



Trustee Guidebook for Director Candidates

Togethr Trustees Pty Ltd and Togethr Holdings Pty Ltd

June 2024

This Trustee Guidebook (Guidebook) for Director Candidates is intended to provide an overview of information that may be relevant to a person who is considering applying to become a Director of Togethr Trustees Pty Ltd in its role as the trustee of a public offer superannuation fund, known as Equip Super and its holding company, Togethr Holdings Pty Ltd. This Guidebook does not provide legal, financial or other advice regarding the roles and responsibilities of Directors or the potential consequences of acting as a Director for an Australia Prudential Regulation Authority (APRA) regulated superannuation fund. This Guidebook has been compiled without reference to the circumstances or level of knowledge or experience of any person who may be interested in becoming a Director and should be taken as general information only.

All information provided to potential candidates regarding Togethr Trustees Pty Ltd, Togethr Holdings Pty Ltd and Equip Super is private and confidential and should not be disclosed to any person or used for any purpose other than as required in connection with a person's potential candidacy as a Director.

All potential candidates are encouraged to read this document and the other materials on the Director Nomination webpages in full, before deciding to nominate as a candidate. To nominate, you need to complete and return the forms, and provide the information outlined on the relevant webpage.

This document must not be copied, distributed, or re-issued in another form, without the consent of Togethr Trustees Pty Ltd ABN 64 006 964 049

Contents

1. Background	3
1.1 About the Trustee	3
1.2 About the Fund	3
1.3 Corporate Structure	4
1.4 Shareholding Arrangements	5
1.5 Regulatory Landscape	5
1.6 Trust Law	6
2. The Board	8
3. Directors	9
3.1 The role of Directors	9
3.2 Duties of Directors	9
3.3 Director Skills, Competencies and Attributes	10
4. Director Candidate Process	12
4.1 How to nominate as a candidate	12
4.2 No disqualified persons	12
4.3 Timing and term of appointment	12
4.4 New Directors' Induction	13
5. Governance of the Trustee, the Holding Company and the Fund	14
5.1 Board Structure	14
5.2 Trustee Board Committees	14
5.3 Board Meetings	16
6. General Information	18
6.1 Provision of information to Directors	18
6.2 Circular Resolutions and additional meetings	18
6.3 Directors' Training and involvement in the industry	18
6.4 Director Remuneration	18
6.5 Commitment	19
7. Directors' Protections	21
7.1 Protection from direction	21
7.2 Protection from external pressure	21
7.3 Right to seek advice	21
8. Directors' Potential Liabilities and Indemnities	22
9. Further Information	23

1. Background

1.1 About the Trustee

Togethr Trustees Pty Ltd (the Trustee) is committed to supporting our members to prepare for financial freedom in retirement. Through its governance framework the Trustee has established standards of behaviour, analysis and review that are expected from all Directors, employees and contingent workers. Our commitment to excellence in governance is reflective of our intention to always act in the best financial interests of the beneficiaries of the Fund and to continue to build an innovative, responsive and customer-led organisation.

The Trustee Board of Equip Super (the Fund) is a skills-based board, comprised of three Employer Directors, three Member Directors and three Independent Directors, which means that our composition reflects our commitment to ensuring Equip Super members and employers can be confident that, collectively, our Directors have the appropriate diversity of necessary skills, knowledge and experience, education and perspectives to manage the Fund in accordance with its legal and prudential obligations and risk appetite, and to ensure that the business operations are managed in an appropriate way taking account of these risks.

The Trustee has an Extended Public Offer (EPO) Registrable Superannuation Entity (RSE) licence authorisation from the Australia Prudential Regulation Authority.

1.2 About the Fund

Equip Super has been helping Australians to save, build their wealth, and plan for retirement since 1931 making us one of Australia's oldest superannuation providers.

Founded in 1931, Equip Super began as the as the Provident Fund of the State Electricity Commission of Victoria (SECV), established as a pension fund for its employees.

Over the past several years Equip Super has undergone significant growth, including finalising the successor fund transfer with Catholic Super in 2021, and transitioning corporate schemes such as Toyota Super and BOC Super to Equip Super.

As an award-winning super fund, we offer a wide range of investment options, insurance cover, and super products. Our innovative model brings together \$32 billion in funds under management (FUM) for approximately 140,000 members.

As an industry fund, Equip Super operates on a profit-to-member basis, offering defined benefit and accumulation plans and account-based pension products.

In an accumulation fund, members and their employers contribute money which is invested in accordance with the member's chosen investment strategy. Any gains or losses in investment earnings are borne by the member.

With defined benefits, the end-benefit a member receives on retirement is calculated according to a formula which comprises the product of a member's final average salary, years of service and a benefit multiple.

