

Procedures for eligibility, appointment and removal of Member Directors and Alternate Member Directors

Commonwealth Bank Officers Superannuation Corporation Pty Limited
(ABN 76 074 519 798, AFSL 246418) (**Trustee**) as trustee of
Commonwealth Bank Group Super (**Fund**) (ABN 24 248 426 878).

Approved by Trustee Board
26 September 2022

Procedures for eligibility, appointment and removal of Members Directors and Alternate Member Directors

Under the Memorandum and Articles of Association (**Constitution**) of the Commonwealth Bank Officers Superannuation Corporation Pty Limited (**Trustee**) as trustee of the Commonwealth Bank Group Super (**Fund**), the Board of Directors comprises an equal number of Employer Directors and Member Directors and no more than three Independent Directors.¹

The Trustee can appoint three Member Directors and Alternate Member Directors under its Constitution.

A. Definitions

In this instrument, unless a contrary intention is indicated or the subject matter requires otherwise:

"**Alternate Member Director**" shall have the meaning set out in the Constitution

"**Elected Member Director**" means a director identified as Member Director 'A', 'C' or 'E'

"**Member Director**" shall have the meaning set out in the Constitution

"**Procedures**" means the procedures for eligibility, appointment and removal of Members Directors and Alternate Member Directors set out in this instrument

"**Trust Deed and Rules**" means the Trust Deed and Rules of the Fund dated 11 July 1996 as amended from time to time

"**voting member**" means a Member of the Fund who is an 'Employee' as defined in Division A of the Trust Deed and Rules

expressions defined in the Trust Deed and Rules shall have the meanings attributed to them in the Trust Deed and Rules

words expressed in the singular include the plural and vice versa.

B. Eligibility

Unless otherwise agreed between the Trustee and the Commonwealth Bank from time to time either generally or in any particular case, a person is only eligible to be a Member Director or an Alternate Member Director if that person:²

- 1) is for the time being both a Fund Member and an Employee³
- 2) has attained the age of 18 years
- 3) has not been convicted of an offence involving fraud or dishonesty
- 4) is not for the time being a bankrupt or subject to an assignment to or composition with that person's creditors
- 5) is not prohibited from acting as a director of a public company under relevant legislation of the Commonwealth of Australia or any State or Territory of Australia

¹ Employer Directors are appointed and removed by the Commonwealth Bank of Australia; Refer to the Trustee Constitution for the appointment of Employer Directors and Independent Directors

² Article 7.3 of the Trustee's Constitution

³ Article 7.3(h)(1) of the Trustee's Constitution; Fund Member and Employee are defined in the Trustee's Constitution

- 6) is not a person whose property is liable to be dealt with under relevant legislation of the Commonwealth of Australia or any State or Territory of Australia relating to mental health
- 7) is not otherwise prohibited from acting in that capacity under the Relevant Law, and
- 8) satisfies any other applicable conditions determined by the Board under article 7.5 or article 7.6.2(a) of the Constitution.

For the purposes of interpretation of items (1) to (8) above, expressions defined in the Constitution shall have the meanings attributed to them in the Constitution.

The Board has determined pursuant to the Constitution that prospective Member Directors and Alternate Member Directors will only be eligible if they:

- a) have a minimum of five years relevant business experience in an executive level role⁴
- b) provide a signed written consent to the appointment in the case of an appointment to fill a vacancy under section D(1)(a)(iii) below or a signed election nomination form stating they consent to undertake the role of Director if elected in the case of a candidate for election
- c) satisfy the fit and proper requirements (they will only commence to hold office if such requirements are met even if they have been elected)
- d) provide written endorsement from their manager to take up the role of Member Director or Alternative Member Director and a written reference from their manager or manager once removed
- g) provide a statutory declaration containing such declarations and undertakings relating to fitness and propriety
- h) provide an authority form to obtain an Australian Federal Police check in the form specified by APRA, and
- i) provide an authority to obtain a foreign police check (or checks) in the form required by APRA, if they have resided in a foreign country (or countries) for a period of more than one year since turning 18 years of age.

