

Rules for the appointment and removal of Directors

Appointment of Directors

Directors of Towers Watson Superannuation Pty Ltd will be appointed by Towers Watson Australia Pty Ltd ("Towers Watson").

The Trustee Board must consist of a minimum of four directors and must be ordinarily resident in Australia.

The Board may in its absolute discretion supplement its skills and knowledge by co-opting persons to Board Committees. Such persons are not entitled to vote on Board resolutions however, they may be required by the Trustee to confirm from time to time that they are not disqualified persons.

The Trustee has determined that it would be appropriate to ensure, to the extent possible, that a person to be appointed as a Director:

- has not demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court
- has not breached a fiduciary obligation
- has not been reprimanded or disqualified by a professional or regulatory body for conduct relating to the person's honesty, integrity or professional or business conduct
- does not have a conflict of interest in relation to carrying out the duties of the position, or if they do have such a conflict, the conflict is not such as to represent a material risk that the person might fail to perform properly the duties of the position or fail to deal appropriately with the conflict
- has never perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices
- has not seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others
- has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management
- is not of bad repute in any business or financial community or any market
- has never been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities, which were determined adversely to the person (including by the person consenting to an order or direction or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected adversely on the person's competence, diligence, judgement, honesty or integrity

- has never been convicted of any offence of dishonesty in any jurisdiction, whether in Australia or overseas. For the purposes of this requirement, a conviction is not required to be disclosed where spent convictions legislation applies to such disclosure. As this legislation is complex, it may be necessary for the Trustee to obtain legal advice if this situation arises.

Removal of Directors

The Trustee's power to remove a director is set out in clause 8.1(c)(2) of the Constitution of Towers Watson Superannuation Pty Ltd, which allows that company to remove a director from office by resolution.

It is the Trustee's policy that a director will be removed from the Board in any of the following circumstances:

- Towers Watson confirms in writing (signed by two of its directors) the removal of one of its appointed directors
- they do not meet or no longer meet the fit and proper requirements detailed in the Fit and Proper Policy
- they become a disqualified person
- on death or, in the opinion of the Trustee, mental or physical incapacity
- they voluntarily step down as a director
- they are removed by APRA in accordance with Part 17 of the SIS Act
- in any other circumstances permitted by section 107 of the SIS Act, if the Trustee determines it to be appropriate.

The Trustee has determined that grounds for immediate and automatic disqualification and removal of a director include:

- conviction for an offence involving dishonesty
- insolvency
- the making of a civil penalty order against the person.