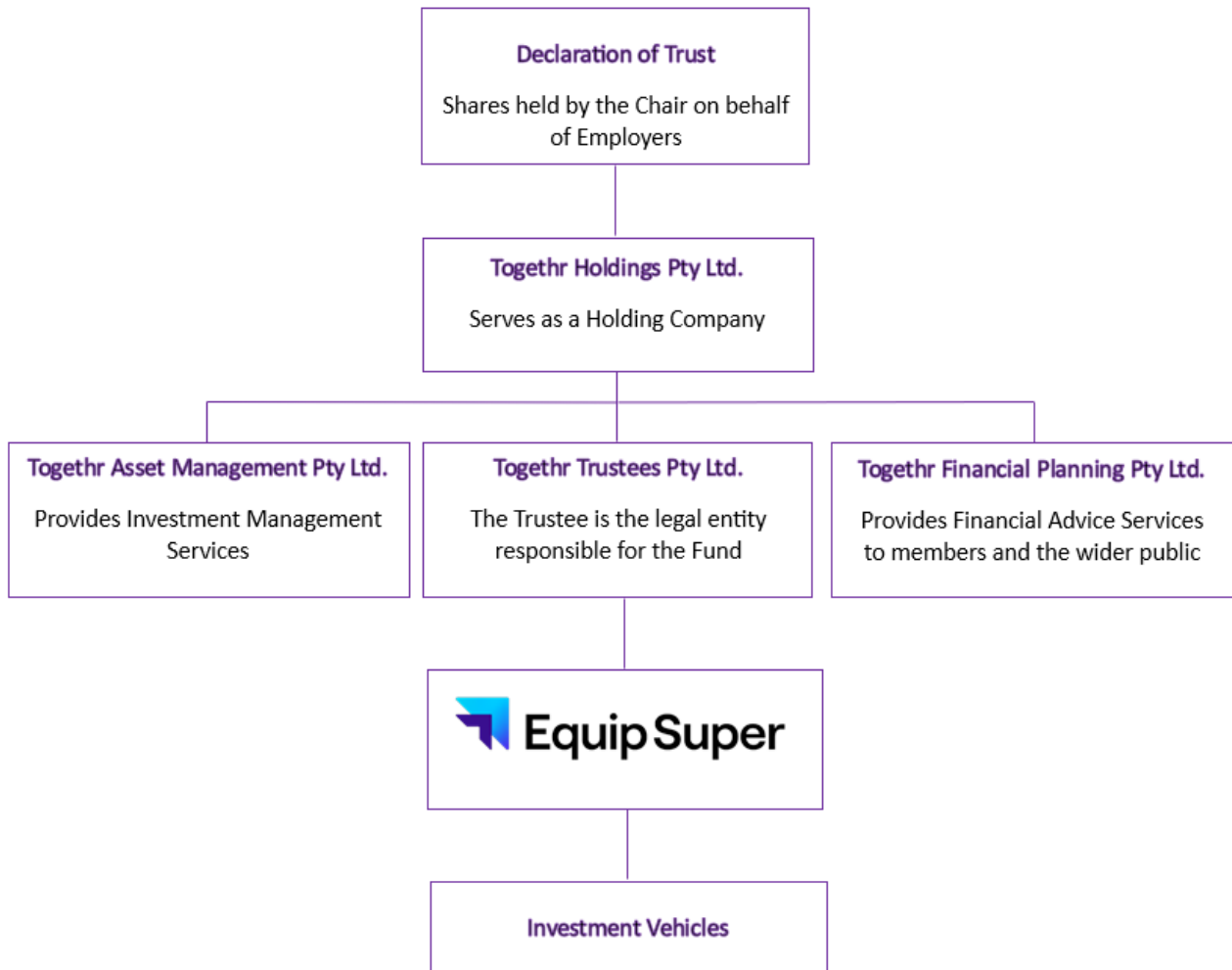
Regardless of the benefit type, contributions made by or on behalf of members are invested in accordance with an investment strategy adopted by the Trustee, which is regularly reviewed. The Fund is constituted as a trust, which means the laws governing trustees, together with the laws covering superannuation as well as many other areas including, privacy, data, anti-money laundering, corporations and tax, apply to the operation of the Fund and the role of the Trustee.

Further information can be found at sections:

- 1.5 - Regulatory Landscape; and
- 1.6 - Trust Law.

1.3 Corporate Structure

The Group's structure is illustrated in the diagram below.



Key elements to note are:

- Member and employer services, including dedicated member and employer relations staff, are provided by the Trustee office.
- Specialist services are outsourced to specialist providers, including fund administration (Mercer Outsourcing Australia), group insurance (MetLife Insurance Limited), asset consulting (JANA Investment Advisers) and custodian services (The Northern Trust Company).
- Financial Advice is a core part of our client offering, with Togethr Financial Planning Pty Ltd providing financial advice services to members and the wider public, from offices around Australia. Our financial planners work closely with Trustee office staff to provide member education and advice services, and to support ongoing product development and planning for member needs.
- The Asset Management specialist Investments team oversees the Fund's investments and manages the outsourced investment managers that invest money on behalf of the Fund.

1.4 Shareholding Arrangements

The Fund is not operated to generate a profit for or pay a profit to shareholders of the Trustee.

