

**NURSERY & GARDEN INDUSTRY NSW & ACT
INVESTMENT COMMITTEE CHARTER
ABN 36 001 075 574**

Effective Date: 6th August 2025

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1. INTRODUCTION

The Investment Committee is a standing committee of NGINA and is responsible for acting on and providing advice to the NGINA Board on the investments of NGINA as set out in the terms of reference in NGINA's Constitution

The Investment Committee has the duty for the sound operation and administration of the Fund.

The members of the Investment Committee are fiduciaries of the Fund with respect to all responsibilities allocated to them in this charter. The members will discharge their duties solely on behalf the Board and in accordance with the purpose and strategy.

Nursery and Garden Industry NSW & ACT Limited (NGINA) is the peak representative body for the Nursery & Garden Industry in NSW & ACT and consists of members from many sectors of the industry.

Nursery and Garden Industry NSW & ACT Limited (ABN 36 001 075 574) is an Australian Public Company.

NGINA's principal activities are to facilitate the successful growth of the nursery and garden industry and the profitability and professionalism of members through promotion, representation, education and communication.

The association's long term objectives are to:

- Increase the membership base
- Promote and further the interests of members and the nursery industry; and

Promote the industry to the public. Investment decisions made by the Investment Committee are to be done so in a manner that is going to further NGINA's ability to fulfil its purpose and execute its strategy both for short term needs and long term security.

2. PURPOSE AND DEFINITIONS

2.1. Purpose of this Charter

The purpose of this Charter is to set out:

- the establishment, objectives and membership of the Investment Committee;
- the responsibilities of the Investment Committee and its members; and
- the procedures for the conduct of the Investment Committee's affairs.

2.2. Definitions

In this Charter:

- **'NGINA'** means The Nursery & Garden Industry NSW & ACT, ABN 36 001 075 574;
- **'Board'** means the Board of Directors of The Nursery & Garden Industry NSW & ACT
- **'Chair'** means the Chair of the Investment Committee set out in paragraph 3.1(g)
- **'Code of Ethics'** means the code of ethics of the Investment Committee as set out in Appendix A.
- **'Financial Year'** means a one year period from 1 July to 30 June the following calendar year.
- **'Fund'** means the investment portfolio consisting of NGINA's investable assets;
- **'Investment Manager'** means professional and qualified firms or individuals who are engaged by the Investment Committee to provide investment advice and services under contractual terms;
- **'Investment Committee'** means the permanent standing committee appointed by the Board of NGINA to oversee the Fund's investment Mandate in accordance with the Investment Committee Charter;
- **'Investment Committee Charter'** means this document outlining the organisation, structure and responsibilities of the members of the Investment Committee as amended from time to time;
- **'Investment Mandate'** means the Fund's investment objectives, guidelines and strategy as provided for in the Investment Policy;
- **'Investment Policy'** means the investment policy adopted by NGINA which sets out the investment methods for achieving the investment objectives as amended from time to time;
- **'Member'** means a member of the Investment Committee; and
- **'Secretary'** means the means the NGINA Company secretary as set out in paragraph 3.1(h).

3. ORGANISATION AND STRUCTURE

3.1. Membership

- (a) The Investment Committee will be a permanent standing committee of NGINA.
- (b) The Board designates the Investment Committee members and selects the Chair.
- (c) The NGINA Board President and the Company Secretary must sit on the Investment Committee. The Investment Committee must also include one other Board member of NGINA.
- (d) The Investment Committee will comprise at least three NGINA members and no more than six NGINA members and all members of the committee shall be independent. (Members will be considered independent as long as they do not accept any consulting, advisory, or other fee from NGINA.)
- (e) The composition of the Investment Committee cannot have less than 30% and no more than 67% overlap with the Board.
- (f) Each member should have the skills and experience appropriate for the management of investments in the not-for-profit sector.
- (g) The Investment Committee shall select three Authorised Signatories to manage the delegations to the Investment Manager. The Authorised signatories must include one board member and one non-board member to ensure it is reflective of the Committees decisions.
- (h) The maximum term on the Committee is 12 years in total. Members having served a period of 6 years are required to stand down but may return to the committee for a further 6 years following a 1 year break.
- (i) The Chair's responsibilities will be to ensure that:
 - the meetings are conducted in an orderly manner and in accordance with this Charter;
 - all attendees have the opportunity to state their views and objections;
 - all agenda items and special issues are adequately discussed; and
 - minutes of meetings accurately reflect the attendance, discussions, and decisions made.
- (j) The Minutes Secretary shall be appointed as required. The Secretary's responsibilities will be to ensure that:
 - Members and any observers invited to attend any Investment Committee Meeting in accordance with section 3.2 of this charter are given notification of the time, date and location of meetings;
 - the agendas of meetings (together with the appropriate papers) are communicated to each Member and invited observer at least 5 days prior to the scheduled meeting, or such shorter period as may be agreed by the Investment Committee;

