

**Rules relating to the nomination, appointment and removal of Trustee Directors | March 2021**  
**IOOF Investment Management Limited ABN 53 006 695 021**

<b>Document</b>	<b>Extract</b> (paragraph references are references to the paragraph numbers in the source document)
<b>Constitution</b>	<p><b>Appointment and removal of Directors</b></p> <p><b>55. Number of Directors</b></p> <p>55.1 Subject to the Relevant Law, the Company may by resolution passed at a general meeting increase the minimum number of Directors or increase or reduce the maximum number of Directors.</p> <p>55.2 Until the Company resolves otherwise in accordance with clause 55.1 there will be:</p> <ul style="list-style-type: none"> <li>(a) a minimum of 2 Directors; and</li> <li>(b) a maximum of 8 Directors.</li> </ul> <p><b>56. No share qualification</b></p> <p>56.1 A Director does not have to hold any shares.</p> <p><b>57. Rules applying to Directorships</b></p> <p>57.1 This clause 57 applies, subject to the Relevant Law and notwithstanding anything contained in this Constitution to the contrary.</p> <ul style="list-style-type: none"> <li>(a) <b>Number of Directors:</b> the Board may decide the number of Directors;</li> <li>(b) <b>Nominations for Directorship:</b> either the Parent Company or the Company may, by notice in writing to the other, nominate a person to be a Director;</li> <li>(c) <b>Appointments:</b> a person may be appointed to be a Director: <ul style="list-style-type: none"> <li>(i) by the Board if the Parent Company does not object to the proposed appointment within 14 days of receiving written notice of the proposed appointment; or</li> <li>(ii) by the Parent Company.</li> </ul> </li> <li>(d) <b>Criteria for appointment or reappointment:</b> a person may not be appointed or reappointed to be a Director unless: <ul style="list-style-type: none"> <li>(i) the person has consented in writing to the appointment;</li> </ul> </li> </ul>

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	<ul style="list-style-type: none"><li>(ii) the person has confirmed, and the Board has resolved, that the person is not a Disqualified Person;</li><li>(iii) the person has disclosed any material personal interest in a matter that relates to the affairs of the Company and office or property held by the person by which, directly or indirectly, duties or interests might be created in conflict with their duties as Director in accordance with and as required by the Relevant Law; and</li><li>(iv) the Board has resolved that the person satisfies the requirements of the Company's Fit and Proper Policy and any other policies that may be determined by the Board from time to time pursuant to clause <b>Error! Reference source not found.</b>;</li></ul> <p>(e) <b>Chairperson:</b> if the Company is the trustee of an RSE, the chairperson of the Board must be an Independent Director; and</p> <p>(f) <b>Composition of the Board:</b> unless determined by unanimous resolution of the Board, the majority of the Directors on the Board must be Independent Directors; and</p> <p>(g) <b>Requirements to be appointed as an Independent Director:</b> a person must not be appointed, or reappointed, as an Independent Director, unless the Board has resolved that the person is 'Independent' in accordance with any requirements or policy that may be determined by the Board from time to time and pursuant to clause <b>Error! Reference source not found.</b></p> <p><b>58. Period of office</b></p> <p>A Director will continue to hold office until they die or until their office is vacated under clause 59.</p> <p><b>59. Vacation of office</b></p> <p>59.1 The office of a Director immediately becomes vacant pursuant to this Constitution if the Director:</p> <ul style="list-style-type: none"><li>(a) ceases to be a Director by virtue of the Relevant Law;</li><li>(b) is a Disqualified Person or otherwise becomes prohibited by the Relevant Law from holding office or continuing as a Director;</li><li>(c) is or has been insolvent under administration within the previous 5 years.</li><li>(d) is prohibited by the Relevant Law from holding office or continuing as a Director;</li></ul>
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	<ul style="list-style-type: none"> <li>(e) is liable to pay a call but does not pay the call within 21 days after the date on which it is payable;</li> <li>(f) is prohibited from holding or is removed from the office of Director by an order made under the Relevant Law;</li> <li>(g) becomes bankrupt or makes any general arrangement or composition with their creditors;</li> <li>(h) cannot fully participate in the management of the Company because of their mental incapacity;</li> <li>(i) is a person whose estate is liable to have a person appointed, under the law relating to the administration of estates of persons who through mental or physical infirmity are incapable of managing their affairs, to administer it;</li> <li>(j) resigns from the office of Director by notice in writing to the Company;</li> <li>(k) is removed under this Constitution;</li> <li>(l) was appointed to the office for a specified period and that period expires;</li> <li>(m) pursuant to a resolution of the Board, no longer satisfies the requirements of the Company's Fit and Proper Policy and any other policies that may be determined by the Board from time to time pursuant to clause <b>Error! Reference source not found.</b>;</li> <li>(n) holds the office of an Independent Director and, pursuant to a resolution of the Board, the person no longer satisfies the criteria for being 'Independent' unless the Board resolves, with the prior written consent of the Parent Company, that the Director does not vacate the office; or</li> <li>(o) becomes in the opinion of the Directors incapable of performing their duties.</li> </ul> <p>59.2 Unless otherwise stated, and subject to the Relevant Law, the Parent Company may, by notice to the Company, remove any Director from office.</p>
<p><b>Board Charter</b></p>	<p><b>3. Board structure and operation</b></p> <p><b>3.1. Composition and membership</b></p> <p><b>Size and composition</b></p> <p><b>(a)</b> The Board decides the size and composition of the Board. It must take into account the following:</p>