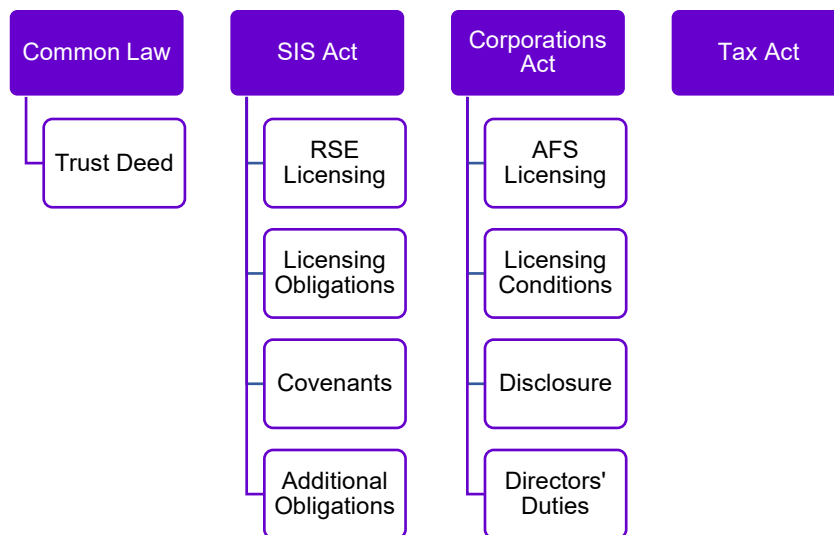
The Holding Company, Togethr Holdings Pty Ltd (THPL), is the sole shareholder in the Trustee, Togethr Asset Management Pty Ltd and Togethr Financial Planning Pty Ltd.

The Chairman of the Board is the sole shareholder of the Holding Company. Pursuant to a Declaration of Trustee, the Chairman holds the shares on trust for employers who participate in, and contribute to, the Fund.

1.5 Regulatory Landscape

The Fund operates in a complex and highly regulated environment.

To protect the best financial interests of the beneficiaries of the Fund, the law imposes fiduciary duties and regulatory obligations on Trustee Directors. The primary sources of these duties are illustrated in the diagram below.



The regulation of the superannuation industry is primarily carried out by:

Australian Prudential Regulation Authority (APRA)

APRA establishes and enforces Prudential Standards which are designed to ensure financial institutions meet their financial promises, within a stable, efficient and competitive financial system.

Supervision is a core element of APRA's role as prudential regulator. APRA primarily conducts pre-emptive, risk-based supervision programs for superannuation funds.

Australian Securities & Investments Commission (ASIC)

ASIC is responsible for consumer protection and aims to ensure that consumers maintain trust and integrity in the financial system. ASIC regulates the conduct and disclosure obligations of Australian Financial Services (AFS) Licence holders.

In addition, ASIC is responsible for ensuring that Directors comply with their duties under the Corporations Act 2001 (*Cth*).

Australian Taxation Office (ATO)

The ATO administers legislation dealing with the taxation of superannuation fund earnings, contributions and benefits, as well as unclaimed superannuation money. The ATO also administers compliance with Superannuation Guarantee obligations. It is the regulator for self-managed superannuation funds.

Some other legislative requirements are overseen by regulators including the Australian Transaction and Reports Analysis Centre (AUSTRAC), the Office of the Australian Information Commissioner (OAIC) and Australian Financial Complaints Authority (AFCA).

Under the Superannuation Industry (Supervision) Act 1993 (SIS Act) and Corporations Act, the Trustee is regulated and required to hold licences issued by APRA and ASIC. The licences and laws under which the Trustee operates impose specific obligations on the Trustee as the Trustee of the Fund and on Directors personally.

1.6 Trust Law

Regulated superannuation funds are required to be established as trusts. A trust is an arrangement where assets are held legally by one entity (trustee) on behalf of another (beneficiaries or members). Trustees are fiduciaries and must discharge their duties in the best financial interests of the beneficiaries of the Fund, in accordance with general and statutory trust law. The fundamental duties of a trustee are to:

- be familiar with the terms of the trust (which means understanding the operation of the trust deed and the other constituent documents that govern the operation of the Fund);
- not profit from their role as trustee (this does not mean that Directors are prohibited from being remunerated if the trust deed permits, but it does mean that Directors cannot use their position as a trustee to their advantage at the expense of members);
- administer the Fund in the best financial interest of beneficiaries of the Fund (this means that members' financial interests are paramount in the administration of the Fund);
- act impartially between beneficiaries (this means that there must be even handedness in decisions impacting members that belong to different cohorts within the Fund);
- act prudently particularly regarding the investments of the Fund (as someone responsible for the financial outcome of another person, this means that a degree of due care and diligence needs to be exercised when managing the Fund, selecting and monitoring the appointment of investments, investment managers and other service providers);
- give personal attention to the office of the Trustee and only delegate the Trustee's powers and duties if permitted by the Trust Deed or legislation (this means that unless permitted to be delegated to Management or a Committee of the Board, through an "instrument of delegation", the decisions of the Trustee must be made by the Board); and
- keep account and provide information to beneficiaries (the accounts of the Fund and of the Trustee must be properly maintained and audited. Information must be maintained in a form that can enable beneficiaries/members to understand their entitlements within the Fund).

The other main pieces of legislation with impact on the operation of the Fund and the Trustee are:

- The Income Tax Assessment Acts 1936 and 1997;

- Superannuation Guarantee (Administration) Act 1992;
- Privacy Act 1988 and the Australian Privacy Principles;
- Anti-Money Laundering and Counter-Terrorism Financing Act 2006;
- Family law legislation (as it relates to separating couples and the division of super);
- Australian Securities and Investments Commission Act 2001; and
- Anti-discrimination legislation.

2. The Board

The Board's vision is to deliver excellence in superannuation, delivered with care.

The Board determines the strategic direction of all aspects of the Trustee's business and oversees the operations, management and ongoing development of the Fund for the benefit of members and beneficiaries. The Board is ultimately accountable to all members of the Fund and to the employers that contribute to the Fund on behalf of their employees.

In accordance with the Trustee's Constitution, the Trustee Board has the same composition as the Board of THPL.

