



2016

AUSTRALIA'S LEADING SPECIALIST TRUSTEE COMPANY



EQT HOLDINGS LIMITED
2016 SHAREHOLDER REVIEW



Company Profile

AUSTRALIA'S LEADING SPECIALIST TRUSTEE COMPANY

EQT Holdings Limited
ABN 22 607 797 615



Helping families
within Australia
protect their
wealth

We are partners with
clients and their advisers,
helping them with the
financial and emotional
challenges arising from
the preservation, growth
and intergenerational
management of
their wealth.

ESTABLISHED

1888

by a specific
Act of Victorian
Parliament

OFFICE LOCATIONS

PERTH

Level 24, Allendale Square
77 St Georges Terrace
Perth, Western Australia 6000

HEAD OFFICE

Level 2, 575 Bourke Street
Melbourne, Victoria 3000

Telephone: (03) 8623 5000

Facsimile: (03) 8623 5200

Email: equity@eqt.com.au



BRISBANE

Level 10, 239 George Street
Brisbane, Queensland 4001

SYDNEY

Level 4, 124 Walker Street
North Sydney, New South Wales 2060

KEW

Suite 4, 677 High Street
Kew East, Victoria 3102

BOARD OF DIRECTORS

JA (Tony) Killen OAM

BA, FAICD, FAIM

(Chairman, Independent)

Michael (Mick) J O'Brien

FIAA, CFA, GAICD

(Managing Director)

Kevin J Eley

CA, F FIN, FAICD

(Independent)

The Hon Jeffrey G

Kennett AC

HonDBus (Ballarat),

Hon LL D (Deakin)

(Independent)

Anne M O'Donnell

BA (Bkg & Fin), MBA,

FAICD, SF Fin

(Independent)

D. Glenn Sedgwick

BCom, FAICD, FCA

(Independent)

(Appointed 8 August 2016)

Alice JM Williams

BCom, FCPA, FAICD,

ASFA AIF, CFA

(Independent)

Annual General Meeting

Friday 28 October 2016

Company Secretaries

Carmen Odette

Lunderstedt,

BCom, Grad Cert Fin

Plan, AGIA

Martin Geoffroy

Walsh,

BBus, MBA, GAICD

Auditor

Deloitte Touche Tohmatsu

550 Bourke Street

Melbourne, Victoria 3000

Share Registry

Computershare Investor Services

Pty Ltd

Yarra Falls, 452 Johnston Street

Abbotsford, Victoria 3067

Corporate Governance

Statement

Our Corporate Governance

Statement is available on our

website: eqt.com.au

Main operating entities: EQT Holdings Limited (ABN 22 607 797 615),

Equity Trustees Limited (ABN 46 004 031 298 AFSL 240975),

Equity Trustees Superannuation Limited (ETSL) (ABN 50 055 641 757 AFSL 229757) and

Equity Trustees Wealth Services Limited (ETWSL) (ABN 33 006 132 332 AFSL 234528).

