

Trustee Governance Policy

N.M. Superannuation Proprietary Limited ABN 31 008 428 322



What you need to know

- The Trustee Governance Policy (Policy) describes the governance policies and processes of the Board of N.M. Superannuation Proprietary Limited ABN 31 008 428 322 (N.M. Super or Company) (, the Trustee Board), as they exercise their fiduciary duties and their powers, functions and obligations under relevant legislation, to oversee the sound and prudent management of AMP's superannuation funds, for the benefit of Members.
- This policy sets out the Trustees' policies and processes on matters such as:
 - the size and composition of the Trustee Board and any Board Committees;
 - nomination, appointment and removal of Directors;
 - Board succession and renewal, to ensure that the Trustee Board remains open to new ideas and independent thinking while retaining relevant expertise;
 - the processes for nomination, appointment, re-appointment and removal of Directors, including terms of office and maximum tenure periods; and
 - Board evaluation.
- Further information regarding this Policy may be obtained from the Superannuation Trustee Office or the Trustee Company Secretary.

Overview	The Trustee Governance policy sets out the governance policies and processes followed by the Trustee Board in the exercise of its fiduciary duties and its functions, powers and obligations under relevant legislation and regulatory guidance.
Objective	To support the Trustee Board in maintaining best practice corporate governance standards as it exercises its functions and powers.
Scope	All Directors of the Trustee Board and all AMP staff who support the superannuation business
Policy owner	The Trustee Company Secretary
Policy approver	Trustee Board
Effective date	13 December 2023
Review date	31 December 2024

1. Background

- 1.1 N.M. Super(, the Trustee) is a wholly owned subsidiary corporation within the AMP group of companies, of which AMP Limited is the ultimate holding company (AMP Group or AMP).
- 1.2 The objective of the Trustee is to oversee the sound and prudent management of the business operations of the registrable superannuation entities (Funds) of which the Trustee is the RSE Licensee and Trustee, for the benefit of Fund Members and their beneficiaries (Members).
- 1.3 The Trustee is a sole purpose superannuation trustee and, although the Trustee is a member of the AMP Group, it operates with autonomy and independence to fulfil its obligations as Trustee to act in the best financial interests of Members. Where there is a conflict between the duties to, and interests of Members and the duties to any other person (including AMP), or interests of the Trustee or any associate (including AMP), the Trustee and each individual Director has a duty to:
- give priority to the duties to and the interests of Members;
 - ensure that the duties to Members are met despite the conflict;
 - ensure that the interests of Members are not adversely affected by the conflict; and
 - comply with APRA's prudential standards in relation to the conflict.
- 1.4 The Trustee Board governs the Trustee and the Funds in accordance with (as applicable):
- the Constitution of the Trustee company (Company Constitution);
 - the relevant Trust Deed;
 - RSE Licensee Law; and
 - the Trustee's governance framework, which includes the Board Charter, the Terms of Reference (ToR) of the Trustee Board's various Committees, the Trustee Board's delegations, the Superannuation Trustee Office Charter and the Trustee's Policies (including AMP Group policies where these are approved by the Trustee Board).
- 1.5 The Trustee is defined, and treated, as a 'nominated subsidiary' (and an 'AMP APRA-regulated subsidiary') in AMP's corporate governance framework and documentation.

Trustee Identity

- 1.6 The Trustee, as a RSE licensee, has specific obligations to Members. The Trustee therefore has an 'identity' (Trustee Identity) which it should seek to promote and protect. The Trustee Board will consider (in consultation with AMP) suitable ways to promote its role and the governance it undertakes, to Members, AMP staff and the wider community.

2. Policy principles

- 2.1 The Trustee is committed to high standards of governance and integrity in the exercise of its fiduciary responsibilities and decision-making to govern the Funds under its trusteeship in the best financial interests of Members.
- 2.2 To achieve this, it is important that the Trustee act autonomously and maintain high standards of skills and experience while remaining open to new ideas and independent thinking.