C. Method and term of appointment and removal

Member Directors shall be identified as Member Directors 'A', 'C' and 'E'. The method and term of appointment of Member Directors and the Alternate Member Director (if required) shall be as follows:

1. Member Director 'A'	
<i>Method of Appointment:</i>	Election by voting members, or appointment, in accordance with Section D below.
<i>Term of Appointment:</i>	Terms to be for a period of 3 years with a maximum of 4 terms permitted (ie 12 years) ⁵ . However, if the Board considers that it would be in the best financial interests of the Fund beneficiaries to do so, the Board may determine that a term (including a term that has already commenced) is to be for a period of 4 years or, in circumstances that the Board considers to be exceptional, 5 years. In either case, any subsequent term may be shortened, to a corresponding extent, by

⁴ Executive level role is defined as holding a level 3 or higher position in the Group, level 4 for Bankwest roles, (or equivalent position in an external organisation) for a minimum of five years

⁵ SPG 510 (24)

determination of the Board, including if such shortening is necessary to ensure that the overall period of tenure does not exceed 12 years.

2. Member Director 'C'	
<i>Method of Appointment:</i>	Election by voting members, or appointment, in accordance with Section D below.
<i>Term of Appointment:</i>	Terms to be for a period of 3 years with a maximum of 4 terms permitted (ie 12 years). However, if the Board considers that it would be in the best financial interests of the Fund beneficiaries to do so, the Board may determine that a term (including a term that has already commenced) is to be for a period of 4 years or, in circumstances that the Board considers to be exceptional, 5 years. In either case, any subsequent term may be shortened, to a corresponding extent, by determination of the Board, including if such shortening is necessary to ensure that the overall period of tenure does not exceed 12 years.
3. Member Director 'E'	
<i>Method of Appointment:</i>	Election by voting members, or appointment, in accordance with Section D below.
<i>Term of Appointment:</i>	<p>Terms to be for a period of 3 years with a maximum of 4 terms permitted (ie 12 years), (excluding the term that commenced in June 2016). However, if the Board considers that it would be in the best financial interests of the Fund beneficiaries to do so, the Board may determine that a term (including a term that has already commenced) is to be for a period of 4 years or, in circumstances that the Board considers to be exceptional, 5 years. In either case, any subsequent term may be shortened, to a corresponding extent, by determination of the Board, including if such shortening is necessary to ensure that the overall period of tenure does not exceed 12 years (excluding the term that commenced in June 2016).</p> <p>Note: The term that commenced in June 2016 was for a period of 3 and a half years. (To allow for an even distribution of elections).</p>
4. Alternate Member Director (if required)	
<i>Method of Appointment:</i>	Election by voting members, or appointment, in accordance Section D below.
<i>Term of Appointment:</i>	Terms to be for a period of 2 years. However, if the Board considers that it would be in the best financial interests of the Fund beneficiaries to do so, the Board may determine that a term (including a term that has already commenced) is to be for a period of 3 years or, in circumstances that the Board considers to be exceptional, 4 years.

Removal

Notwithstanding the term of appointment above, the term of each Member Director and Alternate Member Director is subject to the Director continuing to meet the eligibility criteria in Section B.