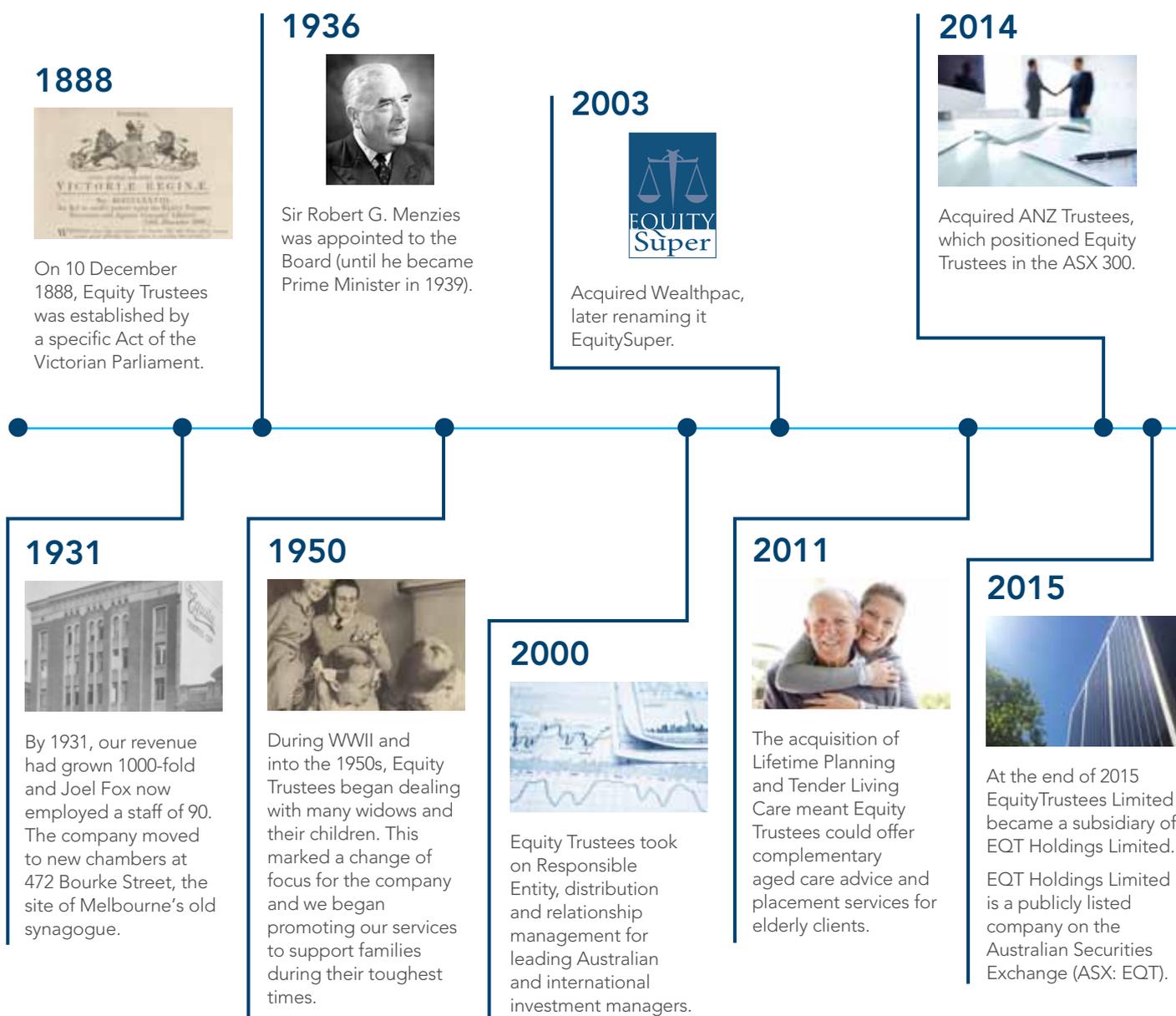
Contents

Introduction	02
2016 in Review	03
From the Chairman	04
From the Managing Director	06
Trustee & Wealth Services	08
Asset Management	11
Corporate Trustee Services	12
Board of Directors	14
Group Leadership Team	16
Information for Shareholders	17

Introduction

Equity Trustees is one of Australia's largest independent trustee companies, established in 1888 by an Act of the Victorian Parliament. By 1880, the Victorian gold rush in the 1850's provided the foundation for Melbourne to become the largest and richest city in the British Empire outside Britain. The production of great wealth led to a need for secure management of individual and family wealth at the time, and into the future. The Victorian Government of the day aimed to meet this need through passing a series of Acts allowing the creation of independent trustees. As a result, on 10 December 1888 Equity Trustees was established under the name Equity Trustees Executors and Agency Company Limited. The Company's founder, Joel Fox, served for nearly 50 years as Manager, and later on the Board. A trustee company by the name of The Trustees Executors and Agency Company Limited (TEA) was established 10 years before in 1878 by William Templeton; TEA later became ANZ Trustees, and in July 2014, when Equity Trustees acquired ANZ Trustees, the two historic companies combined to form one of Australia's oldest and largest listed independent trustee companies.

Our purpose today remains the same – providing independent and impartial trustee and executor services, partnering with clients and their advisers, helping with the financial and emotional challenges arising from the preservation, growth and intergenerational management of wealth.



2016 in Review

Operating revenue **\$83.7m**

Strong operating margin **32%**



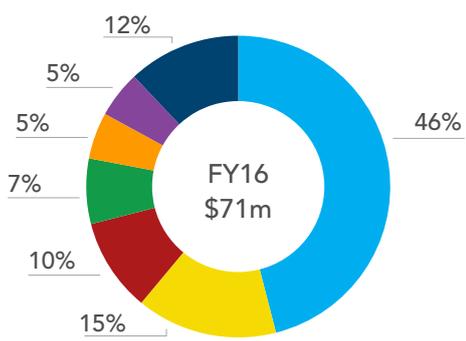
Net profit after tax **\$13.3m**

Dividend per share (fully franked) **68cps**

MAIN OPERATING ENTITIES



Philanthropy distributed \$71m



- Medical Research & Health
- Children & Young People
- Material Aid & Welfare (Australia)
- Animals & Environment
- Family & Community
- Ageing & Aged Care
- Other*

*Other includes faith-based, arts, women, disability, material aid and welfare (international).
Note: Indigenous granting included in each category.

SUSTAINED SHAREHOLDER RETURN

1 July 2005 to 30 June 2016

EQT total shareholder return	+163%
S&P/ASX 300 Accumulation Index return	+99%



Superannuation business restructured; administration outsourced; better value for approximately 35,000 members

Upgrade to more robust business assurance and risk governance framework

Largest Australian independent responsible entity services provider

From the Chairman

JA (Tony) Killen OAM

Transition to stronger platform

During the year we embarked on a number of major initiatives to strengthen the business and position it for profitable future growth. I'm pleased to say the business has successfully completed the corporate restructure of the Group, upgraded our superannuation offer and is well advanced on upgrading our business assurance functions.

The investment required has been material and negatively impacted earnings in the year but was a necessary investment to provide the business with a sustainable, positive future.

Results and dividend

Operating profit before tax was \$26.7m which was marginally below the prior year at \$28.2m, considered a satisfactory result given lower Australian equity markets impacting a significant proportion of our business. The pre-tax operating margin for the year was 32%.

The result after non-operating expenses and net of tax was \$13.3m, reflecting the material investments made in repositioning the business, commenced in 2015 and largely completed in 2016.

A final dividend of 34cps, fully franked, has been declared, consistent with the interim dividend, taking total dividends for the year to 68cps.

The dividend is slightly above the dividend policy range, but is essentially supported by underlying earnings per share. The Board feels comfortable with this level, given the significant non-operating expenses during the year which totalled \$5.5m net of tax. While the dividend yield remains attractive, this year's dividend is lower than recent years due to lower equity market returns and the one-off investments made in the business. Expense reduction, both operating and non-operating, is a firm objective of management in the period ahead.

// Longer term shareholders have enjoyed above market total returns from their investment in the Company.. //

Longer term shareholders have enjoyed above market total returns from their investment in the Company, as illustrated on page 3.

Corporate initiatives

During the year shareholders approved a corporate restructure of the Group via a Scheme of Arrangement, which we have now implemented. We established a new non-operating holding company, EQT Holdings Limited (the Company). The new structure has provided us with a contemporary corporate model that provides greater funding efficiency and flexibility. It is clear at this early stage that the new structure provides the Company with a far sharper and focused governance model.

Apart from the corporate restructure, we materially upgraded our business assurance capability to ensure our risk management framework is befitting of Equity Trustees' dedication to safeguarding client interests.

We also undertook a complete review of our superannuation products to materially improve both member outcomes and our competitive offering in the marketplace.

