

PERFORMANCE EVALUATION

1. THE BOARD AND INDIVIDUAL DIRECTORS

1.1 Policy

To ensure individual directors and the Board as a whole work efficiently and effectively in achieving their functions set out in the Board Charter.

1.2 Procedure

Each year the Board undertakes the following activities:

- (a) the chairman meets with each non-executive director separately to discuss individual performance and ideas for improvement; and
- (b) the Board as a whole discusses and analyses its own performance during the year including suggestions for change or improvement.

2. MANAGING DIRECTOR AND KEY EXECUTIVES

2.1 The Policy

To ensure the Managing Director and key executives execute the company's strategy through the efficient and effective implementation of the business objectives.

2.2 The Procedure

Each year the Board reviews NetComm's strategy. Following such a review the Board sets the organization performance objectives based on both qualitative and quantitative measures. These objectives are reviewed periodically to ensure they remain consistent with the Company's priorities and the changing nature of NetComm's business. These objectives are the performance targets for the Managing Director. Performance against these objectives is reviewed annually by the Nomination and Remuneration Committee and is reflected in the Managing Director's remuneration review, which may consist of both a performance bonus and review of fixed remuneration.

The business objectives are also filtered through into divisional business plans and budgets. Achievements of these business plans and budgets form the basis on which NetComm's Executive General Managers are assessed and therefore determines the basis of remuneration payments. The Managing Director makes recommendations on the remuneration of these executives, which are reviewed by the Nomination and Remuneration Committee and the Board.

3. BOARD COMMITTEES

Due to the small number of board members the activities normally undertaken by separate board committees relating to audit and risk as well as remuneration and nomination activities are directly dealt with by the Board.