

Perpetual's Policy on Appointment of Directors

Objective

This policy sets out the approach of the board of Perpetual Limited (Perpetual) to the appointment of directors.

Policy

It is Perpetual's policy that its board of directors be comprised of an appropriate mix of skills, experience and personal attributes in order to enhance board performance and maximise value for shareholders.

It is also Perpetual's policy, as set out in Perpetual's Board Charter, that a majority of the board should be independent directors.

Nominations committee

The Nominations Committee (Committee) established by the board is responsible for administering this policy. The Committee's Terms of Reference set out the objectives, membership requirements and procedures of the Committee.

Selection process

When the board determines that a new appointment is required, the Committee will be responsible for undertaking a search for candidates who meet the selection criteria described below.

The Committee may engage external consultants to assist in identifying appropriate candidates.

A short list of candidates agreed by the Committee and first discussed with the board, will be interviewed. The Committee will then make recommendations to the board. After considering the Committee's recommendations, the board will decide upon the appointment of candidates. Reference checks of candidates will be undertaken prior to appointment.

A director appointed to fill a vacancy in this manner must stand for election at the next Perpetual annual general meeting.

Other board appointments

Directors appointed to the Perpetual board may not act as directors on the boards of the following entities:

- AMP Limited
- Australia and New Zealand Banking Group Limited
- AXA Asia Pacific Holdings Limited
- Commonwealth Bank of Australia
- Macquarie Group Limited
- National Australia Bank Limited
- Westpac Banking Corporation
- Listed fund management companies

If a director wishes to accept an appointment to the board of another entity not named above, he or she should consult with the Chairman of Perpetual.

In the event that the appointment is to a subsidiary or associate company of one of the companies named above, then the consent of the Chairman of Perpetual should be sought.

Selection criteria

The selection criteria for board vacancies will vary depending upon the position to be filled. However, in general, the Committee and the board will consider a candidate's:

- experience
- professional skills and background
- ethical standards
- other personal attributes
- availability for board and committee activities