

PIPE NETWORKS LIMITED

SENIOR EXECUTIVE PERFORMANCE REVIEW

1. Introduction

- 1.1 The Board of PIPE Networks Limited (**Company**) supports the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" (**Principles**). The Board has developed policies and practices consistent with the Principles with such adjustments as the Board believes are appropriate for a company of the nature of the Company.
- 1.2 This policy sets out the process for evaluating the performance of senior executives of the Company.

2. Review of the Chief Executive Officer

- 2.1 The performance of the Chief Executive Officer (**CEO**) is reviewed by the non-executive directors on the Board. The criteria on which the CEO's performance is assessed include:

- (a) overall economic performance;
- (b) fulfilment of objectives;
- (c) risk management;
- (d) governance and compliance;
- (e) personnel management;
- (f) resource management;
- (g) reputation and market share;
- (h) feedback from clients and investors; and
- (i) personal conduct.

- 2.2 The CEO presents a self-assessment to the non-executive directors, who review the performance of the CEO.
- 2.3 The Board will review the appropriateness and effectiveness of this process from time to time.

3. Review of Senior Executives

- 3.1 The CEO evaluates senior executives of the Company at least annually with qualitative and quantitative measures of the following:
- (a) economic performance;
 - (b) business building;
 - (c) risk management;
 - (d) compliance;

- (e) personnel management;
- (f) resource management;
- (g) client feedback;
- (h) personal development; and
- (i) personal conduct.

3.2 The senior executives to which this policy currently applies includes the Chief Operating Officer, the Chief Financial Officer and Heads of Department.