



INVESTMENT COMMITTEE CHARTER

This Charter sets out the basis on which Business NSW’s (BNSW) Board of Directors (Board) has established an Investment Committee (Committee).

1. PURPOSE

The purpose of the Committee is to assist the Board to manage the investment portfolio of the BNSW in accordance with the Investment Policy Statement. The Investment Policy Statement is a Board approved document that sets out (among other things):

- the investment objectives, and distribution policy, of the investment portfolio;
- the investment strategy for the investment portfolio;
- the delegated authority of the Committee and the asset consultant¹ (Asset Consultant) to make investment decisions in respect of the investment portfolio; and
- procedures for the administration and reporting in respect of the investment portfolio.

¹ The Board has appointed an expert asset consultant to provide advice and implemented consulting services in respect of the investment portfolio.

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The operation, powers and responsibilities of the Committee are governed by this Charter.

The Charter will be made available to members of the BNSW via the BNSW website.

2. MEMBERSHIP

2.1 Composition

The Committee will be comprised of at least 3 and not more than 5 non-executive members of the Board if the composition of the Board and expertise of the directors make this practicable to do so. The President is automatically, by virtue of their position as President, a member of the Committee. Membership of the Committee shall be published in the annual report.

2.2 Appointment

The President of BNSW will nominate, and recommend to the Board for approval, the members (including the Chair) of the Committee. The President is not eligible to serve as Chair of the Committee.

The Board will endeavour to appoint a Chair and members who have the desired skills and experience for membership of the Committee.

2.3 Tenure

The Board will review the membership of the Committee every two years. It will be the responsibility of the President to advise the Board of the time for the review of Committee membership.

Membership of the Committee will continue until:

- revoked by the Board;
- the member resigns from the Committee by giving written notice to the Chair of the Committee, the Company Secretary or the President; or
- the member ceases to be a member of the Board.

2.4 Secretary

The Company Secretary to the Board will be the Secretary of the Committee, unless otherwise determined by the Board.

3. MEETINGS

3.1 Frequency

The Committee will meet as often as it deems necessary to discharge its responsibilities, though it is intended that the Committee will meet no less than three times per year.

3.2 Notice

The Chair may call a meeting of the Committee at any time by giving reasonable notice, taking into account requests from any member, the Chief Executive Officer or Company Secretary. The Secretary will aim to circulate the agenda and papers for a meeting at least seven days prior to the meeting.

3.3 Quorum

A quorum shall consist of two members of the Committee.

3.4 Chair

In the absence of the Chair at a meeting, those present shall appoint a Chair for that meeting.

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3.5 Attendance

Any member of the Board who is not a member of the Committee is permitted to attend Committee meetings.

Unless otherwise directed by the Committee, the Chief Executive Officer, Company Secretary, and Chief Financial Officer (or their respective equivalents) have standing invitations to attend Committee meetings.

The Committee may also have in attendance such other members of management or others as it may deem necessary to provide appropriate information or assistance to the Committee.

Members may attend Committee meetings in person or participate by videoconference or other electronic means.

3.6 Decisions

The Committee will strive to achieve consensus in decision making. However, in the absence of consensus, decisions will be by majority vote. Each member has one vote. The Chair does not have a casting vote.

Decisions of the Committee may be made, in the absence of a meeting, by written resolution signed by all members of the Committee.

3.7 Minutes

Minutes of Committee meetings will be prepared by the Secretary, approved by the Chair in draft and circulated to the Committee. Minutes of a Committee meeting will be confirmed at the next meeting and signed by the Chair. Minutes of Committee meetings will be tabled with the Board.

4. DUTIES AND RESPONSIBILITIES

The Committee shall consider any matters relating to the BNSW's investment portfolio. In addition, the Committee shall examine any other matters referred to it by the Board.

To meet its objectives, the Committee is, without limiting the extent of its responsibilities, specifically expected to perform the following duties:

1. Periodically review the suitability of the Investment Policy Statement (having regard to, among other things, the strategic needs and objectives of BNSW) and recommend changes to the Board where appropriate.
2. Consider strategic investment opportunities and make recommendations to the Board in relation to those opportunities.
3. Make recommendations to the Board, or decisions, in respect of the investment portfolio in accordance with the authority delegated to the Committee under the Investment Policy Statement.
4. Periodically review the performance of, and recommend to the Board the appointment or removal of, the Asset Consultant (or other independent funds management expert appointed to advise the Committee and Board on appropriate investment strategies and policies).
5. Consider recommendations and advice received from the Asset Consultant (or other independent funds management expert appointed to advise the Committee and Board on appropriate investment strategies and policies).

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6. Periodically review the performance of, and recommend to the Board the appointment or removal of, the custodian for the investment portfolio.
7. Monitor risks, and associated controls (eg engagement of a custodian), in connection with the overall management of the investment portfolio by BNSW.
8. Monitor the performance of individual fund managers against pre-determined investment objectives.
9. Establish benchmarks for the measurement of fund managers' investment performance and monitor the performance of investments.
10. Review the overall performance of the investment portfolio's performance.
11. Consider the economic, market and political environment and the opportunities, challenges and risks the environment poses for the investment portfolio.
12. Review compliance with the Investment Policy Statement and any other policy, contract or document that relates to the administration or management of the investment portfolio.

5. POWERS

5.1 Decision Making Authority

Except where expressly stated in this Charter, the Committee discharges its responsibilities by making recommendations to the Board.

5.2 Access

The Committee is authorised to seek any information it requires from any officer or employee of BNSW that is necessary to allow the Committee to fulfil its duties and responsibilities. Requests for information should be made through the Committee Chair to the Chief Executive Officer, Chief Financial Officer or the Company Secretary.

5.3 Independent Advice

The Committee may take such independent professional advice, as it considers necessary, subject to the prior notification to and approval from the President. The Committee must comply with any policy or procedure set down by the Board in respect of seeking such advice.

6. REVIEW AND AMENDMENT OF THIS CHARTER

The Board shall review this Charter to determine its adequacy in light of BNSW's operations, risk environment and strategy, the external environment and contemporary governance practice at least once every two years, or sooner if material changes to business activities or the external environment warrant a review.

When it is deemed necessary to do so, changes will be recommended to the Board for the formal adoption of a revised Charter for the future operations of the Committee.

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7. APPROVAL AND REVIEW

Approved by	Board
Policy owner	Investment Committee
Date issued	14 December 2023
Last review date	11 September 2018
Review schedule	December 2025
Replaces	Investment Committee Charter (11 September 2018)

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