

## **BOARD PERFORMANCE REVIEW POLICY**

### **1. Reason for Policy**

The Bank conducts its business in a complex and constantly changing regulatory and business environment. It is important that the Board review its own performance and those of its Committees from time to time, with a view to achieving and maintaining a high level of performance in such an environment.

### **2. Key functions of the Board**

2.1 The Board Charter outlines the Board's responsibilities and powers and those which are delegated to management.

2.2 The Board reviews its performance and those of its Committees, in carrying out key responsibilities in accordance with this Policy.

2.3 Each Director is expected to:

- (a) actively seek a full appreciation of the business of the Bank including key business drivers, the risks facing the Bank and applicable risk management policies, the regulatory environment in which the Bank operates and banking and finance sector issues;
- (b) actively participate in open, honest discussion and bring an independent mind to bear on matters before the Board.

Each of the Directors will engage in a review of performance in accordance with this Policy.

### **3. Review of performance**

3.1 The Board meets periodically for the purpose of reviewing and evaluating the performance of the Board as a whole, in meeting its key responsibilities and achieving its objectives.

3.2 The Chairman meets at least once a year one-on-one with each Director for discussion on Board performance, to allow each Director to raise all issues considered to be relevant to the review and evaluation.

3.3 The Chairman meets at least once a year with the Managing Director to discuss management's view of the Board's performance, level of interaction with and support of management. Such matters arise also from time to time during meetings of the Chairman and the Managing Director throughout the year.

3.4 Directors may at any time discuss with the Chairman, any issue concerning Board performance.

3.5 Directors may at any time discuss with the Deputy Chairman, any issue concerning the performance of the Chairman.

3.6 All one-on-one discussions are confidential, unless otherwise agreed by the Director concerned.

- 3.7 Directors are encouraged to maintain and improve their knowledge, skills and expertise through briefings, seminars and ongoing training programs.

**4. Composition of Board and Committees**

- 4.1 The Board determines the criteria for Board membership and reviews the composition of the Board in accordance with the Board Charter.
- 4.2 The Board seeks to ensure that there is an appropriate range of skills and expertise on each Committee, reflecting the type and scope of work each Committee is to undertake.

**5. Use of external consultants**

- 5.1 The Board may engage external consultants to:
- (a) evaluate its performance in accordance with this Policy; or
  - (b) implement recommendations made by the Board as a result of any evaluation.

**6. Review of policy**

- 6.1 The Board reviews the policy at least annually.