

## **APPOINTMENT AND SELECTION OF NON-EXECUTIVE DIRECTORS**

### **POLICY**

To ensure the Board consists of members with the range of skills and qualities to meet its primary responsibility for promoting the success of NetComm in its role as:

- A key provider of data communications and related technology to industry and the consumers market; and
- a commercial entity listed on the Australian Stock Exchange,

in a way which ensures that the interests of shareholders and stakeholders are promoted and protected.

Retiring directors are not automatically re-appointed. Directors are generally appointed for terms of three years and are subject to the selection and appointment procedures outlined below.

The Nomination & Remuneration Committee considers the selection and re-appointment of non-executive directors and makes recommendations to the Board.

### **PROCEDURES FOR THE SELECTION AND APPOINTMENT OF NON-EXECUTIVE DIRECTORS TO FILL A CASUAL VACANCY**

1. Assess the current Board's skills and qualities.
2. Assess NetComm's current and future business needs.
3. Develop selection criteria for potential board candidates.
4. Informal discussion by the Board to generate a list of potential candidates who may fill the stated criteria.
5. Use the services of an independent executive search firm to assess the appropriateness of potential candidates and/or to supplement a candidate list provided by directors.
6. Measure the final potential candidate(s) against the selection criteria.
7. The Board examines the final list of candidate(s) and agrees on an order of preference.

8. The Chairman approaches the desired candidate(s).
9. The Board interviews the final recommended candidate(s).
10. Candidate is appointed to the Board in accordance with NetComm's Constitution.

#### **PROCEDURE FOR RE-APPOINTING NON-EXECUTIVE DIRECTORS**

1. Assess the current Board's skills and qualities.
2. Assess NetComm's current and future business needs.
3. Develop criteria required.
4. Measure the retiring director's skills against the criteria.
5. Directors discuss and agree whether the retiring director should stand for re-election at the next annual general meeting.
6. If recommended for re-appointment, the retiring director stands for re-election at the shareholder meeting in accordance with the Constitution, listing rules and the Corporations Act. Otherwise the new director selection process commences.