D. Election

1) Filling vacancies

The following methods of appointment for the filling of any vacancy in the office of an Elected Member Director or the Alternate Member Director apply:

- a) Elected Member Directors
 - i. where the vacancy occurs at the expiry of an Elected Member Director's term, the vacancy shall be filled following an election and otherwise in accordance with the procedures in this section D
 - ii. where the vacancy occurs more than 12 months prior to the expiry of an Elected Member Director's term, the vacancy shall be filled following a by-election in accordance with the procedures in this section D, and
 - iii. where the vacancy occurs less than 12 months prior to the expiry of an Elected Member Director's term, the vacancy shall be filled following the appointment in accordance with these Procedures of a Member of the Fund who is an Employee as defined in Division A of the Trust Deed and Rules and who previously stood for election as an Elected Member Director (including at a by-election) and received votes at the election, appointed by the remaining Member Directors by notice in writing to the Company Secretary (**Secretary**) signed by the remaining Member Directors, and, in the case of sub-paragraph (ii) and this sub-paragraph, the replacement Elected Member Director shall hold office for the balance of the term applicable to the Elected Member Director whose place is taken.
- b) Alternate Member Director (if required)
 - i. where the vacancy occurs at the expiry of that Alternate Member Director's term, the vacancy shall be filled following an election in accordance with these Procedures, and
 - ii. where the vacancy occurs at any other time, the vacancy shall be filled following the appointment in accordance with these Procedures of a Member of the Fund who is an Employee as defined in Division A of the Trust Deed and Rules and who previously stood for election as an Alternate Member Director (including at a by-election) and received votes at the election, appointed by the Member Directors by notice in writing to the Secretary signed by the Member Directors, and such replacement Alternate Member Director shall hold office for the balance of the term of the Alternate Member Director whose place is taken.

2) Procedures for election of Elected Member Directors

If at any time it is necessary to fill the positions of more than one Elected Member Director, including where positions are to be filled by both an election to fill a vacancy at the end of an Elected Member Director's term and a by-election to fill a casual vacancy or vacancies, a single election may be held for all such positions in accordance with the below:

- a) the Secretary shall call or cause the calling of nominations for election as Elected Member Directors by giving notice to voting members:
 - i. in the case of an election to fill a vacancy at the end of an Elected Member Director's term, during the preceding three months in the relevant year in which the term of an Elected Member Director is due to expire, and
 - ii. no later than 30 days prior to any by-election

- b) nominations in respect of persons eligible to become an Elected Member Director shall be in writing and signed by not less than two voting members and include or be accompanied by a written statement from the nominee signifying the person's consent to the nomination and a willingness to act if elected
- c) the period allowed for nominations shall not be less than 14 days and a nomination will not be effective unless it is received by the Secretary on or before the date specified in the notice calling for nominations as the last date upon which nominations can be received
- d) if by the required date there are no nominations or insufficient nominations to enable each office of Elected Member Director, in respect of which nominations have been called, to be filled:
 - i. the Secretary shall call for fresh nominations, and
 - ii. notwithstanding paragraph (c) above, the Secretary may extend the closing date for such fresh nominations but in all other respects the election shall be conducted in accordance with these procedures
- e) the Governance Committee will review all nominations in accordance with the Fit and Proper Policy to determine eligibility to stand for election
- f) in a case where the number of eligible nominations received equals the number of positions as Elected Member Director to be filled or where, after the procedures set out in paragraph (d) and (e) above have been followed, the number of eligible nominations received is less than the number of positions as Elected Director to be filled, the Secretary shall declare that the eligible person or eligible persons nominated have been elected (with the particular positions to be taken being determined via a random draw of the eligible persons nominated, conducted by the Secretary on the basis that the first name drawn shall take the position having the longest term of office, and so on) and the Secretary shall notify the voting members accordingly
- g) if the number of eligible persons nominated exceeds the number of vacant positions, a poll of voting members shall be held to decide the election
- h) in the event that a poll is required, the eligible nominations will be notified to voting members and a secret ballot held to decide the election
- i) the CEO shall appoint a person to be the Returning Officer who, subject to these Procedures, will determine the manner of conducting the poll and conduct the poll
- j) the positioning of the names of candidates nominated for election as Elected Member Directors shall be determined via a random draw of candidates conducted by the Returning Officer on the basis that the first name drawn shall occupy position no. 1 on the ballot form, the second name drawn, position no. 2, and so on
- k) a poll of voting members may be conducted in paper or electronic form as determined by the Returning Officer; ballot forms may be issued in paper or electronic format as appropriate
- l) voting members may record only one vote for each vacancy to be filled at the poll and:
 - i. in the event that there is only one vacancy to be filled at the poll, the candidate who attains the greatest number of votes shall become the Elected Member Director, and
 - ii. in the event that there is more than one vacancy to be filled at the poll, the candidate who attains the greatest number of votes shall take the Elected Member Director position the subject of the election which has the longest term of office, the candidate

