

HumanAbility Ltd

Board Evaluation Policy



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1 Introduction

- 1.1. Board performance evaluations provide the HumanAbility Board (the Board) with an opportunity for consideration, reflection and discussion of its performance, the performance of its committees, the Chair and individual Directors.
- 1.2. The purpose of these evaluations is not only to review the effectiveness of individual Directors and the Board, but also to identify gaps in skills, experience and expertise that would need to be filled in order to promote Board effectiveness and satisfy fitness requirements.
- 1.3. The Board Evaluation Policy (this Policy) sets out how these evaluations will be conducted.

2 Means and Timing of Evaluation

- 2.1. The Board will determine the means of assessment, on the recommendation of the Governance and Nominations Committee. Assessment may be qualitative or quantitative, or both.
- 2.2. Performance evaluation may be conducted using one (1) or more of the following, or by any other means agreed by the Board from time to time:
 - surveys completed by Directors
 - exit interviews with outgoing Directors in accordance with Attachment A
 - expert third party evaluation; and/or
 - feedback from stakeholders.

3 Evaluation of the Board

- 3.1. Evaluation may include the Board's:
 - performance relative to its objectives and contractual obligations
 - performance relative to industry benchmarks
 - behavioural aspects such as quality, level of contribution, collegiality and approach to teamwork
 - fulfilment of responsibilities as set out in the HumanAbility Board Charter
 - structure and skills
 - use of independent experts (if any)
 - strategic direction and planning
 - policy development
 - monitoring and supervision
 - accountability
 - succession planning
 - interaction and relationship with the Chief Executive Officer and management
 - leadership, teamwork and culture
 - composition; and

- management of agendas, papers, meetings and minutes.

3.2. An external review of the Board is to be conducted at least every three years. The external reviewer is to be provide the Director exit reviews to include in their process.

4 Evaluation of the Chair

4.1. Evaluation may include the Chair's:

- competence and diligence in leading the Board
- facilitating and guiding strategy development
- relationships with other Directors
- relationship with the Chief Executive Officer
- relationships with stakeholders
- promoting constructive and respectful relations between Directors, and between Directors and management; and
- conduct of meetings.

5 Evaluation of Individual Directors

5.1. Evaluation may include the individual Director's:

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

6 Discussions with the Chair

6.1. The Chair may also meet privately with each Director as part of the individual Director evaluation process and Directors are invited to initiate discussion with the Chair.

7 Training and Performance

7.1. Targeted training and ongoing development: Director performance evaluations may be used to identify targeted training for individual Directors and ongoing development sessions for the Board as a whole

7.2. Timeframe to action performance recommendations: Recommendations from the performance evaluation process will be actioned within a reasonably practicable timeframe

7.3. Performance that is below expectation: Where a Director's performance is below expectation, the Chair will manage the performance assessment and recommended course of action. This may include targeted training or seeking to initiate review of the suitability of the director with them and their nominators.

8 Evaluation of Committees

8.1. Evaluation may include each committee's:

- 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.

9 Responsibility

9.1. Responsibility for the operation of this Policy is held by the Governance and Nominations Committee, including monitoring the implementation of recommendations from the performance evaluation process.

10 Review of Policy

10.1. The Governance and Nominations Committee will review this Policy biennially, or as required, in particular in light of relevant regulatory initiatives or any significant changes to HumanAbility's constituent legislation or business objectives, to assess its continuing currency. The Governance and Nominations Committee will recommend to the Board for its approval any necessary or desirable amendments to ensure the Policy remains current and consistent with best practice and applicable law.

10.2. The Board or the Governance and Nominations Committee may seek expert third party advice in relation to the review.

Attachment A – Director Exit Interview Process

Purpose

Exit interviews with outgoing Directors provide the Board with valuable insights into how individual Directors view the Board's performance and provide an opportunity for the Board to identify areas for improvement in Board performance. Where possible, exit interviews will be conducted prior to a Director's departure from the Board.

Who will conduct the interview?

The Chair of the Board will conduct the exit interview. Where the Chair is departing, the exit interview will be conducted by the Chair of the Governance and Nominations Committee, or another Director appointed by the Chair.

What should be included in the exit interview?

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 HumanAbility and its 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 on which you have served?
- 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 at HumanAbility?
- Did you have the 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?

How will the Board use the exit interview?

After the exit interview has been conducted, the Chair conducting the interview will provide a summary for discussion at the next Governance and Nominations Committee.

- The Governance and Nominations Committee will consider the content of the exit interview and may include the exit interview in the next Board and/or Committee evaluation process.
- All exit interviews within the preceding three-year period will be provided to the external reviewer at the three (3) yearly external review.