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	<ul style="list-style-type: none"><li>• The terms of the Company's constitution.</li></ul> <p>Note: As at the date of this Charter, under the constitution the number of directors must be between 2 and 8 and the majority must be independent directors (clauses 55 and 57).</p> <ul style="list-style-type: none"><li>• Regulatory requirements (including the Corporations Act and APRA prudential standards).</li><li>• The needs of the Board having regard to the size and complexity of the business and strategy.</li></ul> <p>The Board periodically reviews the number of directors and assesses whether the size of the Board supports effective functioning and decision-making.</p> <p>Note: As at the date of this Charter, the Board has decided that the target size for the Board is six members.</p> <p><b>Skills</b></p> <p>(b) The Board must comprise directors with an appropriate range of knowledge, qualifications and experience from a range of backgrounds.</p> <p><b>Independence</b></p> <p>(c) The Board must comprise a majority of independent directors. The Board must assess the independence of each non-executive director in accordance with the independence assessment criteria. This must be done on appointment and at least annually. The criteria are set out in the Board policy.</p> <p><b>Director processes and Board renewal</b></p> <p>(d) The Board is responsible for processes for the appointment, induction and ongoing development and performance assessment of directors. It is also responsible for performance assessment of the Board and Board renewal. These processes are set out in the Board policy.</p>
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<b>Board Policy</b>	<p><b>2. Nomination of non-executive directors</b></p> <p>(a) For appointments by the Board, the ARE Remuneration &amp; Nominations Committee assesses candidates for recommendation to the Board for appointment. Except in the case of IIML, the recommendation is subject to no objection by the IOOF Holdings Board before appointment. Any appointment by the IOOF Holdings Board is subject to consultation with the Board before the appointment is made; this may be through the ARE Remuneration &amp; Nominations Committee. In all cases appointment is subject to any required regulatory approvals being obtained.</p> <p>(b) In the case of appointment, candidates are assessed paying particular attention to the mix of skills, experience, expertise, diversity (see below) and other qualities of existing directors. It is considered how the candidate's attributes will balance and complement those qualities.</p> <p>The process includes consideration of the following.</p> <ul style="list-style-type: none"><li>• selection criteria, having regard to the Board skills matrix.</li><li>• an assessment of independence of the candidate (see below).</li><li>• background checks and a fit and proper analysis.</li><li>• current and past associations of candidates.</li><li>• the appropriateness of other directorships.</li><li>• the ability of the candidate to meet the time commitment required (as advised to the candidate) and receipt of an acknowledgement from the candidate that they will have sufficient time to fulfill their responsibilities as a director.</li></ul> <p>(c) In the case of re-appointment, the assessment process takes annual performance reviews into account.</p> <p>(d) The ARE Remuneration &amp; Nominations Committee may generate a list of candidates with input from the CEO, directors and the Board, or use the services of an executive search firm to develop a list. An executive search firm may also be used to assist in the assessment of candidates.</p> <p><b>5. Appointment, term and disputes</b></p> <p>(a) A new director receives an appointment letter and a deed of indemnity. The matters covered</p>
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	<p>by the letter include termination and resignation, the time commitment, fees and expenses, code of conduct, confidentiality, and insurance.</p> <p><b>(b)</b> A director is appointed for an initial term of 4 years. A director’s appointment ends in the circumstances set out in the constitution (including as to removal).</p> <p><b>(c)</b> If a dispute arises about the nomination, appointment, re-appointment or removal of a director, the matter will be referred to the ARE Remuneration &amp; Nominations Committee for consideration. The Committee will recommend an appropriate course of action to the Board. The usual voting procedures in the constitution and Group Conflicts of Interest Policy apply for the appointment, re-appointment and removal of any director.</p>
<p><b>Board Governance Framework</b></p>	<p><b>3. Board composition, non-executive directors and processes</b></p> <p><b>3.1. Constitution</b></p> <p>The constitution sets out the parameters for the composition of the Board and appointment of non-executive directors, as well as the circumstances in which a director ceases to hold office (including through removal).</p> <p>Voting rights and procedures for Board decisions are set out in the constitution (and subject to the Group Conflicts of Interest Policy referenced below).</p> <p><b>3.2. Board Charter</b></p> <p>The Board charter sets out key additional requirements in relation to the composition of the Board and requirements about the conduct of individual directors, the role of the Chair and the role of the Company Secretary.</p> <p><b>3.3. Board Policy</b></p> <p>The Board policy sets out the process for the nomination and appointment of non-executive directors and matters to take into account, including Board diversity and the independence of directors. It sets out the process for dispute resolution.</p> <p>The Board policy also sets out requirements for induction and ongoing professional development, outside appointments and remuneration, as well as performance assessments, succession planning and renewal.</p> <p><b>3.4. Other governance documents</b></p>

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	<p>The other policies referenced above and Board Committee terms of reference outline specific responsibilities and provide additional detail. This includes the following policies relevant to Board composition and processes:</p> <ul style="list-style-type: none"><li>• Group Fit &amp; Proper – Responsible Persons Policy - this forms part of the Company’s risk management framework set out in the Risk Management Strategy and sets out the policy and processes for managing risks relating to the fitness and propriety of responsible persons, including non-executive directors; and</li><li>• Group Conflicts of Interest Policy - this sets out the policy and processes relating to management of conflicts. In addition, the Chief Member Officer is responsible for supporting the Board fulfil its fiduciary obligations by advocating for the interests of beneficiaries.</li></ul>
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