

Westpac Group Policy – Director Appointment

This policy applies to the Westpac Banking Corporation Board.

Background

Westpac aims to achieve a balance of experience, skills and tenure amongst its Directors. Profiles of each Director are on our website at www.westpac.com.au under “Westpac Info/Company Profile”.

Appointment of New Directors

The Westpac Board Nominations & Governance Committee considers and makes recommendations for nominations of new Directors to the Board as a whole.

External consultants may from time to time be used to access a wide base of potential Directors. Those considered are assessed against a range of criteria including background, experience, professional skills and personal qualities. The Westpac Board Nominations & Governance Committee and the Board also consider whether a candidate’s skills and experience will complement the existing Board and whether the candidate has sufficient time available to commit themselves to their responsibilities as a Westpac Director.

In accordance with Article 9.6 of Westpac’s constitution, if the Board appoints a new Director during the year, that person will stand for election by shareholders at the next Annual General Meeting (AGM). Shareholders are provided with relevant background information on the candidates for election.

The appointment process for new Directors also includes the following:

- New Directors receive a letter of appointment, which sets out their duties, the terms and conditions of appointment including expected term of appointment, remuneration and the expectations of the role. This letter conforms with ASXCGC’s Recommendations.
- All Directors on appointment are offered an induction program to help familiarise them with matters relating to Westpac’s business, strategy and any current issues before the Board. The induction program includes meetings with the Chairman, the CEO, each Chairman of the respective Board Committees, each member of the Executive Team, and the General Manager & Company Secretary.
- Following appointment and induction, the Board encourages Directors to continue their education by participating in formal workshops which are held regularly throughout the year and attending relevant site visits. Directors are also encouraged to undertake relevant external education where they wish to do so.
- Non-Executive Directors are encouraged to hold ordinary Westpac shares equivalent in value to 100% of their annual base fee within a reasonable period of their appointment.

Re-appointment of incumbent directors

In accordance with Article 9.2 of Westpac's constitution (which aligns with the requirements of ASX Listing Rule 14.4):

"A Director must not hold office without re-election past the third annual general meeting following the Director's appointment or last election, or for more than 3 years, whichever is longer. This article, and article 9.3, does not apply to the Managing Director who is exempt from retirement and re-election in accordance with article 11.18. A retiring Director holds office until the conclusion of the meeting at which that Director retires but is eligible for re-election at the meeting."

Directors offering themselves for re-election are invited to give a short presentation to the AGM in support of re-election.

Renewal Policy

The Board approved policy on Director tenure is:

- a) Maximum tenure of Directors (other than the Chairman) of three terms of 3 years, or 9 years, whichever is the longer, from date of first election by shareholders;
- b) Maximum tenure of Chairman to be no more than four terms of 3 years, or 12 years (inclusive of any term as a Director prior to being elected as Chairman), whichever is the longer, from date of first election by shareholders; and
- c) Recommendations to shareholders to re-elect directors to be made only after peer review.