3. Board and Committee Composition

Trustee Board composition and size

- 3.1 N.M. Super is a proprietary company and Clause 17.2 of the Company's Constitution provides that
- there will be a minimum of 1 Director and a maximum of 12 Directors.

- 3.2 APRA's Conditions and Directions require the Trustee Board to have a minimum of 7 Directors.
- 3.3 The size of the Trustee Board will vary based on the skills, diversity and expertise of the Directors and in line with the prevailing business requirements.
- 3.4 The Trustee Board must have a majority of independent non-executive Directors.
- 3.5 The Trustee Board must have a majority of Directors who are ordinarily resident in Australia.
- 3.6 The Chair of the Trustee Board must be an independent non-executive Director.

Trustee Board Committee Composition and Size

- 3.7 The size of each of the Trustee Board's Committees will be appropriate for the scope of the Committee's responsibilities, except where APRA mandates a minimum number of directors on a committee. The Trustee Board may consider including management representatives on a committee.
- 3.8 Where the Board Committee has responsibility for activities that have the potential to have a material impact on the interests, or reasonable expectations, of Members, or to the long-term financial soundness of the Trustee, any of its Funds or connected entities, the Chair of the Committee must be a Director of the Trustee¹.
- 3.9 The Trustee Board has established an Audit Committee, a Risk Committee² and an Investment Committee, as standing committees. Each of these Committees is chaired by a non-executive Director of the Trustee Board.

4. Nomination, Appointment and Removal of Directors

- 4.1 The Trustee Board has appointed the AMP Limited Nomination Committee (Nomination Committee) to be its nomination committee in accordance with the terms of the Nomination Committee's Charter, which is approved by the Trustee Board, following approval by the AMP Limited Board.
- 4.2 The responsibilities of the Nomination Committee are set out in its Charter and include board composition, policies and processes to support the fitness and propriety assessment of non-executive Directors (including candidates). From time to time, the Nomination Committee uses external advisers to assist in the selection process.
- 4.3 The AMP Limited Board approves candidates for appointment as members of the Trustee Board and its Committees (including the Chair of the Trustee Board and the Chair of the Trustee Board Committees), based on the recommendations from the Nomination Committee.
- 4.4 The Nomination Committee, in consultation with the Trustee Board, assesses nominated Directors against a range of criteria including background, fitness and propriety, business experience, professional expertise or qualifications, personal qualities and their capacity to commit themselves to the Trustee Board's activities. The Nomination Committee and the Trustee Board considers whether each Director has the skills and experience to allow them to make an effective contribution to the Trustee Board's deliberations and processes.
- 4.5 The Nomination Committee will notify APRA of the name, qualifications, experience and any other relevant details of any Director proposed to be appointed to the Trustee Board, at least 14 days prior to the appointment of that Director³.
- 4.6 In recommending candidates to the AMP Limited Board and the Trustee Board for appointment as a Director, the Nomination Committee will also take into account the need to ensure that the Trustee Board will, collectively, have the necessary skills, knowledge and experience to understand the risks of the Trustee's business operations, including its legal and prudential obligations, and to ensure that the Trustee's business operations are managed in an appropriate way taking into account these risks.⁴ Regard will also be had to cultural and gender diversity.
- 4.7 Subject to the Corporations Act and clause 17 of the Company Constitution)⁵:
 - AMP Limited may:
 - appoint any person as a Director; and

¹ APRA Prudential Standard SPS510 *Governance*, paragraph 11.

² Required under APRA's RSE Licensee Conditions and Directions

³ APRA RSE Licence Additional Condition 1.2.

⁴ APRA Prudential Standard SPS510 *Governance*, paragraph 10.

⁵ Clause 17 of the Company Constitution provides for the minimum and maximum number of Directors to be appointed to the Trustee Board.

- remove any Director from the office of Director at any time (including before the end of any agreed term of office).
- the Trustee may by resolution passed in general meeting:
 - appoint any person as a Director; and
 - remove, any person as a Director (including before the end of any agreed term of office).

