



Qantas Superannuation Limited

Governance Documents

Volume 2: Policies and Plans

**Rules for the Nomination, Appointment and
Removal of Directors**

Table of Contents

Preamble.....	3
1 Number of Directors.....	4
2 Member-elected Directors	5
3 Company Directors	8
4 Term of Office	9
5 Removal of Directors	10
6 Vacancies.....	11
7 Publication of the Rules	12
8 Amendments of these Rules	13

Preamble

The Superannuation Industry (Supervision) Act 1993 and regulations made pursuant to it from time to time (together referred to in these Rules as "**SIS**") and the Plan's Trust Deed and Rules require Qantas Superannuation Limited (**QSL**) as trustee of the Qantas Superannuation Plan (**Plan**) to establish rules ('Rules') for selecting and removing Directors of the Trustee nominated by the Members of the Plan or their representatives (**Member-elected Directors**).

The Plan's Trust Deed and Rules also provide that Qantas Airways Limited (**Principal Company**) may select an equal number of employer representatives ('**Company Directors**') to serve on the Board of Directors of the Trustee. The Trustee has determined to include rules relating to the appointment and removal of Company Directors in these Rules.

These Rules were approved by the Trustee on 2 June 2017 and are set out below.

Version:	2017.01
Author:	Chief Executive Officer
Date:	Approved 5 July 2017

1 Number of Directors

- 1.1 The Trustee's Board of Directors will comprise five Member-elected Directors and five Company Directors, unless the Principal Company determines otherwise, subject to the equal representation requirements under SIS.
- 1.2 An additional independent Director may be appointed to the Board with the approval of the Principal Company.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

2 Member-elected Directors

- 2.1 The Member-elected Director for each Group must be elected in accordance with these Rules.
- 2.2 Five (5) Member-elected Directors will be elected by Members from time to time as vacancies occur as follows:
- a) One (1) Director shall be elected from and by Members who are classified by Qantas as Technical Aircrew; **Group A**
 - b) One (1) Director shall be elected from and by Members who are classified by Qantas as Flight Attendants; **Group B**
 - c) One (1) Director shall be elected from and by Members who are classified by Qantas as being Aircraft Trade Persons other than provided for in Group D, Store Workers and Food Production Workers; **Group C**
 - d) One (1) Director shall be elected from and by Members who are classified by Qantas as Licensed Aircraft Maintenance Engineers, Transport Workers, Technical Salaried Employees and Airline Officers' Award Levels 1 – 4 and Nurses; **Group D**
 - e) One (1) Director shall be elected from and by Members who are classified by Qantas as otherwise than is provided in Groups A-D above, including Airline Officers' Award Level 5 – Senior Professional 2, Executive/Management Framework employees, Business & Information Technology Professionals and Professional Engineers; **Group E**.
- 2.3 The Trustee, with the approval of Principal Company, may from time to time by a resolution of its Board, vary the number, and composition, of each Group of Members (**Group**) from which Directors may be elected, subject to the equal representation requirements under SIS.
- 2.4 The Principal Company agrees that Member-elected Directors elected in accordance with these Rules will be deemed to be appointed as Directors in accordance with Article 5.6 of the Trust Deed on notification of their election to the Principal Company.
- 2.5 When a vacancy arises in one of the Groups, the Trustee will advise the Principal Company. The Principal Company will provide the Trustee with a list of the Members of that Group for the purposes of the call for nominations and the conduct of the ballot to fill such vacancy.
- 2.6 The Trustee will notify each Member of the Group of the vacancy and call for nominations for appointment of a Member to fill such vacancy, stating the closing date for the receipt of each nomination. The Trustee may use electronic or paper based means to contact Members of the Group. The Trustee may at that time outline any skills, areas of experience or other attributes that it regards as desirable given its obligation to demonstrate its fitness and propriety or having regard to its Skills Matrix. Only those attributes required to establish the fitness and propriety of the individual (as opposed to the Board as a whole) under the Trustee's Fit and Proper Policy will operate as conditions of nomination.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

In the event that no valid nominations are received by the closing date, the closing date may be extended by the Chairman or CEO of QSL for a further period determined by them.

If no valid nominations are received by the end of that extended period, then the Trustee may, subject to the requirements of Article 5 of the Trust Deed and after consulting the People, Remuneration and Nominations Committee (**Committee**), determine the manner in which the vacancy is to be filled.

2.7 A nomination will only be valid if it:

- a) nominates a Member who is a member of the Group in respect of which the vacancy occurs;
- b) nominates a Member who has not exceeded the maximum period of tenure for Directors as specified in the Trustee Governance Policy and Framework from time to time;
- c) is signed by the Member who is nominated to be a Director to confirm their consent to the nomination, and by at least one other Member who is also a Member of that Group;
- d) is in the form that is approved by the Trustee from time to time;
- e) contains information that satisfies the Committee that the Member would be regarded as fit and proper to act as the director of an RSE licensee of the type and size of QSL, including the disclosure of all relevant duties in accordance with the Conflicts Management Framework; and
- f) is received by the Trustee no later than the specified closing date and is accepted by the Trustee.

2.8 If only one Member is validly nominated by a Member of a Group and is eligible for appointment, the Member nominated will be deemed to be elected.

2.9 If more than one Member is validly nominated by Members of a Group, then a secret ballot will be held to select one of the nominees for appointment. The Trustee will appoint a person to act as the Returning Officer who will be responsible for the arrangement and conduct of the election, including the processes that will apply to the conduct of the election. The Returning Officer will count all votes validly cast and notify the result to the Trustee.