The Board

As a result of Mr Robin Burns' retirement from the business, the Board appointed Mr Michael (Mick) O'Brien to the position of Executive

Director in April and then Managing Director on 1 July 2016. We were delighted that Mick agreed to extend his commitment to the Company in this role and every indication at this early stage is that the Company will benefit from his leadership.

I express the Board's appreciation to Robin for his significant achievements, especially in relation to the ANZ acquisition, and his leadership of the Company over six years and wish him well for the future.

As part of the ongoing evolution of the Board, I had announced on 2 March 2016 that I intended to step down as Chairman in this past term. However, given the appointment of the new Managing Director, the Directors requested I commit to stay on the Board to ensure continuity and stability, which I agreed was sensible. Hence, I'm offering myself for re-election on this last occasion and will retire during the next term, if shareholders approve my election.

// ...we embarked on a number of major initiatives to strengthen the business and position it for profitable future growth... the business has successfully completed the corporate restructure of the Group, upgraded our superannuation offer and is well advanced on upgrading our business assurance functions. **//**



Tony Killen OAM, Chairman

During the year, Mr David Groves retired from the Board. The Board wants to formally thank David for his enormous contribution to the Company over 14 years of service.

I was pleased to recently announce the appointment of Mr D. Glenn Sedgwick to our Board. I'm very confident Glenn will bring his vast depth of experience in operations, technology, organisational practice and Asian markets for the benefit of the Company.

The Board also took the opportunity of the corporate restructure to streamline our governance model. The Board aspires to excellence in governance standards, the highest ethical standards and leading by example, and I want to thank my fellow Directors for their contribution and dedication to this, during a year of transition.

Our Board Audit Committee is now focused solely on audit in line with the new Company structure and Mr Kevin Eley will continue his diligent chairmanship of this important committee.

A new Compliance Committee – Ms Anne O'Donnell as Chair – focused on management investment scheme compliance, has been established under Equity Trustees Limited.

We have aligned the composition of the Risk Committee and the Audit Committee (to the extent possible) and we refreshed the composition of the Remuneration, Human Resources and Nominations Committee – Ms Alice Williams as Chair. We have shifted the Investment Committee from the main Board down to its relevant subsidiary level.

The new governance structure is allowing the Board to focus more directly on both the performance of the Group as a whole and the strategic direction of the Company. It also allows the overall business to operate more efficiently.

Our management and employees

In finishing, I would like to give a vote of thanks to our employees for their achievements during a year of transition; on behalf of shareholders and the Board I want to formally record our appreciation.

Following significant investment during the year, the Board believes that the Company is in a very good position to benefit from the opportunities ahead and to provide attractive and appropriate outcomes and rewards to all our stakeholders – clients, shareholders, employees and the wider community.

JA (Tony) Killen OAM
Chairman

// ...new governance structure is allowing the Board to focus more directly on both the performance of the Group as a whole and the strategic direction of the Company... **//**

From the Managing Director Michael (Mick) J O'Brien

Establishing a platform for growth

The 2015/16 year presented the business with some challenges but the year was one of establishing a platform for growth. The bottom line result for the year was disappointing due to the cost of major investments not able to be offset by other expense savings. Pleasingly, there were some significant achievements:

- The Company was reorganised under EQT Holdings Limited and while giving us greater capital and funding flexibility it also improved the overall efficiency of the business. We used the restructure to consolidate all our superannuation business into one subsidiary that now oversees 13 funds with assets of just under \$3b.
- We upgraded our superannuation offering to produce a much more competitively priced product with a contemporary investment and insurance design, delivering fundamentally better value to our customers. Our *Trustee for Partner* model in superannuation saw an increase of 20% in revenue.
- Philanthropy revenue was up on the prior year despite a significant fall in equity markets – an excellent result in this important and enduring part of our business.
- We are in the final stages of upgrading our business assurance function and while it will better protect the business, it will also deliver better outcomes to customers.
- In our private client business, the year was notable for pleasing numbers of new clients in compensatory trusts, Indigenous trusts and in new perpetual charitable trust establishment. In our estate planning area we wrote more than 1,000 new estate plans, and revenue was up more than 50% on last period. Our Will Bank has now returned to strong growth.
- In Corporate Trustee Services (CTS), we took the strategic decision to exit funds distribution on the back of our largest client internalising the distribution function. This change will allow us to focus the business sharply on the corporate fiduciary opportunities. Despite exiting funds distribution, we achieved a revenue increase of 2% on prior year on the back of our market leading Responsible Entity (RE) model continuing to prove popular in winning new clients and new funds.
- We have a high quality asset management capability and during the year saw assets in our funds and mandates grow from \$2.6b to \$3.2b in FY16 – an increase of 24%.
- There were a several changes to the leadership team; Philip Gentry joined as Chief Financial Officer and Carmen Lunderstedt as Company Secretary, both high quality appointments.
- Finally and most importantly and proudly, Equity Trustees, through our Foundation and our clients (those still with us and those who aren't) granted more than \$70m to many of the most worthy charitable causes in Australia, continuing to fulfil our important social compact that we've undertaken diligently over the last 130 years.

Future direction and priorities

“ Equity Trustees operates in a tremendously exciting market segment. ”

Equity Trustees operates in a tremendously exciting market segment. In the private client market, we are focused on the fastest growing demographic and wealthiest market segments in Australia. In the Corporate market, the growth rates are underpinned by the overall growth in superannuation assets.

Our goal is to be the leader in the provision of specialist fiduciary and support services in the market. We have been looking after clients' interests in good times and in bad for more than 130 years and will continue to focus on this. We are already a leader in many of our markets – corporate responsible entity services, philanthropy, estate management and trust

management. Our plan is to continue to build on these positions and lift our other services to a market leadership position.

In the future, we will seek to more fully leverage our brand – two powerful words, “Equity” and “Trustees”, which really encapsulate everything we seek to do for our clients. Equity Trustees occupies a position of trust and security. We are not like most diversified financial services companies in the market because we are a specialist in the services we offer clients and we believe our independent model provides assurance to clients and partners.