Further to this, the Trustee has an exemption from APRA, permitting the Board to comprise an equal number of Employer Representative Directors, Member Representative Directors and Independent Directors. Transitioning to a governance model in which one third of the Board are Independent Directors has enriched the Board's insight, discussion and capacity for fully informed and improved decision making. In addition, this governance model ensures continuity of focus on the interests of member and employer stakeholder groups.

Therefore, in compliance with the Trustee's Constitution and the equal representation requirements in the SIS Act and Registerable Superannuation Entity (RSE) Licence exemption from s93(3) of the SIS Act, the Board is structured to comprise of:

- Three Independent Directors;
- Three Employer Representative Directors; and
- Three Member Representative Directors.

One of the Independent Directors acts as Chair of the Board.

This structure satisfies the current "equal representation" requirements of SIS, which are intended to ensure that there is equal representation of employer and member interests on the Board. It is, however, important for all Directors to be aware that they are not appointed by, or to represent, any specific constituency or interest group. Rather, the role of the Director is to act in the best financial interests of the beneficiaries of the Fund, as a whole. All Directors must exercise impartial and objective judgement and treat all members of the Fund equally and fairly, having regard to all circumstances relevant to a particular matter.

3. Directors

3.1 The role of Directors

The role of Directors generally is to provide strategic direction to the Trustee, and to monitor and oversee the operational management of the Trustee. This includes responsibility for the appointment of the Chief Executive Officer, and the establishment and oversight of ongoing risk, governance and financial management systems.

3.2 Duties of Directors

If you become a Director of the Trustee Company and THPL, you will have obligations that arise under general law, legislation including the Corporations Act and the SIS Act, the Trustee's licences, the Trustee's Constitution, and the Trust Deed which contains the Rules of the Fund.

All new Directors are expected to have an understanding of the general duties and legal requirements of Directors when they join the Board. This Guidebook is not intended as a definitive explanation of a Director's role, but only to highlight key elements that are most relevant for a potential new Director to consider.

In addition to the general duties and obligations that apply to all company Directors, SIS imposes specific obligations on the Directors of a company that is the trustee of a regulated superannuation fund. These duties are specified as covenants which are deemed to be included in the governing rules of the relevant superannuation fund.¹ They include obligations to:

- Act honestly in all matters concerning the fund;
- Exercise the same degree of care, skill and diligence as a prudent superannuation fund Director would exercise in relation to a fund where the person is a Director of the trustee of that fund, and the trustee makes investments on behalf of the fund's beneficiaries;
- Perform the Director's duties and exercise the Director's powers as a Director of the corporate trustee of the fund in the best financial interests of the fund's beneficiaries;
- Where there is a conflict between: (i) the Director's duties to beneficiaries of the fund or the interests of fund members and (ii) the Director's duties to any other person or their own interests or the interests of the trustee, or any associate of the Director or the trustee, give priority to the interests of beneficiaries, ensure that the interests of beneficiaries are met despite the conflict and are not adversely affected by the conflict, and comply with the relevant APRA Prudential Standard regarding conflicts management; and
- Not enter into any contract or do anything else which would prevent the Director or the Trustee company from, or hinder the Director or Trustee company in, properly performing or exercising the Director's or company's functions and powers.

Further, the SIS Act imposes specific obligations or covenants on the trustee of a regulated superannuation fund.² Directors are subject to an additional obligation to exercise a reasonable degree of due care and diligence for the purposes of ensuring that the trustee company carries out those obligations and covenants.

¹ Refer in particular to section 52A of the SIS Act.

² Refer generally to section 52 of the SIS Act.

The covenants attaching to Directors are personal obligations deemed to be made by each Director as if they were a party to the governing rules and accompanied by a statutory right for members of the Fund to sue a Director for losses arising from a breach of a covenant. The result is that Directors have a direct and personal liability to members for any breach of the covenants and may be joined individually in proceedings against the Trustee Company, subject to the plaintiff obtaining the leave of the Court. Trustee Directors must therefore take particular care to ensure that they can devote the required level of due care, skill and diligence in the discharge of their duties.

Some of the specific obligations of the Trustee, which the Directors must ensure are carried out, include to:³

- The SIS Act and APRA impose requirements on trustees in relation to the establishment of strategic objectives and assessment of outcomes they seek to achieve for members, referred to as Member Outcomes Assessments⁴;
- Formulate, review regularly and give effect to an investment strategy for the whole of the Fund and for each investment option, having regard to a number of factors, which include the risk and likely return from the investments, the Trustee's objectives and strategy and the expected cash flow requirements, composition of investments, liquidity, tax consequences and costs;
- Formulate, review regularly and give effect to an insurance strategy for the benefit of beneficiaries of the Fund, which includes addressing the kinds and levels of insurance to be offered and the basis for the decision to offer that kind and level of insurance, having regard to the demographic of Fund members and the method by which insurance is to be offered;
- Formulate, review regularly and give effect to a risk management strategy that relates to relevant activities or proposed activities of the Trustee and the risks that arise in operating the Fund;
- Consider the cost to all beneficiaries of offering insurance of a particular kind or at a particular level and offer it only if the cost will not inappropriately erode the retirement income of beneficiaries;
- Do everything that is reasonable to pursue an insurance claim for the benefit of a beneficiary if the claim has a reasonable prospect for success; and
- Maintain and manage financial resources to cover the operational risk that relates to the Fund in accordance with relevant prudential standards.