- minutes which accurately record the deliberations of the Investment Committee are prepared following a meeting of the Investment Committee, and are distributed to each Member within 10 days after the meeting; and
- all documentation used in the process (including all checklists, correspondence, agendas, minutes, consents and verification of information) is maintained.

3.2. Meetings

- (a) *Quorum* - subject to conflict provisions noted in this Charter, the quorum for a validly constituted meeting of the Investment Committee is 3 Members, including one Board member (in person or via electronic means).
- (b) *Other attendees*
- (i) The Investment Committee may invite any other personnel to attend any Investment Committee meeting, as observers.
 - (ii) An observer may speak at, and make recommendations to, any Investment Committee meeting, but they will not be entitled to vote. The Investment Committee is not bound to follow any recommendation of an observer.
- (c) *Attendance by experts and others* - where specific agenda items relate to experts' reports, appropriate representatives of those organisations may be asked to attend in person at one or more of the Investment Committee meetings in order to:
- (i) present their reports;
 - (ii) address specific issues in such reports; and
 - (iii) address questions raised by the Investment Committee.
- (d) *Frequency* - Investment Committee meetings will be scheduled at least once every 3 calendar months at a time and date to be determined by the Chair and notified by the Secretary, 2 weeks prior to the meeting.
- (e) *Meeting Structure* - at each meeting of the Investment Committee, the following items should be considered as standing items:
- (i) the Chair of the meeting and the appointment of a substitute Chair (if any);
 - (ii) observers invited to attend the meeting (if any);
 - (iii) minutes of the last meeting, including confirmation that those minutes accurately reflect the conduct of and discussions in that meeting;
 - (iv) circular resolutions (if any) passed by the Investment Committee since the last meeting;
 - (v) disclosure of any conflicts of interests, being a direct or indirect pecuniary interest that any Member or their Associate has in a matter being considered, or about to be considered, by the Investment Committee if their interest could conflict with the proper performance of their duties in relation to the consideration of the matter;
 - (vi) status of investment proposals considered at last meeting and confirmation of implementation of agreed changes;
 - (vii) consideration of current macroeconomic conditions and overall market outlook;
 - (viii) report on existing investments and exit opportunities, current asset allocation and comparison to strategic benchmarks;
 - (ix) consideration of new investment proposals; and
 - (x) any investment related matters that may require communication with Finance and Investment Committee and NGINA Board.

- (f) *Conflicts of interest* - where any conflicts of interest are disclosed to the Investment Committee under paragraph 3.2 (e)(v) Investment Committee must resolve, without the votes of the Members who have disclosed the conflicts, whether or not to allow the continued presence of the Members with conflicts.

Where any Member's continued presence is denied as a result of a decision made under paragraph 3.2(f) that Member shall not be counted in the quorum calculated under paragraph 3.2(a).

In relation to paragraph 3.2(a-e) each Member is required to:

- (i) disclose all information, which may be relied upon by all Members (who are not excluded due to a conflict), as is known to each Member and which is relevant to the matters under consideration by the Investment Committee, provided such information is not subject to confidentiality restrictions or insider trading laws or regulations; and
 - (ii) consider whether each proposed or existing investment is within the scope of the Investment Mandate, and voice any concerns where the Member considers it is not.
- (g) *Decisions of the Investment Committee* - all decisions taken by the Investment Committee must be by majority vote of the Members attending the relevant meeting. Where there is a deadlock, the Chair has the deciding vote.
- (h) *Circular resolutions* - decisions of the Investment Committee may be made by way of a circular resolution signed by each Member of the Investment Committee.
- (i) *Reporting to the Board* - the Investment Committee must report quarterly to the Board, or more often as required. A statement will be prepared for the NGINA board monthly on the fund performance.
- (j) *Confidentiality* - all matters and materials considered by the Investment Committee or by individual Members of the Investment Committee should be regarded as absolutely confidential unless otherwise advised by the President.