“ ...our independent model provides assurance to clients... ”

“ We have been looking after clients’ interests in good times and in bad for more than 130 years... We are already a leader in many of our markets... Our plan is to continue to build on these positions and lift our other services to a market leadership position. ”



Mick O'Brien, Managing Director

The year ahead

In the next year our focus will be on clear growth initiatives for each part of our business. I've been in this position for three months and in that time have sought to sharpen our focus and our plans to ensure clarity of our strategy and medium term growth objectives.

“ In the next year our focus will be on clear growth initiatives for each part of our business. ”

Private clients

Our plan is to build on the good work of recent years. We will be linking our estate planning, estate management and trust management activities in a more efficient, co-ordinated manner to provide clients with a client-centric model to ensure all aspects of the clients' needs are being addressed. We will continue to undertake very targeted distribution activity in this area in the year ahead.

The year was notable for building our compensatory trust and Indigenous trust business and while it is early days, we will be looking to continue this in conjunction with our partners.

“ ... opportunities to achieve better client outcomes, internal synergies and also a more productive and efficient workforce... ”

We will be targeting continued growth in estate planning, which has always been an engine for long-term value creation for the Company.

Lastly, we have a wonderful philanthropy team. In the previous year we streamlined our discretionary granting strategy to five key pillars – *Children and Young People, Medical Research and Health, Ageing and Aged Care, Animals and Environment* and *Strategic Opportunities*. We appointed an evaluation manager during the year to ensure we are achieving maximum impact for our clients in the community endeavours they choose.

We plan to put considerable effort into building our 'living donor' business in the years ahead as Australians increase their philanthropic efforts in line with well-established overseas trends.

Superannuation

We've now built a competitive platform that capitalises on our strengths in trusteeship, custodianship and funds management and we will be presenting our new offer to the market with added impetus.

Corporate Trustee Services

We will remain at the leading edge of fund design, capitalising on the Attribution Management Investment Trust (AMIT) regime and ensuring our clients have leading capability in designing their funds for maximum success. We will be taking our first steps in the Asian markets. As the leading provider of RE services in Australia, we will be partnering with our clients who want to enter these markets as well as increasing our distribution efforts in Asia.

Finally, we will be increasing our efforts in the corporate trustee market and leveraging the breadth and depth of experience in our CTS team.

In conclusion

At the end of the financial year, we instigated a review of our operating model. The early work indicates there are opportunities to achieve better client outcomes, internal synergies and also a more productive and efficient workforce and sales capability. We will be pursuing these with priority in the period ahead.

It was a full year for all our staff and no doubt will continue to be. I want to thank them all for their efforts. In the short time I've been in this role I've been

impressed by the dedication and professionalism of our staff and by their commitment to our core values and to delivering real benefits for our clients. I also want to thank the Board for their support and leadership in this transitional year. Finally, I want to thank all our clients for their custom and congratulate all the charities and sections of the community who have been helped by our endeavours.

While significant one-off investments have subdued this year's profit, they have also created a stronger platform for growth. We are confident this investment, together with our long-term relationships and core trustee capability, will continue to provide very attractive growth prospects.

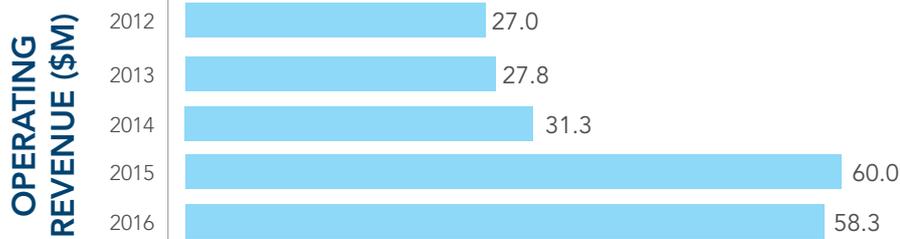
Mick O'Brien
Managing Director

Trustee & Wealth Services

HIGHLIGHTS

FUMAS up **3%** to
\$8.7b

Revenue contribution
\$58.3m



FOCUS FOR FY17

Client centric model

New granting program

Trustee for Partner Indigenous and compensation trusts



NEW perpetual charitable trusts
in FY16



36 NFP investment mandate clients
4 new clients in FY16

Trustee & Wealth Services experienced good organic growth across the business with an increase in Funds Under Management, Administration, Advice and Supervision (FUMAS) by 3% to \$8.7b. A significant achievement was the acquisition of 13 **new perpetual charitable trusts** – against an annual benchmark of just over three.

Strong results in the superannuation business (see breakout below) was a result of emerging benefits from the restructure and **re-engineering of the superannuation offering**. We continue to build the not-for-profit investment mandates, and have **renewed a focus on compensatory trust business**, leveraging our **reputation and history** as trusted advisers with custodianship of our clients' wealth.

Strong organic growth is anticipated to continue through our estate planning, estate management, Indigenous, community and personal trust services, wealth management and aged care and advice services.



Superannuation upgraded to strengthen member preposition

We outsourced our superannuation administration so we can focus on our core strength as Registrable Superannuation Entity (RSE). We'll be pursuing prime position as the leading preferred provider of RSE services as part of our 'Trustee for Partner' strategy. During the outsourcing process, we took the opportunity to rationalise and simplify our product range, creating substantially more competitive pricing.

Trustee for Partner business has grown from **3 to 13 funds** in two years

\$2.9b
FUM



Estate management

Equity Trustees is entrusted to act as an impartial and independent executor or trustee, ensuring that the wishes of clients are fulfilled when the time comes for an estate to be administered and distributed.

150+

Estate management clients in FY16



Estate planning

Assisting individuals and families manage the transfer of wealth between generations through developing estate plans including Wills, appointments of executors and guardians, establishment of testamentary trusts, powers of attorney, and reviews of superannuation benefits nominations.