3.3 Director Skills, Competencies and Attributes

The Trustee has a strong commitment to ensuring that it has a skills-based Board, and consists of Directors with the necessary skills, education and experience to manage the Fund in accordance with their governing rules, relevant laws and in the best financial interests of the beneficiaries of the Fund.

The Fit and Proper Policy sets out specific minimum standards of education, skills and experience for all Directors, and the process for assessing the skills, education, qualifications and experience for all potential candidates for appointment as a Director.

³ Refer in particular to sections 52(6), (7) and (8) of the SIS Act.

⁴ Refer in particular to sections 52(2)(9)-(13) of the SIS Act.

The Competency Statement specifies both mandatory eligibility criteria, including minimum levels of qualifications, education or experience, and the desired skills and competencies for Director candidate appointments. The mandatory eligibility criteria must be met by all candidates.

Of course, each Director cannot be an expert in all matters that are considered by the Board, and all Directors will bring different backgrounds and expertise to their role. The Trustee is seeking to encourage diversity of thought and background among Directors, who will ideally come from a broad range of professional and personal backgrounds.

However, there are core skills and knowledge which all Directors must have, and it is useful for any person considering becoming a Director to think about the qualities, knowledge and characteristics that will be needed for them to perform their role effectively.

4. Director Candidate Process

4.1 How to nominate as a candidate

The Nomination Form and nomination instructions specifying the information candidates are required to provide with their nomination, are included on the websites.

Candidates should note that all candidates must:

- Be aged 18 and over;
- Candidates for a Member Representative Director position must be a Fund member for at least 90 days prior to nomination;
- Be able to satisfy the Board that the nominee has a direct, substantial and relevant connection to the membership base or to an industry that employs a significant number of Fund members, to ensure that a deep understanding of our members' perspective will continue to inform the Trustee's decision making;
- Provide a Nomination Form duly signed by the candidate for a Member Representative Director role or signed by a nominating Employer for an Employer Representative Director role; and
- Meet the minimum education, qualifications and experience criteria stated in the Competency Statement.

4.2 No disqualified persons

A disqualified person is not eligible to be a Director of a superannuation fund.⁵ This means that a person considering nominating for a position as a Director, must not:

- Have ever been convicted of dishonest conduct (e.g. theft);
- Be an insolvent under administration (e.g. an undischarged bankrupt);
- Have been subject to a civil penalty order (which is a special kind of penalty that can be imposed under the SIS Act and other acts); or
- Have been disqualified by the regulator (APRA) or a court.

4.3 Timing and term of appointment

The successful candidates are expected to be appointed by the Boards on or around **mid-October 2024**.

It is expected that the successful candidate's term of office will commence on or around **mid-October 2024** and, subject to early termination or extension, run to **mid-October 2028**.

Candidates should note, however, that under the Trustee and THPL constitutions, the Board has the power to extend or shorten Directors' terms of office, which could allow an earlier or later end to the successful candidate's term.

⁵ *It is an offence for the person and also an offence for the company, if the Trustee knows or has reasonable grounds to suspect that any of its responsible officers is a disqualified person.*

4.4 New Directors' Induction

A successful candidate will be provided with an induction program, including:

- A written information package of key Fund documents such as the Fund's Rules, the Company constitutions of the Trustee and THPL, and relevant policies;
- Personal briefings with key Management personnel; and
- Access to specialist trustee training programs (if required).

The induction program will be provided to the successful candidate on appointment.

All Directors are also required to maintain and develop relevant skills and knowledge in relation to continuing professional development and retain an evidentiary register, which will form part of the individual Director's performance assessments and inform individual director development plans. Further, Directors are encouraged to develop their own knowledge and thinking on relevant issues.

The new Directors will be expected to undertake any relevant training to achieve a depth of understanding of the industry and the Fund within 12 months of appointment.

5. Governance of the Trustee, the Holding Company and the Fund

The Trustee believes that good corporate governance is fundamental to ensuring that the Fund is managed properly to support our members to prepare for financial freedom in retirement. A copy of the Governance Framework is available on request.

5.1 Board Structure

As noted above, the Trustee Board is structured to meet the SIS Act equal representation requirements, ensuring that both employer and member interests are represented on the Board. Also, in accordance with the SIS Act and the Trustee's Constitution, all Board decisions must be made by at least a two-third majority of Directors.

The Board operates under a formal Charter which is approved by the Board, and a position description is maintained for the position of the Chair.

The Board's key responsibilities include:

- Making reasonable and informed decisions in a timely manner in the best financial interests of beneficiaries of the Fund (and which consider the impact of its decision on beneficiaries);
- Approving the Risk Management Framework and determining the Trustee's risk appetite and tolerances;
- Within the approved Risk Management Framework and risk appetite, approving and regularly reviewing the strategic and financial objectives and direction of the Trustee's business overall in order to maximising the retirement benefits of its members;
- Approving, reviewing and monitoring the Strategic Plan and annual operating budget for the Fund;
- Reviewing and approving the Trustee's significant frameworks;
- Ensuring that appropriate risk, compliance and financial control systems are in place and monitored regularly, and that appropriate actions are implemented to address any issues which arise;
- Ensuring appropriate oversight of the financial management of the Trustee and the Fund, and approving the annual financial statements for the Trustee and the Fund;
- Ensuring that there are adequate resources for the business operations of the Fund;
- Appointing and subsequently reviewing the performance of the CEO, setting an appropriate remuneration package, and ensuring adequate succession planning; and
- Performing such other functions as required by the relevant laws and ensuring the Trustee acts legally, responsibly, fairly and ethically on all matters.

