

THE WAREHOUSE GROUP LIMITED
("the Company")

Policy on selection and appointment of Directors

The Board's procedure when selecting and appointing new Directors varies depending upon the circumstances of the Company at the particular time.

The Board has delegated to the Remuneration, Talent and Nomination Committee the responsibility for identifying and recommending to the Board, candidates for the Board, after considering the necessary and desirable competencies for new Board members.

The Board of The Warehouse Group Limited believes that its membership should comprise directors with an appropriate mix of skills, experience and personal attributes that allow the directors individually, and the Board collectively, to:

- discharge their responsibilities and duties under the law effectively and efficiently
- understand the business of The Warehouse and the environment in which The Warehouse Group operates so as to be able to agree with management the objectives, goals and strategic direction which will maximise shareholder value
- assess the performance of management in meeting those objectives and goals.

Accordingly, in selecting potential new directors, the Remuneration, Talent and Nomination Committee will seek to identify the competencies required to enable the Board to fulfill its responsibilities. In so doing, the Remuneration, Talent and Nomination Committee will have regard to the results of the annual appraisal of the Board's performance.

While recognising that each Director will not necessarily fulfill all criteria, the Remuneration, Talent and Nomination Committee has nevertheless identified the following fundamental factors as relevant to the selection and appointment of new directors:

- outstanding in capability with extensive and senior commercial experience
- cultural fit with existing Board members and empathy to the company's culture
- high level of personal integrity
- a team player
- independent states of mind
- free of conflicts as identified by the company
- time available to meet the commitment required.

In addition, specific functional skills will be identified from time to time to complement the overall mix of functional skills of Board members.

The Remuneration, Talent and Nomination Committee will make its assessment against the above criteria. Recommendations for new Board members are put to the Board for its consideration and approval.

Under NZX Listing Rule 3.3.5, The Warehouse must announce the closing date for Director nominations together with relevant contact details for making nominations such announcement must be made at least 10 business days prior to the closing date – which must be no more than two months prior to the meeting date.

In accordance with the Company's constitution, all new appointees to the Board will only hold office until the next Annual Shareholders' Meeting after the date of their appointment.

Current as at 1 July 2009