



WESTPAC NEW ZEALAND STAFF SUPERANNUATION SCHEME

What does a Trustee Director do?

It is important that you understand what is involved in becoming a member-elected Trustee Director of the the Westpac New Zealand Staff Superannuation Scheme (Scheme) if you are going to nominate someone to stand for election, or if you are thinking of standing as a candidate yourself.

The role of Trustee for the Scheme is carried out by a company, called Westpac New Zealand Staff Superannuation Trustee Limited (Trustee). If you become a member-elected Trustee Director, you will be appointed as a director of the Trustee. Together with your fellow Trustee Directors, you must ensure that the Trustee carries out its role for the Scheme properly.



The role and duties of a Trustee Director

The role of a Trustee Director is to make sure the Trustee manages the Scheme properly. This means a Trustee Director, together with their fellow Trustee Directors, must give the management of the Scheme proper care and attention and make sure the Scheme operates according to the law and the Scheme's Trust Deed.

The Trust Deed is the Scheme's governing legal document. It details the obligations that the trustee has towards the members of the Scheme, and the duties and powers of the trustee. The members of the Scheme and their employers are also bound by the provisions of the Trust Deed.

In addition, legislation like the Financial Markets Conduct Act 2013 and the Trusts Act 2019 set out specific duties required of Trustee Directors. As a director of a company, you also have duties and obligations under the Companies Act 1993.



Amongst their duties, Trustee Directors must

- Understand and follow the terms and conditions of the Scheme, as set out in its Trust Deed
- Act in the interest of members
- Act impartially without favouring one member over another, or being influenced by others
- Avoid conflicts of interest – for example, generally a Trustee Director should not vote on something in which he or she has a personal interest
- Exercise reasonable care in all matters, especially trustee decisions and the exercise of trustee powers under the Trust Deed
- Maintain proper and correct records
- Keep members informed
- Invest the Scheme's assets in accordance with an investment strategy which is considered appropriate for the Scheme and complies with a statement of investment policy and objectives (SIPO)
- Keep Scheme assets separate from other assets, like employer or personal assets
- Act in good faith in exercising all the discretionary powers given to the trustee by the Trust Deed
- Maintain confidentiality about private information which comes to them in their role as a Trustee Director
- Seek appropriate advice about any matters that they do not have the required skill or knowledge to deal with

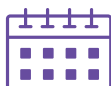


Fees and expenses

Trustee Directors who are Westpac employees are not paid for the work they do. Trustee Director meetings are held during work time, but you may need to do some reading and preparation for meetings outside of work hours.

Expenses incurred in relation to Trustee Director duties or training will be paid by the employers.

A Trustee Director is still able to retain all money and benefits accruing to him or her as a beneficiary of the Scheme.



Term of office

The normal term of office for a member-elected Trustee Director is three years. However, under the terms of the Trust Deed a member-elected Trustee Director may cease to hold office earlier for a variety of reasons including:

- Ceasing to be an Active Member of the Scheme (as that term is defined under the Trust Deed);
- Becoming ineligible to hold office under the law; or
- Resigning as a member-elected Trustee Director.



Help with day-to-day and expert matters

Many of the tasks associated with managing a workplace savings scheme are complex and specialised, but that does not mean you have to be a superannuation, legal and investment expert to act as a Trustee Director. The Trust Deed allows the trustee to delegate certain tasks to (or to seek advice from) specialist service providers like investment managers, auditors, actuaries, accountants, administrators and solicitors. The Scheme also has a Secretary who arranges Trustee Directors' meetings, keeps records of those meetings and generally advises and helps the Trustee Directors.

However, although the Trustee Directors can delegate tasks they cannot delegate their responsibilities. The actual exercise or performance of a Trustee function must still be carried out by the Trustee Directors, who must exercise their own discretion in exercising or performing the functions of the Trustee.