1,000+
ESTATE PLANS
ANNUALLY

30,000+
Wills in our
safe keeping

Science, the arts and education

In mid 2014, Joseph Sambrook and Mary-Jane Gething established a private ancillary fund managed by Equity Trustees. Mary-Jane is a third generation Equity Trustees client with her grandfather establishing the original connection by engaging the Company to draft his Will.

Both now retired, Joe and Mary-Jane have had distinguished careers in the fields of biochemistry and molecular biology.

The aim of the family foundation as it grows over time is to support people in three areas – science, the arts and education. In science, it aims to support outstanding early career researchers, especially women; in the arts, to foster young and emerging talent; and in education it aims to support vulnerable and disadvantaged children overcome challenges.

“Ever since I’ve had any financial understanding I knew about Equity Trustees. I watched my parents go through the wonderful supportive service – transitioning from making all their own financial decisions to the Company managing their investments and paying bills on their behalf, to arranging an aged care placement for my father, and finally managing their estates” said Mary-Jane.

“I have had my own account with the Company since the mid 70’s. Equity Trustees helped me bid at my first house auction. Not long ago our daughter, the fourth generation of my family with an Equity Trustees connection, was assisted to buy and later sell her first apartment. I am looking forward to her becoming actively involved in our philanthropic activities.”





Philanthropy

Helping individuals, families, charitable trusts, companies, and charities to grow and share their wealth to support the community through establishing or managing a philanthropic fund to complement existing financial objectives and estate planning. Equity Trustees acts as sole or joint trustee for more than 450 charitable trusts and foundations, distributing more than \$70m annually to charities and not-for-profits.

The Wicking Trust

The story of John and Janet Wicking is one of love, partnership and devotion. They shared common values, an understanding of hardship and adversity, and a shared belief in generosity. They were active philanthropists during their lifetimes. The JO & JR Wicking Trust was established through John's Will, but it is named after both of them, and now distributes around \$4m in grants each year.

Equity Trustees is proud to be trustee of The Wicking Trust, ensuring it remains true to the wishes of its founders: to achieve enduring, positive impact in the areas of vision impairment, care of the aged, problems associated with ageing and Alzheimer's disease. Following directions provided in the Will of John Wicking, The Wicking Trust is proud to have established partnerships with Vision Australia and the O'Brien Foundation (formerly the Microsurgery Foundation).

The goal of the Trust's major granting program is to improve the wellness and quality of life of older people and people with Alzheimer's disease in Australia.

An example is the role the Trust has played in the establishment of what is now one of Australia's three biggest dementia research centres, the Wicking Dementia Research and Education Centre at the University of Tasmania. From its first grant in 2005, the Trust has provided more than \$4.7m in grants to support the Centre, which now trains more than 1,500 people a year in its Bachelor of Dementia Care course and is running one of the most successful MOOCs (Massive Open Online Courses) anywhere in the world.



A video about the Wickings, and the work of the Trust, is in development and due for release in FY17.

ARA Endowment Fund



Since it was established in 2009, the ARA Endowment Fund has grown to more than half a million dollars and has financially supported more than 40 Australian charities. In 2015, ARA Group extended an invitation to their suppliers, partners, friends and affiliates to donate to the Fund, turning valuable business relationships into invaluable social partnerships.

Australian company ARA Group is built on a strong ethos of social responsibility, and so the establishment of a philanthropic vehicle under the Equity Trustees Charitable Foundation was a logical result of that ethos.

By establishing it under the Foundation, the Fund automatically had tax deductible status and was able to donate to registered charities. ARA staff could support the Fund through a workplace giving program, and play a part by nominating charities to receive support from the Fund, providing a practical way to foster a shared commitment to supporting not-for-profit work.

"We are excited for the year ahead... We will be appointing a Chair of the philanthropic fund, cultivating an advisory board, and appointing a patron," said Belinda Palamara, ARA Group Corporate Project Manager.



Aged care advisory services

Highly reputable, trusted, and experienced advisory services giving individuals transitioning to aged care – and their families – peace of mind through placement and property service advice, and aged care financial advice focused on structuring finances to make care more affordable and protect a family's future. Equity Trustees services in this area include planning that takes into consideration increasing support challenges that come with ageing.

"We needed a bed, but ended up with a financial assessment, all sorts of personal advice, understanding, and contact every step of the way. It was a very smooth operation."

Equity Trustees Client

Asset Management

HIGHLIGHTS

FUM

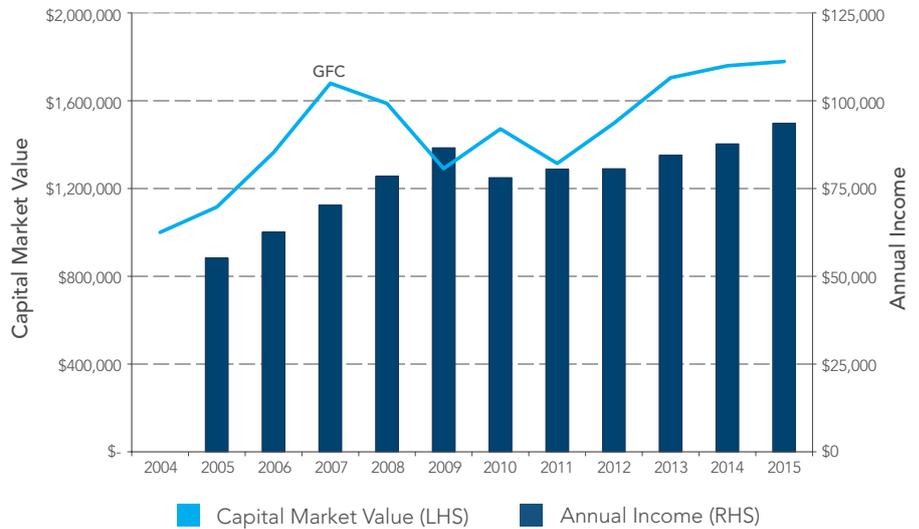
\$3.2b

EQT Flagship Fund
outperformed the benchmark by

1.9% p.a.

gross of fees since inception
(July 2003)

In a volatile market, we maintained and grew income and capital for our clients. An example is the Equity Trustees' Charitable Equity Common Fund 103* shown below.