In accordance with the provisions of the Trustee's Constitution, the Board has delegated responsibility for the day-to-day running of the Fund to the CEO, pursuant to an Instrument of Delegation.

5.2 Trustee Board Committees

Under its Charter, the Trustee may establish Board Committees as it considers necessary or appropriate to assist it in carrying out its responsibilities.

The Trustee has established five Board Committees, to which it has delegated authority to act on its behalf in respect of fulfilling certain obligations and strengthening its overall Governance Framework.

The Board Committees currently include the:

- Audit and Finance Committee;

- Governance and Culture Committee;
- Investment Committee;
- Stakeholder Engagement and Innovation Committee; and
- Risk and Compliance Committee.

The Trustee may also resolve to establish specific sub-Committees from time to time.

For the purpose of Board appointments, a Nominations Committee will be established to review applications and provide a recommendation as to the suitable candidate(s) to the Boards.

The five current standing Committees are outlined below.

5.2.1. Audit and Finance Committee (AFC)

The objective of the AFC is to assist the Board in the effective discharge of its responsibility to:

- independently verify and safeguard the integrity of the group's financial and regulatory reporting;
- oversee the appointment, reward and performance of both the external and internal audit functions, the tax advisor and the custodian of Fund assets; and
- oversee the annual budget process and provide ongoing monitoring and oversight of financial performance against budget.

The ACC is comprised of four Directors.

5.2.2. Governance and Culture Committee (GCC)

The objective of the GCC is to assist the Board in the effective discharge of its responsibilities in relation to all aspects of corporate governance, people and culture and remuneration matters.

The GCC is comprised of three Directors.

5.2.3. Investment Committee (IC)

The objective of the IC is to assist the Board in the effective discharge of its responsibilities in relation to the investment strategy. The IC also oversees the implementation and management of the Investment Governance Framework, including investment risk management.

The Board has appointed an independent asset and investment advisor, and an independent investment advisor, as consultants to the Committee.

The IC is currently comprised of three Directors.

5.2.4. Risk and Compliance Committee (RCC)

The objective of the RCC is to assist the Board in the effective discharge of its responsibility to establish and oversee a system of sound risk oversight and culture, risk management and internal control and oversee the Group's compliance with all applicable laws, regulations, standards and codes and the provisions of the Trust Deed for the Fund.

The RCC is comprised of four Directors.

5.2.5. Stakeholder Engagement and Innovation Committee (SEIC)

The objective of the SEIC is to assist the Board to effectively discharge its responsibilities to the Fund's members, beneficiaries and employers (Stakeholders) in overseeing:

- the major strategies for the delivery of the overall Stakeholder experience, including products, services and benefits to the Fund's Stakeholders, in support of the Strategic Plan;
- the performance and services provided by the Administrator and Group Life Insurer and the management of their service delivery;
- the performance and services provided of the call centres, financial advice and customer engagement teams;
- the management, review and determination of claims, complaints and litigation relating to insurance benefits; and
- the continuous improvement of the Trustee's Stakeholder engagement, investment and business operations through innovation and technology.

The Board has delegated authority to the SEIC to exercise the Trustee's discretion in the determination of certain claims for insurance benefits.

The SEIC is comprised of four Directors.

5.2.6. Governance of the Committees

Each Committee operates under a Charter approved by the Board and reports regularly to the Board. Minutes of Committee meetings are made available to all Directors.

5.2.7. Composition

The Board determines the composition of each Committee, and appoints a Chair of the Committee, having regard to the Committee's functions and responsibilities. Each Committee is structured to ensure its members collectively have the relevant skill set to effectively perform the Committee's function. Accordingly, the Board may also engage expert advisors to provide specialist expertise to a Committee.

The Board reviews the composition of each Committee at least annually.

5.2.8. Attendance

All Directors may attend any meeting of any Committee, although if a Director is not a member of that Committee, they do so as an observer.

New Directors are encouraged to attend meetings of the Committees of which they are not a member of, to familiarise themselves with the Committee's functions and operations.

5.3 Board Meetings

5.3.1. Number and timing of Meetings

There are usually at least six Board meetings each year, although additional meetings are held as required for the proper conduct of the Trustee's business. These include four quarterly meetings, one meeting specifically addressing the annual financial statements, one meeting specifically addressing the Member Outcomes Assessment (SPS 515) and at least two strategy focussed sessions.

Board meetings (other than the strategy sessions, which are held at an offsite location) are generally held at the Trustee's offices (Level 12, 330 Collins Street, Melbourne or 1/535 Bourke Street, Melbourne). Where necessary or practicable, Directors may attend the meeting remotely.

5.3.2. Meeting Agenda and Papers

All Board meetings follow a formal agenda which is prepared by the Company Secretary and is approved by the Chair. Written papers on the matters to be brought to the Board are generally circulated one week prior to the meeting.

If a Director has any questions regarding the papers prior to the meeting, they are requested to contact the Chair of the Board or the relevant Committee Chair.

5.3.3. Confidentiality

All Board and Committee papers and other information received as a Director are confidential. Directors must also respect and comply with the law in relation to the privacy of member and employer information, to:

- Protect the commercial position of the Trustee (and hence the value of members' benefits);
- Respect members' and employers' privacy or commercial interests (the Trustee is subject to the Australian Privacy Principles); and
- Prevent premature release of information that may affect investment markets.

