



## **BOARD PERFORMANCE EVALUATION POLICY**

### **1. PURPOSE AND OBJECTIVE**

Performance evaluations provide the Board with an opportunity for consideration, reflection and discussion of its performance, the performance of its committees, the Chairperson, and individual directors. The Board is committed to a regular evaluation process to ensure improved leadership, greater clarity of roles and responsibilities, improved teamwork, greater accountability, better decision-making, improved communication and more efficient Board operations.

The purpose of Board evaluations is not only to review the effectiveness of individual directors and the Board but also to identify shortcomings in skills, experience and expertise that would need to be filled to promote Board effectiveness and satisfy fitness requirements.

The main objective of the evaluation is to build a high-performing Board, which is equipped to anticipate, meet and overcome future challenges and to ensure alignment with the entity's long-term strategy. This policy sets out the methodology for how performance evaluations will be conducted.

### **2. METHODOLOGY**

The Board will assess its performance annually. The assessment may be qualitative, quantitative or both. Performance evaluations may be conducted using one or more of the following, or by any other means agreed by the Board, from time to time:

- Surveys/questionnaires,
- Interviews,
- exit interviews as per Attachment A,
- independent third-party evaluation, and/or
- feedback from internal stakeholders.

#### **2.1 External Reviews**

A formal process, externally facilitated, shall be conducted once every two years to evaluate the following components of the Board:

- the Board as a whole,
- the Chairman,
- individual directors, and
- Board committees.

The independent third party will prepare and tailor the performance survey by drawing from, amongst others, the Board constitution, committee charters, the roles and responsibilities of directors, corporate governance guidelines and codes of conduct and ethics. This process shall be done in consultation with the Company Secretary and may include a 360-degree evaluation by using performance data derived from relevant stakeholders within the organisation. This process provides a well-rounded and balanced view of the Board's performance.

### **3.2 Internal Reviews**

Every alternative year, the Board shall consider and reflect on its performance by conducting an internal review, facilitated by the Corporate Secretariat. This process shall be initiated in consultation with the Nomination and Governance Committee. This review shall only be focused on the performance of the Board as a whole.

The Corporate Secretariat prepares the performance review survey in consultation with the Nomination and Governance Committee. The Corporate Secretariat then collates the survey responses and prepares a draft report on the outcome for consideration by the Nomination and Governance Committee. The Nomination and Governance Committee recommends the report for approval by the Board and onward submission to the Executive Authority.

## **4. EVALUATION CRITERIA**

### **4.1 Evaluation of the Board:**

The evaluation may include:

- structure and composition of Board Committees,
- Board efficiency and effectiveness,
- Strategic direction and planning,
- performance relative to its objectives,
- fulfilment of responsibilities as set out in its Charter,
- monitoring and oversight,
- accountability,
- succession planning,
- interaction and relationship with the CEO and management,
- leadership, teamwork and culture,
- composition, and
- management of agendas, papers, meetings and minutes.

### **4.2 Board Chairman Evaluation**

The Chairman's evaluation is an essential part of Board Evaluation and therefore, all directors must contribute. The broad parameters for reviewing the performance of the Board Chairman may include:

- competence and diligence in leading the Board,
- facilitating and guiding strategy development,
- relationship and communication with other directors,
- relationship with the CEO,
- relationships with stakeholders,
- promoting constructive and respectful relations between directors, and between directors and management,
- conduct of meetings,
- demonstration of leadership qualities,
- promoting constructive debate and effective decision-making, and
- personal attributes such as integrity, honesty, and knowledge.

### **4.3 Committee Evaluation**

The evaluation may include:

- performance against terms of reference,
- skills and experience,
- management of agendas, papers, meetings and minutes,
- communication with and reporting to the Board,
- relationship with management, and
- relationships with relevant stakeholders.

### **4.4 Evaluation of Individual Directors**

The evaluation may include:

- competence and judgement,
- knowledge and experience relevant to the activities of the organisation,
- ethics and values,
- diligence and contribution, and
- behavioural qualities, including collegiality and approach to Board debate.

The Chairman may also meet privately with each director as part of the individual director evaluation process.

## **5. EVALUATION OUTCOME**

Director performance evaluations may be used to identify targeted training for individual directors and ongoing development sessions for the Board as a whole. Recommendations from the performance evaluation process will be actioned within a reasonably practicable timeframe.

Where a director's performance is below expectation, the Board Chairman will manage the performance assessment and recommend a course of action. This may include targeted training or seeking to resolve the issue with the Executive Authority.

The outcome of the Board's performance evaluation shall be disclosed in the Integrated Annual Report.

**6. RESPONSIBILITY**

The Nomination and Governance Committee is responsible to oversee the performance evaluation process, including monitoring and the implementation of recommendations from the performance evaluation process and progress against the identified actions.

**7. CONFIDENTIALITY**

The assessment procedure shall be open and transparent, but the results shall be kept confidential.

**8. REVIEW**

This policy will be reviewed by the Nominations and Governance Committee every three years or as and when required.

**9. APPROVAL**

The Board Evaluation Policy shall be recommended by the Nomination and Governance Committee for approval by the Board.



Precious Sibiyi  
Board Chairman

**DOCUMENT CONTROL**

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## **Attachment A – Director Exit Interview Process**

### **Purpose**

Exit interviews with outgoing directors provide the Board with valuable insights into how the individual directors view the Board's performance and provide an opportunity for the Board to identify areas for improvement. Where possible, exit interviews will be conducted before a director departs from the Board.

### **Conducting the Interview**

The Board Chairman will conduct the exit interview. Where the Board Chairman is departing, the exit interview will be conducted by the Deputy Chairman.

### **Exit Interview Questions**

The interview should focus on identifying areas of best practice performance as well as areas for improvement. To this end, some possible questions include:

- Do you believe that the Board is appropriately focussed on members' best interests?
- What are your views generally on the performance of the Board as a whole?
- What are your views on the performance of any committees that you have served on?
- What do you consider to be the Board's top three strengths?
- Where can the Board improve its performance? How do you think this could be achieved?
- Were there any obstacles to being an effective director?
- Were you exposed to resources and professional development opportunities required to fulfil your duties?
- Are you satisfied that the information provided by management and other information available to you throughout your time as a director enabled you to properly perform your duties?
- Do you believe the balance of responsibilities between the Board and management was appropriate?
- Are there any specific matters regarding the operation of the Board that have been of particular concern?

### **Use of Exit Interview**

After the exit interview has been conducted, the Board Chairman (or a delegated director) will provide a summary of the exit interview to the Company Secretary for inclusion on the agenda of the Nomination and Governance Committee. The Nomination and Governance Committee will consider the content of the exit interview for further action.