



PERFORMANCE EVALUATION OF THE BOARD,

INDIVIDUAL DIRECTORS AND KEY EXECUTIVES

Background

Latitude Consolidated Limited acknowledges that the minimum standard for ensuring Board and Management effectiveness is that directors and key executives must be equipped with the knowledge and information they need to discharge their responsibilities effectively. Directors are selected initially by reference to their background and experience which is relevant to the business needs of the Company. Their position on the Board must be reviewed via an individual and collective performance evaluation.

Individually evaluating the performance of directors enables Latitude Consolidated Limited to demonstrate good corporate governance as well as providing support for the re-election of each director at share holder approval. The board as a whole is evaluated on its effectiveness in aligning the company's goals with that of its shareholders. The duties and responsibilities of directors are clearly outlined in the company's constitution as well as in each individual contract of employment.

Procedure

The review of the board as a whole is carried out internally and is performed annually along with a strategic review of company activities. The Board also performs the individual assessment of each director. Some of the criteria that may be analysed in the review include:

1. The Board

- The Board operates in accordance with the Board Charter and Code of Conduct set out in the Constitution.
- The Code of Conduct sets out the ethics and values in accordance with which the Board performs its duties.
- The performance of the Board reviewed annually.
- The review measures Board performance against both qualitative and quantitative indicators.

2. Directors

- Individual directors carry out their duties in accordance with the values set out in the Code of Conduct.
- The Board as a whole reviews the performance of individual directors annually.
- The review is based on both qualitative and quantitative indicators

Board Development

Directors have access to continuing education to update and enhance their skills and knowledge and to enable them to fully participate in all the decision making of the Board.