4.8 A Director may, with the approval of the other Directors, appoint any person as the Director's Alternate, in accordance with the Company Constitution.⁶

Qualifications and Experience

4.9 Candidates for appointment must demonstrate the highest standards of ethics and personal integrity, independent thinking, strong analytical capability and a commitment to acting in Members' best financial interests.

4.10 In addition, the following criteria may be considered (not ranked in any order of importance):

- the candidate's personal and professional background and reputation;
- the candidate's knowledge of and experience in the superannuation industry;
- assessment of the candidate's independence and any potential or actual conflicts of interest or duty;
- the ability of the candidate to devote the time necessary to fulfil the responsibilities as a Director;
- the extent to which the candidate would contribute to the overall mix of skills and experience of the incumbent Trustee Board;
- any other criteria that the Nomination Committee or the Trustee Board considers relevant in the circumstances; and
- the candidate must ordinarily be resident in Australia and meet all other regulatory requirements.

4.11 Directors are Responsible Persons under APRA's prudential standards and AMP's Fit and Proper Policy and must meet and continue to comply the requirements of that policy at all times.⁷

4.12 All candidates for appointment will be required to provide consent for appropriate background checks to be conducted for the purposes of compliance with the AMP Fit and Proper Policy.

Skills Matrix

4.13 In assessing the skills and competencies of candidates, regard is had to the following skills as a minimum, in the context of the mix of skills and experience and overall composition of the incumbent Trustee Board. These are not listed by order of importance and a weighting may be applied to rank the relative importance of each skill or competency, depending on the needs of the Trustee Board at the relevant time.

4.14 This is also used in the ongoing evaluation of the Trustee Board skills and competencies.

Governance and 'Directorship'	Strategy
Risk Management and compliance	Regulatory Insight
Investment Management (particularly Wealth and Superannuation)	Product
Superannuation Industry knowledge and experience	Marketing and Communications
Assurance and audit	Customer/Consumer perspective
Actuarial	Superannuation Operations

⁶ Clause 26 of the Company Constitution sets out the role of an Alternate.

⁷ The Trustee Board adopt and approve the AMP Group Fit and Proper Policy.

Finance (Accounting and financial statements) and commercial acumen	Technology, Cyber and Digital
Superannuation law and practice	Advocacy and Thought Leadership
ESG/ Climate risk	

Dedication of Time

- 4.15 Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively and should be prepared to serve on the Trustee Board for an extended period of time.
- 4.16 All Directors are required to make themselves available to attend the Annual Members' Meeting.

Service on Other Boards

- 4.17 If a non-executive Director is considering accepting an external commercial, government or not-for-profit board, committee or executive appointment, he or she must discuss it with the Trustee Board Chair.
- 4.18 Subject to clause 4.17, all Directors must advise the Trustee Company Secretary in writing of any external appointment as soon as possible after appointment.
- 4.19 Directors should carefully consider the number of other company boards on which they can serve consistent with their duties to the Trustee company and Members.
- 4.20 Each Director must be available to meet with APRA on request

Appointment of new Trustee Directors

- 4.21 Following the AMP Limited and the Trustee Board appointment of a new Director, the Director is issued with of a letter of appointment including the following details:
- the term of appointment and tenure;
 - an estimate of the time commitment required and outside interests;
 - details of the role;
 - confidentiality requirements and disclosure of information;
 - details on director fees, superannuation and expenses;
 - the review process;
 - insurance, indemnity; and
 - access to information and independent professional advice.
- 4.22 In addition to the letter of appointment new Directors receive:
- a Consent to Act;
 - a Fit and Proper Declaration;
 - a copy of the Company Constitution, Trustee Board Charter, Trustee Board Governance Policy, AMP Fit and Proper Policy, Trustee Conflicts Management Policy, AMP Trading Policy, AMP Whistleblowing Policy, AMP Privacy Policy, the Trustee's Strategy and Business Plan, the Trustee's Risk Appetite Statement and Risk Management Strategy; and
 - such other Trustee and AMP policy documents and Trustee company information as may be agreed with the Trustee Company Secretary for the purposes of the Directors' own due diligence.