4. OPERATIONAL GUIDELINES

4.1. Code of Ethics

- (a) *Purpose of Code* – NGINA wishes to maintain a reputation for integrity. The Investment Committee has therefore adopted the Code of Ethics (Appendix 1) which sets out the standards with which members are expected to comply when serving on the Investment Committee and conducting the affairs of the Investment Committee.
- (b) *Requirements* - under the Code of Ethics, all Members are required to:
- i. comply with the law;
 - ii. act honestly and with integrity;
 - iii. not place themselves in situations which result in a conflict of interest; and
 - iv. be responsible and accountable for their actions.
- (c) *Implementation* - each Member is expected to comply with the Code of Ethics and the NGINA's President is the Member's first contact in clarifying any concerns they may have about its application. The Investment Committee can, with the approval of NGINA Board modify, repeal or replace the Code of Ethics.
- (d) *No limitation* - the obligations of the Members under the Code of Ethics do not limit or qualify their obligations under the law or this Charter.

4.2. Delegation of duties

The Investment Committee may allocate the task of investigating and reporting to specific Members. With the prior approval of the Investment Committee, Members may in turn delegate matters to other personnel or professionals. However, Members will remain responsible to the Investment Committee for ensuring tasks are investigated and reported on as required.

4.3. Access to documents

All materials relating to the investment process will be properly filed and indexed and stored with all relevant documents concerning the Fund. The original files will be retained by the Secretary to be made available to Members at their request, free of charge, subject to the President being reasonably satisfied that confidentiality will be maintained.

4.4. Costs

The annual cost incurred for the management of the Entity's investments should be reviewed annually to ensure it is considered reasonable for the services received.

4.5. Voting

Voting rights attached to investments are to be considered for all invested funds by the Investment Committee. The premise for this is that any instance of poor governance may result in an erosion of capital value for particular investments. The following guiding principles are to be applied:

- voting to be undertaken by an investment manager based on the Investment committees input and overall governance of the NGINA Board;
- a vote either 'for' or 'against' can be made, except where there is a conflict of interest;
- the Board may recommend the standard of corporate governance to be applied to votes;
- voting activity should be carefully monitored and overridden by the Board if necessary; and
- the NGINA Board retains the ultimate responsibility for voting decisions.

4.6. Internal Controls

The Investment Committee shall establish internal controls and processes that will ensure investment objectives are met and that the Fund is protected from loss, theft or inappropriate use.

The Investment Committee is responsible for maintaining the Investment Policy, which is updated regularly.

The established processes will include monthly and quarterly reporting (including compliance reporting), as well as an annual review of the Policy. The internal controls will address the following:

- control of collusion;
- separate the transaction authority from accounting and record keeping;
- safekeeping;
- avoid physical delivery of securities;
- clearly delegate authority to management and investment officers;
- confirmation requirements for settlement of securities;
- compliance and oversight of investment parameters; and
- reporting of breaches.

The Investment Committee is responsible for ensuring that Investment monies only flow into a nominated NGINA account. The nominated account details will be provided to the Investment Manager on account establishment.

5. RESPONSIBILITIES

5.1. Investment Duties

The Investment Committee members have the following investment responsibilities and duties.

- (a) Understanding NGINA's investment goals and how the Investment Policy Statement (IPS) support its purpose and strategic focus.
- (b) Adopting, reviewing and revising an IPS, which will cover the adopted asset allocation, return and risk parameters and prohibited investments.
- (c) Monitoring the performance of investment managers in accordance with the IPS. This will involve the review of written reports and ensuring compliance with the IPS, and evaluating investment performance based on comparison of actual returns with return objective and with other benchmarks deemed appropriate by the Investment Committee.
- (d) Appointing, reviewing, retaining and replacing investment managers.
- (e) Reviewing the backgrounds of Members to ensure there are no conflicts of interest.