5.3.4. Minutes

The Company Secretarial team is responsible for keeping minutes of Board and Committee meetings. The usual procedure is for draft minutes to be reviewed by the Chair of the relevant meeting. Final draft minutes are then generally presented for approval at the next Board or Committee meeting.

5.3.5. Attendance at Meetings

It is not always possible for every Director to attend every meeting. Where a Director cannot attend in person (for example, because they are ill or overseas), they are encouraged to attend by video conference, if possible.

If a Director cannot attend a meeting in person or by video conference, they are asked to advise the Chair or the Company Secretary in advance of the meeting.

The Trustee does not allow the use of Alternate Directors. There is no ability for a Director to appoint a "proxy" or representative to attend meetings on their behalf.

Directors who cannot attend a meeting are also asked, as far as possible, to read the papers for the meeting and advise the Chair, another Director, the Chief Executive Officer or the Company Secretary of any issues they wish to raise in relation to matters to be presented to the meeting, to ensure their views can be taken into account.

In exceptional circumstances, Directors can request the Board to grant a leave of absence for up to three months. Any further extension is subject to review by the Board.

6. General Information

6.1 Provision of information to Directors

Most information required by Directors will be provided through the formal papers for Board and Committee meetings. All Board and Committee books are provided electronically via Diligent.

Information is also provided on matters that arise between formal meetings or which are of general interest, such as investment performance reports and statistics, regulatory changes or significant developments in the industry.

Directors will be provided an email address, and this information is usually circulated by email. Directors are also provided with copies of bulletins and information sent generally to Fund members and employers.

6.2 Circular Resolutions and additional meetings

Important and urgent matters may arise between the scheduled Board meetings that require Board approval. When this occurs, if the matter is unlikely to require significant discussion, it will usually be dealt with by Circular Resolution where necessary. Where this is required, the Governance team/Company Secretary will circulate an explanatory paper via Diligent. Directors are required to provide their approval of the resolution via Diligent, within a specified time.

Where an urgent matter is likely to require Board discussion, an additional Special Purpose Board meeting may be called, sometimes at short notice. Every effort is made to minimise the number of additional meetings, and where they are required, to hold them at times convenient to the majority of Directors.

6.3 Directors' Training and involvement in the industry

All Directors are encouraged to improve and maintain their skills and education on matters relevant to their role as a Director. The Fit and Proper Policy (a copy of which is included in the *Candidate Information Pack*) requires Directors to undertake a minimum of 30 hours training or self-education per year. Directors are required to provide an annual register of the training and education undertaken, which is monitored by the Company Secretarial team.

Where a Director undertakes ongoing education for other professional qualifications it may be included for these purposes, if relevant to the Director's role at the Trustee and THPL.

Directors are also encouraged to participate in appropriate industry groups and forums, both to expand their own skills and to represent the Fund.

The Trustee's annual budget includes an allowance for Directors' training and attendance at conferences. To ensure the appropriate allocation of resources, the training program and individual attendance at training courses and conferences may be approved by the Chair.

6.4 Director Remuneration

All Directors (other than the Chair) are paid a base annual remuneration, with an additional allowance paid to the Chair of each Committee. Our remuneration disclosure document is available on the websites and provides details of the remuneration structure for Directors and Executive Officers of the Fund.

The Chair is remunerated at a different rate to other Directors.

Directors are also reimbursed for reasonable out of pocket expenses. The Trustee pays travel and accommodation costs for attendance at meetings in Melbourne, for those Directors living outside Melbourne, where required.

6.5 Commitment

Most scheduled activities involving Directors, including Board and Committee meetings, will take place during normal business hours. Some Board training and Directors' dinners occur outside business hours. However, as a Director you will also need to spend additional personal time on the Company's affairs, including time preparing for meetings, considering information provided and attending training. This may be difficult for persons who already have other significant roles and commitments, and it is very important that prospective Directors understand the time requirements for effectively performing their role.

The following table indicates the general time commitment required for all Directors:

	Summary of expected time commitments <i>(based on usual Board activities)</i>
<p>On becoming a Director of the Companies for the first time (depending on the Director's personal experience and background).</p>	<p>One-to-two-day induction program, plus specific trustee training courses run by Association of Superannuation Funds of Australia (ASFA) or Australian Institute of Company Directors (AICD), if required.</p> <p>Briefings and time required for initial familiarisation with the Fund and Companies, including reviewing the Induction Package, Trustee policies and other important information.</p> <p>Any Director who has not already completed an ASFA course related to Governance or Trustee or an AICD Company Directors' course is encouraged to undertake one of these courses.</p>
<p>Board meetings</p> <p>(The reading times quoted will depend on the complexity of the matters to be considered and the length of papers)</p>	<p>Four quarterly meetings a year, each lasting almost a full day or over a two-day period.</p> <p>Directors' training or workshops are usually held prior to the commencement of the quarterly Board meeting.</p> <p>A Board dinner is usually held in the evening on day 1 of the quarterly Board meeting.</p> <p>Two additional Board meetings per year taking around three to four hours for consideration and approval of:</p> <ul style="list-style-type: none"> • the annual financial statements and Risk Management Declaration; and • the Member Outcomes Assessment (SPS 515). <p>Two strategy focussed sessions per year, taking at least two days offsite, reviewing and assessing the Fund's strategy.</p> <p>Additional meetings as required on an ad hoc basis, usually of two to four hours duration. In recent years, at least two additional meetings have been held in each year.</p> <p>Reading time and pre-meeting preparation: five hours per Board meeting.</p>

