

Wellcom Group Limited (Company)

Board Policy 1: Board Performance Evaluation

Adopted by the Board on 3rd May, 2006

(ASX Best Practice Corporate Governance Principles: Recommendation 8.1)

1. Purpose of this Policy

- 1.1 To assist the Board in its role of monitoring performance of the Company, the Board has undertaken to regularly evaluate the performance of the Board (including individual Directors) and the Committees of the Board.
- 1.2 Those evaluations will occur in accordance with this Policy.

2. Policy

Annual reviews

- 2.1 There will be an annual evaluation of the performance of the Board (including Directors and Committees).
- 2.2 The purpose of the evaluation is to evaluate how effectively the Board, the Directors and the Committees are fulfilling their role and duties.

Process for reviews

- 2.3 The annual evaluation will be carried out by the Chairman.

Outcomes of reviews

- 2.4 All reviews are to include open discussion by the Board of the results of the evaluations and to decide any changes which are required to be made by the Board to address any lack of performance and to agree the goals (**KPIs**) for the Board and, separately, for its Committees for the ensuing year. Board and Committee KPI's will always be set having regard to the approved strategy of the Company.
- 2.5 If particular concerns arise from the evaluation in relation to any individual Director, or Committee, the Chairman will meet with that Director, or Chairman of that Committee, to discuss the concerns and any actions to be taken as a result. If the concerns relate to the Chairman, then the Chairman will discuss the matter as appropriate with the Board.

Regular feedback

- 2.6 Directors will also be encouraged to provide feedback on a regular basis on the conduct of Board meetings and other business, and the preparation for them, in order to assist in the continual improvement of the way the Board carries out its role at a "micro" level. For this purpose, it will be a standing item on the agenda at the end of each meeting, to ask for

feedback or concerns of Directors with respect to the way in which the meeting, or preparation for it, could have been improved, or any other issues of concern to Directors with respect to the conduct of Board business.