5.2. Investment Manager Delegation

The Investment Manager shall manage the Fund on behalf of the Investment Committee, including sourcing and making suitable investments in accordance with the Investment Policy. The Investment Manager shall keep the Fund under review, including making full or partial realisation of or exit from individual investments.

To provide a safeguard on the exercise of this authority, the Investment Manager is instructed to send by email to the three Authorised Signatories any proposed investment transactions. A confirmation email from two Authorised Signatories consistent with the provisions outlined above must be obtained, before the Investment Manager may affect the transaction. The three signatories must comprise of at least one board member and one non-board member.

5.3. Administrative Duties

The Investment Committee members have the following administrative responsibilities and duties.

- (a) Resolving all questions of interpretation of the IPS relating to the investments of NGINA.
- (b) Furnishing notices and reports to the Members and appropriate persons associated with NGINA.
- (c) Reviewing all fees incurred in relation to the management of the investments of NGINA.
- (d) Maintaining records for the administration of the Fund and the actions of the Committee.
- (e) Make recommendations to the NGINA Board on selecting, monitoring and replacing third party advisors, such as consultants and other providers of investment services.

5.4. Charter Review and Adoption

A review of this document will take place every four year (or as required in the interim). This review will be conducted by the Investment Committee as part of NGINA's annual review process.

This review process will also address issues such as any proposals to alter the requirements of the Investment Committee, alterations to delegated authority and any additional management information reporting requirements.

The Charter adoption and amendments resulting from charter reviews must be approved by the Board.

6. MEMBERS' AGREEMENT TO BE BOUND

Each of the undersigned, in their capacity as Members, agrees to be bound by the terms of this Charter (including the appendices):

.....
TBA (Chair)

.....
TBA

.....
TBA

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TBA

.....
TBA

.....
TBA

7. APPENDIX 1 – CODE OF ETHICS

7.1. Compliance with all laws

Members will comply with the law.

- (a) Members will notify NGINA of any failure to comply with any law relevant to the affairs of the Investment Committee.
- (b) In interpreting any law, Members will always endeavour to adopt a course which reinforces the NGINA's reputation for integrity.

7.2. Honesty and integrity

Members recognise the need to act honestly and with integrity.

- (a) Integrity for Members means doing the right thing and behaving properly even if no one would have known that Members had done the wrong thing or acted improperly.
- (b) Members will not engage in misleading or deceptive conduct or falsify or wrongly withhold information.
- (c) Members will treat all persons with dignity and not discriminate on the basis of age, sex, race, religion, sexual orientation, political opinion or other personal differences.

7.3. Avoidance of conflicts

Members will be alert to potential conflicts of interest and will endeavour not to place themselves, the Fund or NGINA in situations which result in a conflict of interest. Any conflicts of interest that do arise will be handled in accordance with the NGINA's conflicts management policies and paragraph 3.2(f) of the Charter. The overriding obligation of the Members in any conflict scenario is to act in the best interests of the NGINA.

Generally, a conflict is a circumstance where the interests of the Member or Investment Committee, or NGINA are inconsistent, and extends to the divergence of the groups, the Member and NGINA's interests which arise as a consequence of the Member advancing their own interests by favouring one action over another.

For a Member, conflicts may arise:

- (a) when the Member's or an Associate of the Member's private interests conflict directly or indirectly with their obligations to NGINA under this Charter;
- (b) when the Member is offered benefits (such as gifts, including any carried interest, or entertainment) from an actual or prospective beneficiary which could be seen as creating an obligation to someone other than NGINA; and
- (c) when the Member acts in ways which may cause others to question their loyalty to NGINA (as appropriate).

Should such a conflict arise or benefit be offered, Members must make full disclosure to the Investment Committee in accordance with paragraph 3.2(f) of the Charter and the potential conflict must be handled in accordance with the policy of NGINA.

The Investment Committee may determine whether and, if so, the extent to which the Member(s) notifying a conflict may participate in any consideration by the Investment Committee of the matter giving rise to the conflict.