

NOMINATIONS COMMITTEE CHARTER¹

Objectives

1. The objectives of the Qantas Nominations Committee are to assist the Board in fulfilling its corporate governance responsibilities in regard to:
 - a. Board appointments, re-elections and performance²;
 - b. diversity obligations¹;
 - c. Directors' induction programs and continuing development³;
 - d. Committee Membership; and
 - e. endorsement of Executive Committee appointments.
2. In particular, the Committee is to undertake the functions of the nomination committee set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 2nd Edition (ASX Principles).

Membership

3. The Committee is appointed by the Board in accordance with Clause 6.20 of the Qantas Constitution.
4. The Committee is to consist of¹:
 - a. only Non-Executive Directors;
 - b. the Chairman of the Board (who will chair the Committee);
 - c. at least three Members; and
 - d. a majority of independent Non-Executive Directors⁴.
5. The Company Secretary is to attend Committee Meetings, or to otherwise receive an update from the Chairman on proceedings of Committee Meetings, to ensure minutes are taken of each Meeting.

Meetings

6. The Committee is to meet as requested by the Committee Chairman.
7. As required by the Qantas Constitution, a quorum for a Committee Meeting is two Members.
8. Directors who are not Committee Members may attend Meetings, at the invitation of the Committee Chairman.
9. The Chief Executive Officer and the Group Executive People are to attend such portion of each Meeting as requested by the Committee Chairman.
10. The Committee will report on its Meetings to the Board.

¹ ASX Principles, Recommendation 2.4, including Commentary

² ASX Principles, Recommendations 2.4 and 2.5, including Commentary

³ ASX Principles, Recommendation 2.5, Commentary

⁴ ASX Principles, Recommendation 2.4, Commentary, "Independence" is based on Recommendation 2.1, Commentary, Box 2.1

11. Recommendations of the Committee are to be discussed with all Directors.

Access to Information and Independent Advice

12. The Committee has the authority to seek any information it requires from any employee of the Qantas Group and all employees must comply with such requests^{1,3}.
13. The Committee may take such independent legal, recruitment or other advice as it considers necessary^{1,5}.

Responsibilities and Duties

Board Appointments, Re-Elections and Performance

14. In assisting the Board in the appointment, re-election and performance of Directors, the Committee will:
 - a. assess the necessary and desirable competencies of Directors⁶;
 - b. assess that Directors have the appropriate mix of competencies to enable the Board to discharge its responsibilities effectively^{6,7};
 - c. develop Board succession plans so that an appropriate balance of skills, experience, expertise and diversity is maintained⁶;
 - d. make recommendations to the Board relating to the appointment, re-election and retirement of Directors^{6,7};
 - e. review the time commitment required from Non-Executive Directors and whether Directors are meeting that commitment⁶; and
 - f. schedule regular Board performance reviews³.
15. In reviewing the composition and performance of the Board, the Committee will consider the term served by Non-Executive Directors so that, over time, new Directors are appointed to challenge existing approaches and to incorporate new ideas and energy⁷.
16. In selecting and recommending the appointment of new Directors, the Committee will⁶:
 - a. adopt a board skills matrix to identify any deficient competencies in the skills and experience of the Board;
 - b. assess candidates with regard to the diversity objectives of the Qantas Group;
 - c. engage external consultants where necessary to assist in the selection process of suitable candidates; and
 - d. recommend candidates who have the appropriate range of skills, experience and expertise that will best complement Board effectiveness.
17. In addition, any candidate must confirm that they have the necessary time to devote to their Qantas Board position. In support of this confirmation, the candidate must provide the Committee with details of other commitments and an indication of time involved⁶.

Diversity Obligations

18. In addition to assisting the Board in ensuring that diversity is considered in the selection, appointment and re-election of Directors, the Committee, in consultation with the Remuneration Committee and Qantas Management (as appropriate) will oversee

⁵ ASX Principles, Recommendation 2.1, Commentary

⁶ ASX Principles, Recommendation 2.4, Commentary

⁷ Board Resolution 14,492 passed on 20 May 2004

the implementation and ongoing monitoring of Qantas Group's diversity strategy, including:

- a. the establishment of measurable objectives for achieving diversity⁸;
- b. the annual review and report to the Board on the diversity objectives and progress against those objectives⁹;
- c. the reporting through the Annual Report, and monitoring, through reports from Qantas Management, of diversity objectives; and^{10,11,12}
- d. Qantas Management's implementation of processes and procedures associated with the diversity strategy¹².

Induction and Continuing Development of Directors³

19. The Committee should ensure each new Director undertakes an Induction Program which enables them to gain an understanding of:
 - a. the airline industry and the Qantas Group's operations;
 - b. the Qantas Group's financial, strategic, operational and risk management position;
 - c. the culture and values of the Qantas Group;
 - d. their rights, duties and responsibilities and those of Qantas Management;
 - e. Board and Committee Meeting arrangements, including the role of Board Committees; and
 - f. constructive and respectful relations between Board Members, and between the Board, Qantas Management and other Stakeholders.
20. The Committee will review that Directors have access to appropriate continuing education to update and enhance their skills and knowledge (including key developments in Qantas and within the airline industry)³.

Committee Membership

21. When it is considered appropriate, the Committee is to review the composition of Committees and submit recommendations to the Board for changes to those Committees.

Executive Committee Appointments

22. The Committee is to review and endorse recommendations made by the Chief Executive Officer for Executive Committee appointments.

Other

23. The Committee will consider any other matters referred to the Committee by the Board.

Committee Performance

24. To determine whether it is functioning effectively, once each year the Committee shall:
 - a. review this Charter;
 - b. review the effectiveness of the Directors' Induction Program³; and
 - c. undertake an evaluation of its performance.

⁸ ASX Principles, Recommendation 3.2

⁹ ASX Principles, Recommendation 3.4, Commentary

¹⁰ ASX Principles, Recommendation 3.3

¹¹ ASX Principles, Recommendation 3.4

¹² ASX Principles, Recommendations 3.2, Commentary

Charter History

18 May 2005	Nominations Committee established. Chairman's Committee functions split and separate Nominations Committee and Remuneration Committee established.
16 April 2008	Revised Charter approved – reflects revised ASX Principles.
October 2009	Revised Charter approved – periodic review.
11 August 2010	Revised Charter approved – reflects revised ASX Principles.
23 August 2011	Revised Charter approved.