

A photograph of a man in a kitchen, smiling broadly while talking on a mobile phone. He is wearing a white t-shirt and a light blue apron. He is standing at a stove, stirring a pot with a spoon. Steam is rising from the pot. The background shows a wooden wall and a patterned cup on the counter.

Board Performance Evaluation Policy

September 2023

Board Performance Evaluation Policy

1. Purpose and Scope

Each year the board of directors (the Board) of BNK Banking Corporation Limited (the Company) and its controlled entities (the Group) will carry out an evaluation of its own performance so as to ensure individual directors (Directors) and the Board of Directors of the Company (Board) as a whole work efficiently and effectively together in achieving their functions. Board performance evaluation is designed to:

- (a) review the pre-determined role of the Board and individual Directors as set out in the Group's Board Charter;
- (b) annually assess the performance of Directors in discharging their responsibilities. This is achieved by collectively assessing the Board's effectiveness and by individually assessing the quality of a Director's contribution to general discussions, business proposals and governance responsibilities;
- (c) regularly evaluate the Directors' confidence in the integrity of the Company, the quality of the discussions at Board meetings, the credibility of the reports and information they receive, the level of interpersonal cohesion between Board members and the degree of Board knowledge; and
- (d) enable Board members, individually and collectively, to develop the key skills required to meet foreseeable requirements with timely preparation, agreed strategies and appropriate development goals.

2. Procedure for Board Performance Evaluation

- (a) The Chairperson will meet with each Director separately seeking input in relation to:
 - (i) the performance of the Board.
 - (ii) the performance of each Board Committee.
 - (iii) the performance of the Chairman.
 - (iv) the performance of the Chief Executive Officer/Managing Director; and
 - (v) their own performance.

Performance should be assessed quantitatively (and qualitatively, as appropriate) against criteria contained in the Board Charter, strategic plans and the role / position description.

(b) The Chairman will collate the input and provide an overview report for discussion by the Board.

(c) The Board as a whole will discuss and analyse its own performance during the year including suggestions for change or improvement, as well as any skills, education or development required over the forthcoming year.

3. Procedure for Board Performance Evaluation of Chief Executive Officer/Managing Director and Key Executives

This policy is to ensure the Chief Executive Officer/Managing Director and key executives execute the Group's strategy through the efficient and effective implementation of the business objectives. In order to accomplish this:

- (a) Each year the Board reviews the Group's strategy.
- (b) Following such a review the Board sets the organisation performance objectives based on qualitative and quantitative measures.
- (c) These objectives are reviewed periodically to ensure they remain consistent with the Group's priorities and the changing nature of the Group's businesses.
- (d) These objectives form part of the performance targets for the Chief Executive Officer/Managing Director.
- (e) Performance against these objectives is reviewed annually by the Board and is reflected in the Chief Executive Officer/Managing Director's remuneration review.

(f) The Chief Executive Officer/Managing Director is responsible for assessing the performance of the key executives and a report is provided to the Remuneration Committee for review.

4. External Consultants

The Board may engage independent external consultants periodically to provide advice and assistance in the evaluation process.

5. Review of Board Performance Evaluation Policy

This policy will be reviewed annually.

6. Policy Governance

Policy Owner:	General Counsel
Policy Reviewer/Approver:	Chief Risk Officer
Policy Approval Committee:	Board
Policy Review Frequency:	Annually
Next Review Due:	September 2024
Policy Exemption Authority	None

Material Revisions

Version No.	Approval Date	Effective Date	Nature/Purpose of Review/Details of Amendment	Reviewer(s)
	Sept/Oct 2023	Sept 2023	Annual Review	General Counsel & CRO