

Perpetual Limited (Perpetual)

BOARD TENURE AND PERFORMANCE POLICY

OBJECTIVE

This policy sets out the tenure and performance expectations for Perpetual's directors. The purpose of this policy is to ensure the board is at all times operating in a co-ordinated and effective manner so as to best promote the interests of Perpetual and its shareholders.

ROLE OF THE NOMINATIONS COMMITTEE

The Nominations Committee recommends nominations for the board, and re-election of existing board members. It reviews, at least annually, the size and structure of the board to ensure that it comprises appropriately qualified and experienced people. This committee is also responsible for the formal evaluation of the board's performance as a whole, in accordance with this policy.

TENURE

BOARD-NOMINATED APPOINTMENTS

Directors appointed by the Board to fill a casual vacancy on the board are required to submit to election at the next annual general meeting of shareholders.

SHAREHOLDER ELECTIONS EVERY THREE YEARS

Directors who have been in office for three years since their last election must retire and may seek re-election at the Company's next annual general meeting.

NINE YEAR PRINCIPLE

In order to revitalise the board, directors should not seek re-election after three elected terms of three years unless the board (through the Nominations Committee) requests them to do so. The board may invite a director to seek re-election beyond nine years if this would be advantageous for reasons such as board leadership or continuity.

REMOVAL OF DIRECTORS

Non-executive directors cannot be removed by board resolution. Shareholders may resolve to remove directors in accordance with the Corporations Act, at a meeting convened by shareholders or by directors.

Directors cease to hold office under the constitution if they resign, become of unsound mind, or if they fail to attend board meetings for three months without leave.

Directors may resign at any time by notice to the Company Secretary.

PERFORMANCE

PERFORMANCE EXPECTATIONS

Perpetual and the board expect directors to:

- contribute effectively to the performance of the Company and the board
- stay up-to-date with and comply with all relevant legal obligations and best practice guidelines published by relevant authorities or industry/professional bodies
- comply with all applicable Perpetual policies and constituent documents (including the Code of Conduct and Constitution)
- maintain the highest levels of personal and professional integrity and ethics
- conduct themselves in a civil manner, respectful of the contributions of all board members, and the need for co-operation.

PERFORMANCE REVIEW PROCEDURES

The board undertakes ongoing self-assessment as well as a formal annual review of the performance of the board, its committees and individual directors.

The board review process aims to ensure that the individual directors continue to contribute effectively to the board's performance and that the board as a whole and its committees continue to function effectively.

