



Freshtel Holdings Ltd

Selection & Appointment of Directors

The Remuneration & Appointments Committee regularly reviews the composition of the Board and the successful plans for directors. The Committee consists of the whole of the Board and is chaired by the Chairman of the Board.

The Committee considers:

- The current mix of skills and experience of existing directors.
- The business and strategic needs of the company.
- The need to cater for replacement directors ahead of scheduled retirements.
- The opportunities to obtain the services of particular persons with desirable skills at the time of their availability.

The Committee determines whether it is necessary to recruit any additional directors to the Board.

If additional non-executive directors are sought the Chairman, on behalf of the Committee confers with Board members and if necessary, specialist recruitment firms to identify suitable candidates for nomination. A list of potential candidates is reviewed by the Committee.

A short list of candidates is selected by the Committee based on the skills required by the Board and the qualities of experience of the candidates.

The Chairman and other directors interview the selected candidates and then a recommendation is made to the full Board for appointment.

Policy for the appointment of directors

In selecting directors for appointment the Committee seeks to ensure that the potential appointee's best match the needs of the Company and the Board.

Factors considered by the Committee when recommending a person for appointment as a director include:

- the nature of existing positions held by the appointee including directorships or other relationships and the impact that each may have on the appointee's ability to exercise independent judgement.
- the time commitment required from a director to effectively discharge his or her duties to the Company;

- the appointee's range of commitments that may demand the attention of the appointee; and
- the extent to which the appointee is likely to contribute to the overall effectiveness of the Board and work constructively with the existing directors.

In accordance with the Company's Constitution, the Directors must resign at the next annual general meeting after incorporation and offer themselves for election by shareholders. At the annual general meeting in every subsequent year one third of the Directors shall retire from office, ensuring that no Director, except the Managing Director holds office for longer than three years without submitting himself or herself for re-election.