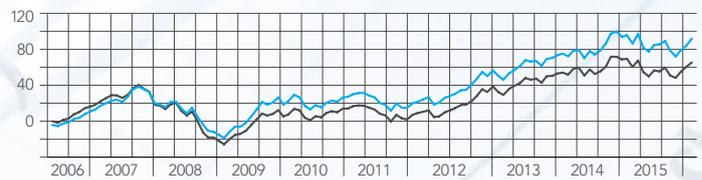
Equity Trustees' Asset Management capability continues to maintain its **reputation** for a **steady hand** and **cool analysis** of the markets in the service of our private wealth clients, and managing our internal funds. This is the team that **manages the investment portfolios** underpinning more than 450 philanthropic trusts and foundations, and the investment mandates for more than 30 not-for-profit clients, ensuring important charitable work continues to be consistently funded year in, year out.

*Illustration of a \$1m investor in Equity Trustees' Charitable Equity Common Fund 103 on 1 July 2004. Performance to 31 December each year. Income return includes franking credits and is after management fees. Past performance is not necessarily indicative of future performance.

OUTPERFORMING THE MARKET

EQT Flagship Fund

Total Return %

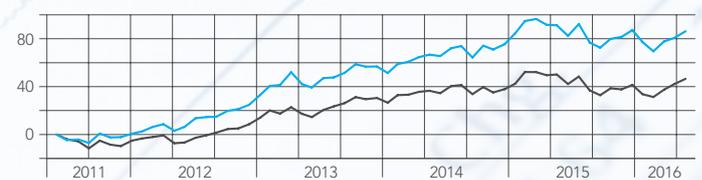


■ EQT Flagship Fund

■ S&P/ASX 200

EQT Australian Equity Income Fund

Total Return %



■ EQT Equity Income Fund

■ S&P/ASX 200

Source: Bloomberg

Corporate Trustee Services

HIGHLIGHTS

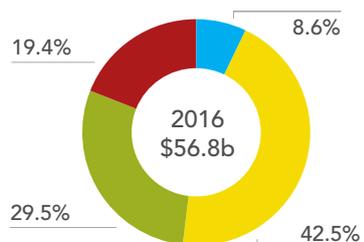
FUS increase
↑ 18.7%

FUS
\$56.8b

**FOCUS FOR
FY17**
AMIT benefits
Asian markets
Specialist
independent RE
Corporate trust roles

FUS 2016 Breakdown

- Australian equities
- Global equities
- Fixed income
- Other



Revenue up
↑ 2% to
\$24.1m

RE to more
managers,
up **17%** to **96**

RE to more
funds,
up **7%** to **212**

In FY16 our Corporate Trustee Services (CTS) business made the strategic decision to exit the funds distribution part of the business to ensure a **singular focus on corporate fiduciary service**. Notwithstanding this the business grew by 2%, contributing \$24.1m to revenue.

The number of funds for which we act as RE grew steadily – we now act as RE for **96 managers** (up 17%) and **212 funds** (up 7%).

We **initiated plans to expand into Asia** to meet the growing demands of clients in our region given the introduction of Attribution Managed Investment Trusts (AMITs) regime which enables **greater flexibility for clients**. A focus in FY17 will be ensuring clients take advantage of this regime.

We **led the debate on** the introduction of AMITs, and continue to promote the benefits and peace of mind of a **specialist independent Responsible Entity** for all funds.

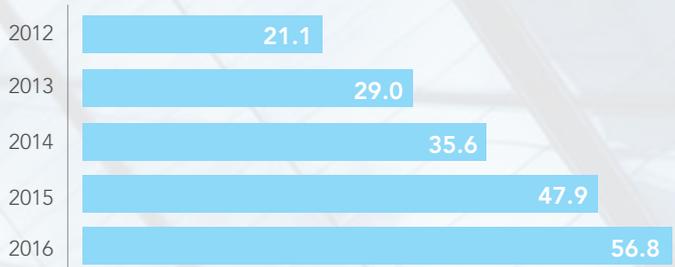
SERVICE OFFERINGS

Trusted, independent partners to investment managers

CTS provides Responsible Entity (RE) and trustee services for Managed Investment Trusts (MITs) on behalf of local and international investment managers and sponsors. Our services include RE/trustee for registered or unregistered MITs and AMITs, and, for corporate trusts, we act as debenture and note trustee, security trustee, trustee and custodian for direct property funds or MITs, and escrow agent. Our services mean that our clients can focus on investment management, client retention and acquisition.

PERFORMANCE

FUS AT 30 JUNE 2016 (\$b)



RESPONSIBLE ENTITY BUSINESS



Video updates

This year CTS introduced regular vodcasts featuring industry experts providing guest updates on the key issues impacting on fund managers and the funds management sector. The short video updates in FY16 covered key features of the AMIT legislation, and announcements made in the 2016 Federal Budget.



Harvey Kalman
Executive General Manager,
Corporate Trustee Services

Attribution Managed
Investment Trust regime

April 2016

2016 Federal Budget
and other recent
developments funds
and fund managers
need to know

May 2016

Board of Directors



From left to right: Kevin Eley, Michael (Mick) O'Brien, Anne O'Donnell, JA (Tony) Killen OAM, The Hon Jeffrey Kennett AC, Alice Williams, D. Glenn Sedgwick.



JA (TONY) KILLEN OAM
Chairman and Independent Director
 BA, FAICD, FAIM

Appointed Director in September 2002 and Chairman on 30 August 2007.