The Trustee may ask the Returning Officer to conduct the secret ballot in paper or electronic form. Ballot forms may be issued in paper or electronic format.

Each Member of a Group may cast only one vote for one of the validly nominated Members standing for election.

If, during the voting period advised by the Trustee, a validly nominated Member ceases to be eligible for appointment in accordance with the criteria contained in Article 5, then the Returning Officer will disregard all votes cast for that Member. The candidate with the next highest number of votes at the close of the voting period will be declared the successful candidate.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

- 2.10 Nominees will be allowed to provide a statement supporting their nomination for distribution to the Members eligible to vote. If the statement contains any offensive, defamatory or inaccurate material as determined by the Company Secretary, then the Company Secretary can require the candidate to revise their statement before it is accepted and made available for viewing by voters.
- 2.11 The election will be conducted using a 'first past the post' voting system. The successful nominee will be the one who receives the greatest number of votes.
- 2.12 If the ballot results in a tie, the nominee who is to be appointed will be decided by the Returning Officer by the toss of a fair coin witnessed by at least one current Director of the Trustee, the Chief Executive Officer or the Company Secretary.
- 2.13 The election of a Member-elected Director will become effective from the date determined by the Trustee and notified to Members of the relevant Group.

Version:	2017.01
Author:	Chief Executive Officer
Date:	Approved 5 July 2017

3 Company Directors

- 3.1 At any time the Principal Company may select a person to act as a Company Director by giving written notice to the Trustee.
- 3.2 Prior to the expiration of the term of office of a Company Director the Board will provide to the Principal Company a description of the skills, experience and any other attributes required to enable it to meet its fit and proper obligations under relevant laws. It may also express preferences in relation to the skills and experiences it deems desirable from the perspective of the Board's Skills Matrix.
- 3.3 Persons who are selected for appointment by the Principal Company to act as Company Director must:
- a) not have exceeded the maximum period of tenure for Directors as specified in the Trustee Governance Policy and Framework from time to time;
 - b) disclose relevant duties in accordance with the Conflicts Management Framework; and
 - c) be assessed under the Trustee's Fit and Proper Policy to meet the applicable fit and proper criteria to act as Director in accordance with the Policy.
- 3.4 The Principal Company and the Trustee agree that the appointment of Company Directors selected in accordance with these Rules will take effect on satisfaction of the requirements specified in Rule 3.3.

Version:	2017.01
Author:	Chief Executive Officer
Date:	Approved 5 July 2017

4 Term of Office

- 4.1 A Director appointed under Article 2 or Article 3 will hold office until the expiry of their term of office of four years from the effective date of appointment; or their removal under Article 5, if earlier.
- 4.2 The Board may, on the recommendation of the Committee extend the maximum term of office in respect of an individual Director in the circumstances outlined in the Trustee Governance Policy and Framework.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

5 Removal of a Director

5.1 A Director may be removed from office under the provisions of the Trustee's Constitution, the Plan's Trust Deed and Rules or SIS in the event of their:

- a) death;
- b) mental or physical incapacity;
- c) in the opinion of the Trustee no longer meeting one or more of the criteria for fitness and propriety relevant to the Director set out in the APRA Prudential Standards;
- d) becoming a disqualified person within the meaning of Part 15 of SIS or disqualified from managing corporations under Part 2D.6 of the Corporations Act;
- e) suspension or removal under Part 17 of SIS;
- f) resignation from the position;
- g) ceasing to satisfy any condition they were required to satisfy in order to be eligible for appointment; or
- h) ceasing to be eligible to continue to act as a Director under the Trustee Governance Policy and Framework.

5.2 A Member-elected Director may also be removed from office in the event of their:

- a) ceasing to be a Member of the Plan;
- b) being the subject of a written request to the Trustee for their removal as a Member-elected Director signed by a simple majority of the Members of the relevant Group;
- c) retirement or;
- d) termination of employment.

or in any other circumstances permitted under SIS that are not prohibited under the provisions of the Trustee's Constitution or the Plan's Trust Deed and Rules from time to time.

5.3 The Principal Company may also remove a Company Director by giving written notice to the Trustee.

5.4 A Director who ceases to hold office pursuant to this Article shall, if otherwise eligible, be entitled to be selected or appointed as a Director on a subsequent occasion.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

6 Vacancies

- 6.1 At or near the expiry of the term of office of a Member-elected Director of a Group, or in the event of a Member-elected Director ceasing to hold office for any reason prior to the expiry of his or her term of office, the Trustee will call for nominations and, if necessary, institute an election pursuant to Article 3.
- 6.2 Casual vacancies are to be filled within 90 days (where possible) as follows:
- a) For Member-elected Directors – a new election is to be held as soon as possible; and
 - b) For Company Directors – Qantas will identify a suitable candidate to fill the vacancy as soon as practicable.

Version:	2017.01
Author:	Chief Executive Officer
Date:	Approved 5 July 2017

7 Publication of the Rules

- 7.1 The Trustee will arrange for these Rules (as amended from time to time) to be published in such a way as will in the opinion of the Trustee make Members of the Plan aware of the procedure for the selection and removal of Member-elected Directors.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017

8 Amendments of these Rules

- 8.1 The Trustee, with the approval of the Principal Company, may by resolution of its Board at any time amend, alter, add or repeal these Rules provided no amendment, alteration, addition or repeal is made that would or may, in the opinion of the Trustee, contravene SIS or any other relevant superannuation laws.

Version: 2017.01

Author: Chief Executive Officer

Date: Approved 5 July 2017