

Valuation Oversight Committee Charter

(a committee of the Australian Retirement Trust Board)

Purpose

This charter governs the operations of the Valuation Oversight Committee. Whilst the Audit & Risk Committee will continue to receive and review various reports submitted by Management in relation to asset valuations, the Valuation Oversight Committee will provide fiduciary review of governance as well as monitoring the decisions made by Management with respect to valuations. In doing so, it is the responsibility of the Committee to maintain free and open communication between the Committee, external advisers and Management. The Australian Retirement Trust Board & Committee Procedures document supplements this Charter and covers administrative matters associated with convening and running a Committee meeting.

Committee's Responsibilities

Asset Valuations

The Committee is responsible for:

- a. Overseeing that Management decisions are made in-line with the Valuation Policy;
- b. Overseeing that any instruction to change a valuation is exercised in accordance with existing delegations in the Valuation Policy which allows the Head of Investment Operations to instruct the custodian to adopt a specific valuation price or methodology where the price provided by the custodian is considered by Management to be unreasonable for the circumstances;
- c. Overseeing that consideration has been given to the approach to be taken in relation to how ART investments will be valued including frequency;
- d. Overseeing that reasonable consideration has been given to valuation issues between ART, the custodian(s), external managers, brokers and / or counterparties and where appropriate, gather additional research and feedback on securities pricing from within the investment management industry, from custodians, and other sources; and
- e. Overseeing that the latest investment valuation provided by the investment manager has been conducted, considering the appropriateness of the process for the purpose of ART's financial statements, analyse underlying drivers of any valuation movements to determine reasonableness and consider any material external factors that Management is aware of since the latest valuation that may subsequently affect the valuation.

The Committee will:

- a. Be updated on all Valuation Review Committee (a Management Committee) decisions;
- b. Oversee unlisted asset valuations, at least annually;
- c. Receive and review at least semi-annually through the Investment Valuation Report which will cover such things as:
 - governance process supporting valuations;
 - a summary Valuation Review Committee activity;
 - back testing of asset valuations and Valuation Review Committee decisions; and
 - an analysis of asset valuation movements over the period.

Committee Reporting

The Committee will regularly report to the ART Board about Committee activities, issues, and decisions.

Charter Review

The Committee will review, on at least a triennial basis, the adequacy of the Committee Charter, and request the ART Board's approval for any proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

Approval:	Australian Retirement Trust Board
Active date:	01 July 2023