Mr Killen is a former Group Managing Director and Chief Executive Officer of AXA Asia Pacific Holdings Ltd, having had a 36 year career with the National Mutual/AXA group. He was Chair of Australia's largest not-for-profit health services provider – Sisters of Charity Health Service Ltd, Chair of Sisters of Charity Community Care Ltd and non-executive director of listed company, IRESS Market Technology Ltd.

Mr Killen is currently Captain of Victoria Golf Club Limited and a Finance Councillor at the Bishops Commission for Administration and Information, Australian Catholic Bishops Conference. In 2011, Mr Killen was awarded the Medal of the Order of Australia.

Mr Killen was Chair of Equity Trustees' Board Risk Committee to May 2016.

In addition to more than 20 years' experience in the management of trustee companies, Mr Killen brings to the Board a deep knowledge of the financial services industry and governance expertise.

Listed company directorships held during the past three financial years:

- Chair of Templeton Global Growth Fund Ltd (from October 2012 to the present)



MICHAEL (MICK) J O'BRIEN
Managing Director
 FIAA, CFA, GAICD

Appointed Director on 28 July 2014, Executive Director on 28 April 2016, and Managing Director on 1 July 2016.

Mr O'Brien is a Fellow of the Institute of Actuaries of Australia, and holds the Chartered Financial Analyst designation.

Mr O'Brien was formerly CEO and director of Invesco Australia Limited, director of Alliance Capital Management Australia and Chief Investment Officer of AXA Australia and New Zealand, where he was also a director of all AXA's Responsible Entities and Regulated Superannuation Entities.

With a career spanning over 30 years in both retail and institutional markets, Mr O'Brien brings to the Board broad wealth management experience in superannuation, investment management, insurance, and advice.

Mr O'Brien was a member of the Audit & Compliance Committee and Chair of the Board Investment Committee until May 2016. He is a member of the Board Risk Committee.

Listed company directorships held during the past three financial years:

- Templeton Global Growth Fund Limited (from August 2014 to the present and currently on leave)

**ALICE JM WILLIAMS****Independent Director****BCom, FCPA, FAICD, ASFA AIF, CFA***Appointed Director in September 2007.*

Ms Williams has over 30 years' senior management and Board experience in the corporate, investment banking and government sectors. She was formerly a director of Australian Accounting Standards Board, State Trustees, NM Rothschild and Sons (Australia) Limited, Director of Strategy and Planning for Ansett Australia Holdings Limited, Victorian Funds Management Corporation and a Vice President at JP Morgan Australia.

As an adviser for major Australian and international corporations, Ms Williams brings to the Board experience in capital markets, human resources, and equity fundraising.

Ms Williams was a member of the Board Investment Committee and of the Board Risk Committee until May 2016. She is a member of the Equity Trustees Limited Compliance Committee (a subsidiary committee) and is Chair of the Remuneration, Human Resources and Nominations Committee.

In addition to the directorships held in the companies listed below, Ms Williams is a non-executive director on a range of public, government and private boards including Guild Group Holdings Limited, Port of Melbourne Corporation, Defence Health, Barristers Chambers Limited, Victorian Funds Management Corporation, and the Foreign Investment Review Board.

Listed company directorships held during the past three financial years:

- Djerriwarr Investments Limited (from May 2010 to the present)
- Cooper Energy Limited (from August 2013 to the present)

**THE HON JEFFREY G KENNETT AC****Independent Director****Hon DBus (Ballarat), Hon LL D (Deakin)***Appointed Director in September 2008.*

Mr Kennett was an Officer in the Royal Australian Regiment, serving at home and overseas. He was a Member of the Victorian Parliament for 23 years, Premier of the State from 1992 to 1999, and awarded the Companion of the Order of Australia in 2005.

Mr Kennett is currently Chair of beyondblue, the national depression initiative, and Chair of The Torch, a program assisting incarcerated Indigenous men and women. In addition, he is Chair of Open Windows Australia Proprietary Limited, Chair of CT Management Group Pty Ltd, Chair of Amtek Corporation Pty Ltd and Chair of LEDified Lighting Corporation Pty Ltd.

He is associated with many community organisations, including The Royal District Nursing Service and Sovereign Hill Ballarat.

Mr Kennett brings to the Board experience in client and community relations, and government.

Mr Kennett is a member of the Remuneration, Human Resources and Nomination Committee, was a member of the Board Risk Committee to May 2016, and was a member of the Board Audit Committee between May 2016 and August 2016.

Listed company directorships held during the past three financial years:

- Seven West Media Limited (from June 2015 to the present)
- Primary Opinion Limited (from April 2004 to November 2015)

**ANNE M O'DONNELL****Independent Director****BA (Bkg & Fin), MBA, FAICD, SF Fin***Appointed Director in September 2010.*

Ms O'Donnell has some 35 years' experience in the finance sector and is an experienced executive and non-executive director in the listed, not-for-profit and mutual sectors.

Ms O'Donnell is a director of Community CPS Australia Ltd (trading as Beyond Bank Australia), Eastwoods Pty Ltd and The Winston Churchill Memorial Trust. In addition, she is an external member of the UBS Global Asset Management (Australia) Ltd Compliance Committee, external Chair of the IP Australia Audit Committee, a member of each of the Investment, Audit & Risk Committee and the Nominations and Remuneration Committee of the Winston Churchill Memorial Trust, and an external member of the Nominations Committee of Goodwin Aged Care Services Ltd.

A former Managing Director of Australian Ethical Investment Ltd, Ms O'Donnell was also formerly a director of the Financial Services Council, The Centre for Australian Ethical Research Pty Ltd, the ANZ Staff Superannuation Fund, The Grain Growers Association Ltd, and the Australian Institute of Company Directors. Ms O'Donnell brings to the Board extensive knowledge of the wealth management industry.

Ms O'Donnell is Chair of the Equity Trustees Limited Compliance Committee (a subsidiary committee) and a member of the Company's Board Audit Committee, Board Risk Committee and the Remuneration, Human Resources and Nominations Committee.

