is required for all resolutions.
- 7.4. Where the Chair is not present within ten minutes after the time appointed for the holding of the meeting, or where the Chair is unwilling to act, the Directors present shall elect one of their number in attendance at the meeting to be Chair of the meeting.
- 7.5. The Board may appoint additional Committee members from time to time, who may be Directors, management or external parties with specialist expertise. The Board may also appoint specialist consultants to assist the Committee in carrying out its role and responsibilities, including in relation to specific matters or on a general or ongoing basis.
- 7.6. If, for any reason, it is not possible to form a quorum of Committee members for a particular meeting, in order to form a quorum and conduct the meeting then either the Chair of the Board may take the place of a Director, or the place of a Director as required may be taken by another Director.

8. Agendas and papers

An agenda will be prepared by the Company Secretary and approved by the Committee Chair, prior to each meeting.

Agendas and papers will clearly identify whether a decision is to be made at the Trustee level, or whether the information / decision is specific to Equip or specific to MLMM.

The agenda and supporting papers for each meeting will be distributed to Committee members and other attendees in enough time to enable Committee members to read the material and prepare for the meeting.

9. Conflicts of Interest

All Committee members must have the ability to recognise and disclose actual, perceived and potential material conflicts and ensure they are appropriately managed or avoided to ensure that priority is given to the interests of the Funds' beneficiaries.

Conflict procedures are included as a standing agenda item for every meeting. The Committee Chair reminds members at the beginning of every meeting of their obligation to disclose any conflict or potential conflict with regard to any agenda item for consideration at that meeting.

Any identified conflicts are recorded, along with the action taken to avoid or manage the conflict, in accordance with the Trustee's Conflict Management Policy.

Where a recorded conflict could reasonably be foreseen to impact an agenda item, the Committee member(s) affected shall not receive the papers for that agenda item.

10. Reporting

The minutes of all Committee meetings are to be distributed to the Committee Chair for review, within a reasonable time. The minutes will thereafter be submitted to Committee members for their review, with the final version to be approved and (unless the Committee determines otherwise) signed at the next meeting by the Committee Chair or other person chairing the meeting.

The Committee, via its Chair, will report to the Board on a regular basis.

11. Review

The performance of the Committee is reviewed internally on an annual basis. An independent review of the Committee is performed every three years.

This Charter will be reviewed at least every two years for ongoing relevance and effectiveness.