Term of appointment for Non-Executive Trustee Directors

- 4.23 Non-executive Directors are appointed to the Trustee Board for a term determined at the time of their appointment. The maximum tenure of a non-executive Director will normally be nine years.
- 4.24 Prior to the end of each non-executive Director's term of appointment, a review of the Director's performance and of the needs of the Trustee at that time and for the foreseeable period will be undertaken to determine whether that non-executive Director should be appointed for a further term, subject to the maximum tenure outlined above.
- 4.25 Any extension beyond the maximum tenure is subject to AMP Limited Board approval (following a recommendation by the Nomination Committee), taking into account the needs of the Trustee Board, including the current and desired mix of experience, expertise, skills, attributes, independence and diversity on the Trustee Board.

- 4.26 The review will take into account, whether the length of time the non-executive Director has served on the Trustee Board could, or could reasonably be perceived to, materially interfere with his or her ability to act in the best financial interests of beneficiaries of the Funds.

Insurances

- 4.27 Where the Trustee is unable to indemnify a Director or an officer (e.g. for a liability to the Trustee's themselves), the AMP Group Professional Risks Insurance Program looks to provide coverage for certain liabilities for which the Director or officer is legally liable. Cover under the AMP Group Professional Risks Insurance Program is not given where the liability arises out of dishonesty, fraud or willful breach of duty.
- 4.28 The AMP Group Professional Risks Program also includes coverage for claims arising from losses to the Trustee, as a result of crime, professional indemnity and responsible entity and trustee liability.

Director Induction

- 4.29 On appointment of a Director, the Trustee Company Secretary will consult with the Director regarding requirements for induction and will liaise with the Superannuation Trustee Executive and senior management as needed to arrange an induction briefing schedule.

Trustee Director independence

- 4.30 It is important that the Trustee Board operate independently of executive management. A majority of the Trustee Board's Directors will be non-executive Directors, considered by the Trustee Board to be independent of management. This means that they do not have any business interest or other relationship that could materially interfere with the exercise of their independent judgement and their ability to ensure that the Trustees act in the best financial interests of the Funds' members.
- 4.31 Directors are required to complete an annual declaration with respect to their independence. Each Director is asked to provide detailed information regarding his or her business relationships with the Trustee company, its affiliates and its Management. The Trustee Board make and publicly disclose its independence determination regarding each Director in its Annual Report.
- 4.32 If a Director has a change in circumstances or relationships that may impact their independence, he or she must immediately notify the Chair of the Trustee Board and the Trustee Company Secretary in writing. The Trustee Company Secretary will in turn inform the Nominations Committee via the Group Company Secretary.

Trustee Director Fitness and propriety

- 4.33 All Directors are required to comply with the AMP Fit and Proper Policy at all times.
- 4.34 All Directors must complete an annual declaration as to their fitness and propriety. The Trustee Company Secretary facilitates this process.
- 4.35 On becoming aware of information which may affect his or her fitness and propriety, a Director must immediately disclose all relevant details to the Chair and the Company Secretary in writing. The Trustee Company Secretary will in turn inform the Nominations Committee via the Group Company Secretary.

Trustee Director Declarations of Interest and Duty

- 4.36 On appointment, each Director is required to disclose the offices and interests held and duties owed, in accordance with s 191 of the Corporations Act and for the purposes of section 192 of the Corporations Act.
- 4.37 The Company Secretary maintains a register of the Directors' offices, interests and duties. The relevant Register is included in all Board and Committee papers and reviewed at each meeting.
- 4.38 The Chair of the Trustee Board or relevant Committee (as applicable) will enquire at each meeting whether Directors wish to declare any change to their interests or duties or declare any conflict in relation to any matter before the Board at the meeting. The Minutes of the meeting record all declarations made.
- 4.39 All conflicts of interest or duty will be managed in accordance with the Trustee's Conflicts Management Policy and AMP's Conflicts Management Policy.
- 4.40 Each Director is required to notify the Chair of the Trustee Board and the Trustee Company Secretary in writing of any change in their offices, interests or duties as soon as practicable. For clarity, where the change is notified at a meeting, it will be recorded in the Minutes of the meeting, and it is not necessary for any separate notification in writing to be given.
- 4.41 If a non-executive Director is considering accepting an external commercial, government or not-for-profit board, committee or executive appointment, he or she must discuss it with the Chair.