who attains the second greatest number of votes shall be eligible for the position which has the second longest term of office, and so on

- m) in the event that the Board does not confirm it is satisfied that the conditions as to fitness and propriety have been met in relation to a candidate within 90 days of the office being vacated, or such other period as the Board determines to be reasonable, the elected candidate will no longer be eligible to take office consequent upon the election. The candidate with the next greatest number of votes will, subject to these Procedures, then become eligible to hold the office of Elected Member Director; and in the event that more than one vacancy was to be filled at the poll, the candidate who would have otherwise taken the position which has the second longest term of office will, subject to these Procedures, take the position which has the longest term of office. The person who attained the next greatest number of votes will then be eligible for the position which has the second longest term of office, and so on
- n) the Returning Officer shall supervise the counting of votes and any question as to the admissibility of a ballot form shall be determined by the Returning Officer, whose decision shall be final
- o) a candidate may appoint one scrutineer, who is a voting member working within the Sydney Metropolitan region, to represent the candidate at the counting of votes and all the proceedings of the counting will be open to the inspection of the scrutineers
- p) the Returning Officer will give the scrutineers at least two days' notice of the date on which, and the place at which, the Returning Officer proposes to count the votes
- q) the Returning Officer will notify the Secretary of the result of the election not later than 14 days after the poll and the result shall forthwith be notified to voting members
- r) subject to paragraph (m) above, if any question arises as to the regularity or validity of a nomination, or as to the voting at any poll or otherwise as to any election, it will be determined by the Trustee, and
- s) a retiring Elected Member Director may, if eligible, be elected for a further term or terms.

3) Procedures for election of Alternate Member Director

Where an election for an Alternate Member Director is required, the procedures for the election of the Elected Member Directors set out in paragraph 2 above, shall apply as procedures for the election of the Alternate Member Director, as if each reference to an Elected Member Director or Elected Member Directors were a reference to the Alternate Member Director.

4) Eligibility to vote for Elected Director

In order to be eligible to vote at elections for Elected Member Directors and the Alternate Member Director, a person must be a voting member.

5) Concurrent elections

An election for the office of one or more Elected Member Directors may be held concurrently with an election for the office the Alternate Member Director.

Where there is a concurrent election for both an Elected Member Director or Elected Member Directors and the Alternate Member Director, the poll for the election of the Elected Member Director or Elected Member Directors is to be declared first. Should a candidate who was nominated for both the positions of an Elected Member Director and the Alternate Member Director be declared an Elected Member Director, that candidate shall become ineligible to be elected as the Alternate Member Director.

E. Alternate Member Director filling a vacancy

Where an Alternate Member Director is appointed, in the event of a vacancy occurring in the office of any of Member Directors 'A', 'C' or 'E' (whether a casual vacancy or a vacancy occurring at the expiry of a Member Director's term), the vacancy shall be filled during any period pending the election or appointment of a replacement, by the Alternate Member Director, provided that the Alternate Member Director shall fill only one such vacancy at any one time and whilst filling such vacancy, shall not act as Alternate Member Director in respect of any other Member Director.

F. Disqualification

A failure or refusal by a candidate for election as a Director to comply with the Fit and Proper Policy will disqualify that person from the election.

G. Decision

The Returning Officer or Secretary will notify the candidate for election as Member Director as soon as practicable once their eligibility has been determined.