



Board Performance Evaluation Policy

Principles of Board Evaluation:

The Board of Directors of du, as part of its commitment to improving its performance as well as implementing international best practices in Corporate Governance, has put in place a structure of assessments and evaluations of its own performance. In accordance with the procedures set out in du's Corporate Governance Manual and in the terms of reference of the Nomination and Remuneration Committee (the "NRC"), the Board proposes to conduct, annually, an assessment of its contribution to the Company's financial performance, its risk controls, and its safety and soundness, as well as its effectiveness in overseeing and monitoring management's performance and activities, the Company's transparency and accountability to shareholders and all stakeholders, and in its other responsibilities as set out in du's Corporate Governance Manual. It is also proposed that the assessment address the performance of individual Directors.

The purpose of the evaluation is to analyse the performance of the Board on a historical basis, but also on a constructive basis so as to highlight those areas in which the Board needs to improve its activities, as well as to identify and recognise areas in which it has demonstrated achievement and success. The Board considers the assessment process to be an important tool for its development, and is involved in both its structuring as well as in a full review of its conclusions. The Board believes that a full, fair and well managed assessment process builds mutual trust between Board members and between management and the Board.

Although the Board assessments are conducted on a confidential basis by the Board, and the results are for the Board's review only, the terms of reference of the assessment, its frequency and its methodology are proposed to be made public.

Assessment objectives:

The assessment of the Board of Directors involves consideration of the following matters:

- A. The effectiveness of the Board in ensuring that the Company is managed prudently, and in conformity with applicable laws and regulations and its own policies.
- B. The Board's oversight of the Company's management, including monitoring whether the management is being held accountable, the adequacy of communication between the Board and management, and whether the separation of roles between the Board and management is being observed, with the Board overseeing management and management conducting the day to day business of the Company,
- C. The diligence and knowledge/skill base of Directors, whether they have participated constructively in Board discussions and decisions, whether they have avoided conflicts of interest in their own dealings with the Company, whether they have complied with the Code of Corporate Governance and other Company policies and

requirements, and whether they have acted in the interests of the Company as a whole. Accordingly, the Board assessment considers not only how well the Board is fulfilling its responsibilities in these areas, but also the performance of each individual Director.

- D. The Chairman's thoroughness and efficiency in the conduct of Board meetings and the facilitation of appropriate debate, discussion and decision, his role in facilitating the contribution of individual Board members, and his leadership of the Company in the eyes of the public, regulators, the Company's competitors and counterparties in the telecommunication markets, is assessed.
- E. The performance of the Company's various Board Committees are evaluated, to measure how effectively they have observed their responsibilities, how diligent they have been, and how responsive they have been to the Board as a whole. Board Committees may also carry out their own self-assessment, performed under principles set out by the Committee and as required by their terms of reference.

Responsibility for the assessment:

It is the Chairman's ultimate responsibility to ensure that proper evaluation of Board performance is achieved, however, the Chairman has delegated the function of carrying out the evaluation process to the NRC, with the input and support of the Company Secretary. The NRC will recommend the form and content of the assessment, which is then subject to the approval of the Board. The assessment is carried out under the supervision of the NRC, and the results handled according to the following principles.

The NRC may engage the assistance of professional consultants and advisors, to make recommendations and to carry out parts or all of its assessment. The NRC will ensure that the assessment is being carried out efficiently and, while thorough and probing, is also completely objective and impartial. The assessment may comprise of discussions with Directors and Executive Management Team (especially those executives who have regular contact with Board members), questionnaires, and a review of Board and Board Committee activities. The decisions and discussions of the Board are reviewed in light of the activities and performance of the Company as a whole. The results of such assessments are presented to the Chairman of the Board, who then may communicate them to the Board for appropriate discussion at the next Board meeting. The assessment will contain recommendations for action steps, and these will be duly agreed upon and authorised at the Board meeting.

The portions of the assessments that relate to individual Directors, and especially the results of such individual assessments, are handled either by the chairman of the NRC or by any outside consultant, as the Board or Chairman of the Board may decide. The results of such individual assessments are passed to the Chairman of the Board, who may elect to communicate the results to individuals or to the Board as a whole, and propose what actions if any should be taken as a result of such assessments. The Company aims to strike a balance between transparency and fairness, and ensuring that individual assessments contain honest and constructive opinions and recommendations for career development. In all cases, opinions are kept strictly confidential within the terms of the assessment process that the Board or the NRC lays down.

Other feedback:

In addition to the evaluation process, the Company believes it is important to maintain a dialogue beyond formal Board meetings, between Directors, between individual Directors and the Chairman of the Board, and between Directors and management, especially within

specialist Board Committees. Directors are welcome to raise topics for discussion in Board meetings, and where appropriate to raise topics of interest and concern with the Chairman of the Board and the chairmen of the respective Board Committees of which they are members. Through these channels it is intended that Board members have opportunities to provide feedback to other Directors as to whether these matters are being raised appropriately and whether their subsequent actions to deal with such matters are acceptable.

Committees Performance and Evaluation:

As per du's Corporate Governance Manual, certain duties and functions of the Board of Directors are delegated down to Committees established by the Board. In the same way that the Board of Directors shall be evaluated on its performance, competence and contributions, each of the established Board Committees, shall also undertake an evaluation process to review its performance against the agreed Terms of Reference. The results of such evaluation shall be presented to the Board of Directors for assessment and it is the responsibility of the Board to make such adjustments, as necessary to increase the effectiveness of the Committee within its remit of delegated authority.