Changes to Trustee Directors' personal particulars

- 4.42 Directors must notify the Company Secretary in writing of any change in their personal particulars (change of name or change of residential address) as soon as practicable and within sufficient time for the Company Secretary to notify ASIC of the change within 28 days of the change occurring, as required under the Corporations Act.

Removal of Trustee Directors from office

- 4.43 A Trustee Director or other Responsible Person will be immediately removed from office where they become a disqualified person or are for any reason considered by the AMP Limited Board to be no longer fit and proper under the relevant laws and requirements of APRA and ASIC. Removal from office is subject to compliance with the Company's Constitution, the AMP Limited Corporate Governance Charter and the requirements of the Corporations Act and any other applicable legal requirements.

Disputes regarding nomination, appointment, re-appointment and removal of Directors.

- 4.44 Any dispute in relation to the nomination, appointment, re-appointment or removal of Directors will be referred to, and managed by, the Chair of the Nomination Committee in consultation with the Chair of the AMP Limited Board and the Chair of the Trustee Board (as relevant or appropriate).

5. Board Renewal and Succession Planning

- 5.1 In formulating succession plans for the Trustee Board, the Nomination Committee will have regard to factors such as the tenure of the Directors on the incumbent Trustee Board, the need for orderly transition, the desirability of, and balance between, maintaining continuity of corporate knowledge and remaining open to new ideas, the mix of skills and experience, gender and cultural diversity of the incumbent Trustee Board, regulatory requirements and the business requirements of the Trustee at the relevant time.

Ongoing Director Education

- 5.2 All Directors are encouraged to participate in continuing education programs which may include a mix of in-house and third-party presentations and programs and Directors' private study and attendance at education programs. The Trustee Company Secretary is responsible for scheduling the Board's program in consultation with the Chair, the Superannuation Trustee Executive and Management.
- 5.3 As a guide, a minimum of twenty hours' on-going education annually is expected. The Trustee Company Secretary will provide each non-executive Director with a register for the purpose of recording their on-going education at least twice per year and will retain each register in the Board's records. Executive Directors' on-going education is recorded in AMP's internal systems.

6. Remuneration of Non-Executive Directors

- 6.1 Non-executive Directors are remunerated in accordance with AMP's Remuneration Policy and practices and in accordance with the Company's Constitution, the Corporations Act, the SIS Act and relevant APRA prudential standards.
- 6.2 Non-executive Directors' fees are also subject to approval by the AMP Limited Board, following a recommendation by the AMP Limited Remuneration Committee. The Trustee Board adopts and approves the AMP Remuneration Policy.
- 6.3 Non-executive Directors do not receive performance-based remuneration.

7. Evaluation of Board and Director performance

- 7.1 Evaluation of the Trustee Board's performance, relative to the Board's objectives, and of the performance of each individual Trustee Director, is conducted on an annual basis with an independent Board review conducted every three years.

Independent Board Review

- 7.2 Every three years, the evaluation process shall be conducted by an independent expert (Independent Board Review). The Trustee Board Chair may assess whether an Independent Board Review should be held sooner than every three years.
- 7.3 The Independent Board Review will assess the performance of:

- the Trustee Board and how it performed in:
 - determining the overall strategy for the Trustee and how it will deliver outcomes that are in members' best financial interests and ensuring reporting against this strategy;
 - assessing operating and financial conditions against forecasts;
 - assessing senior management performance against agreed criteria, which would include, for relevant senior management, the effectiveness of risk controls; and
 - making key decisions in a timely manner.
- individual Directors and how each individual Director has performed in:
 - demonstrating the required expertise for their role;
 - attendance and participation at the Trustee Board's meetings; and
 - contributing to Trustee Board's deliberations and the overall direction of the Trustees; and
- individual Committees of the Trustee Board and how each performed against their key responsibilities set under their individual ToR, duly approved by the Trustee Board.
- the Trustee Board and individual Directors and how each has performed against any objectives set by the Trustees for the Trustee Board collectively and for individual Directors.