**KEVIN J ELEY****Independent Director****CA, F FIN, FAICD***Appointed Director in November 2011.*

Mr Eley is a Chartered Accountant with experience in management, finance and investment. He was Chief Executive Officer for 20 years of listed diversified investment company HGL Limited, where he remains as a non-executive director. Previously he worked in Australia and overseas for a major international accounting firm and in the corporate finance divisions of a local and international investment bank.

Mr Eley brings to the Board extensive experience in the areas of managing businesses, strategic development, finance and investment. Mr Eley is Chair of the Board Audit Committee and Chair of the Board Risk Committee since May 2016.

Listed company directorships held during the past three financial years:

- Chair of Hunter Hall International Limited (Director from October 2012 and Chair from May 2016 to the present)
- HGL Limited (from October 2010 to the present)
- Milton Corporation Limited (from November 2011 to the present)
- PO Valley Energy Limited (from June 2012 to April 2016)
- Kresta Holdings Limited (from April 2011 to February 2014)

**D. GLENN SEDGWICK****Independent Director****BCom, FAICD, FCA***Appointed Director on 8 August 2016.*

Mr Sedgwick has more than 30 years' experience as a consultant to listed and unlisted Australian, Chinese and other Asian enterprises across financial services, and information technology. A former partner in Accenture (then Arthur Andersen & Co.), he was previously Managing Director of Accenture's Asia Pacific Insurance and Wealth Management business.

Mr Sedgwick is Chair of Australian Tourist Park Management (ATPM), a director of Australian Life Insurance Group (ALI), a Councillor of Queens College (University of Melbourne), and a member of the Foundation Committee of the Melbourne Symphony Orchestra.

With strengths in financial reporting and risk management, Mr Sedgwick also brings to the Board extensive knowledge in strategy development.

Mr Sedgwick is a member of the Board Audit Committee and Board Risk Committee effective 8 August 2016.

Group Leadership Team



MICK J O'BRIEN
Managing Director
FIAA, CFA, GAICD
Joined April 2016

With more than 30 years' experience in retail and institutional markets, Mick served as an independent non-executive Director of the Company since July 2014, an Executive Director in April and June 2016, and Managing Director from 1 July 2016. He was formerly CEO and director of Invesco Australia Limited, director of Alliance Capital Management Australia and Chief Investment Officer of AXA Australia and New Zealand.



RYAN BESSEMER
**Chief Operations Officer,
Operations & Technology**
PRINCE2, Harvard Leadership Program
Joined January 2011

With more than 20 years' experience in information technology, most of which has been applied in financial services contexts, Ryan's previous leadership roles included Chief Information Officer for listed companies Austock (where he was voted one of the top three CIO's in Australia) and Frigrite Limited.



SONYA CLANCY
**Executive General Manager, Human
Resources, Marketing & Communications**
BA, FAICD, FAIM, FAHRI
Joined September 2014

A specialist in the full range of strategies to effect transformational change in workplace cultures, Sonya previously held senior leadership positions at ANZ, AMRAD Pharmaceuticals and Rhone-Poulenc Rorer. Sonya is Chairman of The Big Issue (since 2005) and also Chairman of Homes4Homes (since 2011) and was previously Chairman of the Homeless World Cup (2007 – 2010).



PHILIP GENTRY
Chief Financial Officer
B.Sc, MBA
Joined January 2016

Philip has more than 25 years' experience in leadership positions within financial services, property, agribusiness, international trade, commodities and logistics. His previous roles have included CFO at Grocon, Managing Director of Agrium Asia Pacific, CFO of AWB and a number of leadership positions at ANZ Bank.



HARVEY KALMAN
**Executive General Manager,
Corporate Trustee Services**
BEc, Grad Dip App Fin & Inv, Grad Dip Acc, Advanced
Management Program (Columbia)
Joined January 2000

Harvey has more than 25 years' experience in the financial services sector and is charged with overall responsibility for the operational compliance of all Responsible Entity and Corporate Trustee relationships. He previously held senior roles at ANZ and the Australian Society of Corporate Treasurers.



LANCE PUPELIS
Head of Asset Management
BEco, LLB
Joined May 2014

Lance has 30 years' experience in investment management encompassing cash, fixed income and asset allocation. He was previously Head of Fixed Income at ANZ Trustees. Prior to ANZ, he held roles with Aviva Investors Australia (formerly Portfolio Partners & Norwich Investment Management), Westpac Investment Bank, Bank of Melbourne and ANZ.



GEOFFORY RIMMER
**Executive General Manager,
Trustee & Wealth Services**
Business Management – AIM, DipFinServ
Joined July 2012

With more than 30 years' experience in the financial services sector, Geoff began his career as a financial adviser. Before Equity Trustees, Geoff held leadership positions including Chief Executive Officer of the Financial Services Partners Group, and senior roles within banking and life insurance.



GEOFF WALSH
Chief Risk Officer, Enterprise Risk
BBus, MBA, GAICD
Joined April 2015

Geoff has more than 40 years' experience in the financial services sector in senior executive positions internationally and domestically. He has extensive experience with APRA, The Federal Reserve of New York, Hong Kong Monetary Authority and the Monetary Authority of Singapore.

Information for Shareholders

KEY DATES FOR SHAREHOLDERS

Friday 14 October 2016

Payment date of 2016 final dividend

Friday 28 October 2016

Annual General Meeting

EQT HOLDINGS LIMITED 2016 ANNUAL REPORT

A copy of EQT Holdings Limited *2016 Annual Report* has been mailed to all shareholders who have previously elected to receive a hard copy of the document.

The Annual Report can be viewed on our website: **eqt.com.au/shareholders**

In order to change your election for receipt of a hard copy of our Annual Report, or to request a hard copy be mailed to you, please contact our share registry, Computershare, as follows:

Phone: **1300 850 505 (within Australia)** or **+61 3 9473 2500 (outside Australia)**

Web: **www-au.computershare.com/investor**

EQT Holdings Limited

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