

Product and Investment Committee Charter

1. Purpose

The Product and Investment Committee ('the Committee') is a committee of the Board of Queensland Teachers' Union Health Fund Ltd, ('the Board'). The Committee's role is to assist the Board in the effective discharge of its responsibilities, by providing an objective, non-executive review of matters that may have a material impact on the achievement of TUH's financial and business objectives of the Group.

2. Membership

- 2.1 The Committee will consist of a minimum of three and a maximum of five members of the Board, one of whom shall be the Chair of the Committee.
- 2.2 The Committee members are appointed by the Board with consideration to the collective skills, knowledge and experience required for the Committee to perform its function effectively.
- 2.3 The Chair, members, and term of appointment of each member shall be determined by the Board.
- 2.4 The Chair of the Board of Directors is invited to attend all meetings as an ex-officio member, but is not a formal or voting member of the Committee.

3. Meetings

- 3.1 Meetings will be held as required with at least two meetings per year. In addition, the Chair of the Committee may call such additional meetings as may be necessary.
- 3.2 Three members of the Committee are required to be present to constitute a quorum.
- 3.3 The Chief Executive Officer and Company Secretary may be required to attend the meetings of the Committee on a regular basis, in whole or in part, and may be provided with copies of the Committee papers. Other employees of the Company may also be requested to attend from time to time by the Committee.
- 3.4 Independent advisers, consultants or external experts, such as the Board's investment adviser or appointed actuary, may be invited to attend meetings in part.
- 3.5 Meetings shall be conducted on a formal basis and be effectively minuted by the Company Secretary (or delegate) as to proceedings and recommendations. A meeting agenda must be prepared by the Company Secretary (or delegate) in line with this Charter and following any input from Committee Members and the Chief Executive Officer. The agenda and relevant meeting materials will be distributed to all members of the Committee at least five days prior to a meeting.
- 3.6 Minutes of meetings must be prepared and sent to the Chair as soon as possible after the conclusion of the meeting. Minutes will be endorsed as an accurate record of the meeting at the next meeting of the Committee.
- 3.7 The Chair of the Committee will report to the Board following each Committee meeting.

4. Role and Responsibilities

4.1 The role and responsibilities of the Committee are to consider matters referred to it by the Board, in particular:

4.1.1 Products and Services

- (a) Monitor product performance, including profitability, sustainability and competitive position;
- (b) Monitor and make recommendations to the Board on the annual premium and benefit process;
- (c) Review the financial implications of annual premium and benefit outcomes and assess the impact on the organisation's annual budget;
- (d) Recommend product, claims and investment components of annual budget, and budget updates, to the Board;
- (e) Review the annual proposed premium submission;
- (f) Review proposed new products and significant alterations to product benefits;
- (g) Confirm growth and retention strategies are achieving sustainability objectives;
- (h) Review the private health care environment, the private health insurance competitive environment and consider strategies to respond to opportunities and threats; and
- (i) Review the services provided to TUH members and recommend improvements or changes to member services to the Board.

4.1.2 Investment

- (a) Review and make recommendations to the Board in relation to investment policies and portfolio construction and holdings;
- (b) Monitor performance of investments against Board approved objectives, benchmarks and policies.

4.1.3 Membership and Marketing

- (a) Confirm marketing, membership growth and retention strategies are aligned to the Strategic Plan;
- (b) Review and monitor major sponsorship and marketing agreements;
- (c) Review significant services initiatives; and
- (d) Review market and competitor analysis to consider appropriateness of strategies to respond to opportunities or issues.

4.2 In carrying out its role and responsibilities, the Committee must adhere to the TUH Constitution, Board policies and resolutions and legislative requirements.



4.3 The Committee's Charter shall be reviewed at least every two years and updated as required.

5. Authority

5.1 The Committee is authorised by the Board to investigate any activity that falls within the terms of its Charter. In this regard it is authorised to:

- (a) seek any information it reasonably requires from any employee; and
- (b) obtain outside legal or other independent professional advice; and
- (c) secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

5.2 In accordance with the TUH Constitution, the Committee has no authority to implement its recommendations on matters that fall within the terms of its Charter, but submits such recommendations to the Board for consideration.