Internal Evaluation Process

- 7.4 In those years in which an Independent Board Review is not conducted, the annual evaluation process is facilitated by the Trustee Company Secretary in consultation with the Chair and the results are discussed by the Trustee Directors during the relevant Board and Committee meetings. The internal evaluation process usually involves the completion of a confidential questionnaire by each Director, with respect to the evaluation of the Directors' performance, both individually and collectively.
- 7.5 The Chairman will facilitate collective discussions regarding the outcomes of the evaluation and the implementation of changes and improvement will be agreed by the Trustee Board. Progress against these recommendations is tracked by the Trustee Company Secretary and is assessed in subsequent reviews. The Chairman may choose to meet individually with each Director to discuss the outcome of the performance evaluation. Individual discussions should occur within a reasonable time after the evaluation is completed, which may vary depending on the sensitivity of matters raised.
- 7.6 More generally, Directors are encouraged to make suggestions at any time for improving the Trustee Board's practices.

8. Roles and responsibilities

The roles and responsibilities with regard to the Policy are set out in the table.

Trustee Company Secretary	• Maintains and updates this Policy in consultation with the AMP Group Company Secretary and the Superannuation Trustee Executive. • Reports suspected or actual incidents or breaches of the Policy in accordance with the AMP Incident Management Processes.
AMP Group Company Secretary	• Consulted by the Trustee Company Secretary in the maintenance and updating of this Policy.
Superannuation Trustee Executive	• Consulted by the Trustee Company Secretary in the maintenance and updating of this Policy.
Trustee Board	• Reviews and approves this Policy annually in conjunction with the annual review of the Trustee Board Charter.

9. Interactions with related documents

The documents listed below support this Policy.

Trustee Board Charter	AMP Conflicts Management Policy
Trustee Company Constitution	AMP Fit and Proper Policy
AMP Limited Nomination Committee Charter	AMP Remuneration Policy
Trustee Conflicts Management Policy	AMP Whistleblowing Policy
AMP Privacy Policy	

10. Compliance with this Policy

Failure to comply with the Policy may pose regulatory risk to the Trustees and AMP in Australia and can result in both civil and criminal penalties as well as reputational and other damage.

Any instances of non-compliance with this Policy should be treated in accordance with the AMP [Incident, Issue and Breach Management Policy](#).

Where AMP Staff have a concern that a serious breach of this Policy has occurred or will occur, and that pursuing their concern through the normal channels will be personally damaging, they should report their concern in accordance with the AMP [Whistleblowing Policy](#).

11. Terms and Conditions

This Policy does not form part of any contract of employment or engagement and does not give rise to any contractual obligation by the AMP Group. This Policy may be amended, replaced or revoked at any time by AMP at its discretion.

12. Definitions

In this Policy, words and phrases have the meaning provided below.

APRA's RSE Licensee Additional Conditions	The additional conditions imposed by APRA on the RSE Licence of N.M. Superannuation Proprietary Limited under s 29EA(1) of the SIS Act, by instrument dated 13 June 2019.
APRA's Directions	The Directions imposed by APRA on N.M. Superannuation Proprietary Limited under s 131D of the SIS Act, by instrument dated 13 June 2019, and/ or by instrument dated 17 December 2019, as applicable.
Annual Members' Meeting	The annual meeting of Fund Members prescribed by section 29P of the SIS Act.
Corporations Act	The Corporations Act 2001 (Cth).
Independent Director	The meaning given in APRA's RSE Licensee Additional Conditions, namely a person who is not a Director or employee of an entity within the AMP Group.
RSE Licensee Law	The meaning given in section 10 of the SIS Act ⁸ .
SIS Act	Superannuation Industry (Supervision) Act 1993.

⁸ The definition includes the Corporations Act.