<p>Committee meetings – the time commitment depends on the Committee.</p> <p>Each Board member is also a member of two Committees.</p> <p>The Chair of each Committee will also need to undertake additional work considering meeting agendas and minutes, and in some areas working with Management or the Board Chair between meetings.</p>	<p>Audit and Finance Committee:</p> <p>Four to six meetings per year each of approximately three to four hours, plus pre-meeting preparation.</p> <p>Governance and Culture Committee:</p> <p>Four meetings per year each of approximately three to four hours, plus pre-meeting preparation.</p> <p>Governance policy documents may require detailed consideration prior to the meeting.</p> <p>Investment Committee:</p> <p>Four meetings per year taking around three to four hours, plus pre-meeting preparation. Detailed consideration of investment reports is required.</p> <p>One investment strategy focussed session, usually held over two days.</p> <p>Additional meetings as required on an ad hoc basis.</p> <p>Risk and Compliance Committee:</p> <p>Five meetings per year each of approximately three hours, plus pre-meeting preparation.</p> <p>Risk and compliance reports and policy documents may require detailed consideration prior to the meeting.</p> <p>Stakeholder Engagement and Innovation Committee:</p> <p>Four meetings per year each of approximately three hours.</p> <p>Papers for these meetings may include lengthy reports on litigation claims to be decided by the Committee, which may include medical reports and background information.</p>
<p>Meeting preparation</p>	<p>Reading time and pre-meeting preparation: five hours per committee meeting.</p>
<p>Ongoing training</p>	<p>A minimum of 20 hours of training and 10 hours of self-education or reading per financial year (as currently specified in the Fit and Proper Policy).</p>

7. Directors' Protections

The SIS Act legislation aims to ensure that trustees are in control of the fund and have the legal capacity and power to fulfil their duties properly. Three specific protections and rights are contained within SIS.

7.1 Protection from direction

Trustees must not be subject to direction by others, except in limited circumstances (e.g. binding death benefit nominations, direction by members in relation to selection of investment options, directions from the regulator or a court). Discretions conferred on trustees under the governing rules of the fund they administer cannot be exercised by anyone other than the trustee without the consent of the trustee, and amendments to the governing rules cannot be made by anyone other than the trustee without the consent of the trustee. Employers generally have limited ability to give trustees directions (unless the direction relates to admission of new employees as members, the creation of new membership categories and voluntary employer contributions).

7.2 Protection from external pressure

There are anti-victimisation provisions in the SIS Act which are designed to protect trustees against pressure from employers to make decisions which are contrary to the best financial interests of members.

7.3 Right to seek advice

Trustees have the right to seek professional advice on any aspect of their trustee responsibilities and duties and to have this advice paid for by the Fund.

8. Directors' Potential Liabilities and Indemnities

It is important that all potential Directors are aware that they are responsible and, in some instances, can be held personally liable for the operation and management of the Trustee, THPL and the Fund.

There are prohibitions on misleading and deceptive behaviour/statements which are contained in the Australian Securities and Investments Commission Act 2001 and the Corporations Act.

Directors can be liable for misleading and deceptive statements in disclosure materials, so it is important to ensure that promotional or regulatory disclosures do not contain information or statements that are false or misleading.

However, some protection is provided for Directors in relation to such liability:

- As permitted under SIS, the Trust Deed for the Fund provides that the Trustee, and each director of the Trustee, is exempted from liability and may be indemnified out of the a Reserve established specifically to address the risk of the Trustee and its Directors incurring personal liabilities for which they cannot be indemnified from the assets of the Fund, in respect of any liability or claim caused or incurred in any manner, whilst acting as a Director of the Trustee.⁶
- In addition, Article 10.2 of the Trustee's Constitution provides that "the company may indemnify, on a full indemnity basis, each person to whom this rule 10.2 applies, against all losses or liabilities (including costs and expenses payment of any civil, administrative or criminal penalty incurred in relation to a contravention of a law of the Commonwealth and payment of any amount under an infringement notice (however described)) incurred by the person as a director or officer of the company, except where prohibited by the Corporations Act 2001 (*Cth*) or other applicable law." This entitlement is provided through a Deed of Indemnity and Access. The indemnity applies during the period of a Director's appointment and for a further seven years after the Director ceases to hold office. The Deed also provides Directors with access to Board papers for the same period, subject to the Privacy Act or any other applicable privacy laws. A copy of the pro forma Deed of Indemnity and Access can be provided on request.
- The Company also maintains insurance policies, including for Professional Indemnity and Crime, and Directors and Officers Liability, to protect Directors, Management and the Fund to the extent it is legally permissible to do so.
- Directors are also entitled to obtain legal advice where appropriate at the Trustee's expense.

⁶ Refer in particular to Article 4.4 of the Equip Super Trust Deed for further information. The Trust Deed is available on our websites.

9. Further Information

Further information in relation to the Fund is available from our websites:

- Equip: <https://www.equipsuper.com.au/>
- Catholic Super: <https://csf.com.au/>

If you would like any further information in relation to the role of a Director for the Fund, the Fund, or the Director appointment process, please email csecretariat@equipsuper.com.au.