

August 2018

# Process for Performance Evaluations



## **PIONEER CREDIT LIMITED ACN 103 003 505 (COMPANY)**

### **Board**

The Chair has the overall responsibility for evaluating the Board and, when deemed appropriate, Board committees and individual directors. The process employed by the Chair for evaluating the performance of the Board, individual directors and committees may involve:

- a) meeting with and interviewing each director;
- b) facilitating a roundtable discussion by the Board;
- c) ongoing observation and discussion;
- d) circulation of questionnaires; and
- e) outsourcing to independent specialist consultants.

An individual director is nominated by the Board to obtain feedback on the performance of the Chair from other directors and will discuss that feedback with him.

Measures against which the performance of the Board, its committees and individual directors are measured include:

- assessment of the skills, performance and contribution of individual members of the Board;
- the performance of the Board as a whole and of its various committees;
- awareness of directors of their responsibilities and duties as directors of the Company and of corporate governance and compliance requirements;
- awareness of directors of the Company's strategic direction;
- understanding by the directors of the Company's business and the industry and environment in which it operates; and
- avenues for continuing improvement of Board functions and further development of director skill base.

The method by which performance evaluations are carried out each year will be reported by the Company in its Corporate Governance Statement in its Annual Report.

### **Managing Director**

The Chair meets regularly with the Managing Director to discuss a number of objectives including individual performance, strategy, leadership and management and financial performance. The Chair also obtains feedback from other directors on the performance of the Managing Director two times per year and relays that feedback back to him. The Managing Director's formal performance evaluation is reviewed by the Nomination Committee. The Nomination Committee conducts a performance evaluation of the Managing Director annually by roundtable discussion with the Managing Director to review performance against KPIs set in the previous year, and to establish KPIs for the forthcoming year. Such review will include the following:

- Leadership and management
- Strategy
- Working with the Board
- Financial Performance

- People management
- Culture
- Personal qualities
- Communication

### **Senior executives**

The Managing Director reviews the performance of the senior executives. The Managing Director conducts a performance evaluation of the senior executives by meeting individually with each senior executive on a regular basis.

The review process will be a verbal and subjective assessment against the senior executive's responsibilities and will be undertaken by considering the following:-

- Fulfilment of vision/strategy
- Achievement of specific annual priorities
- Leadership
- Operational effectiveness
- People management etc
- Personal qualities (integrity, flexibility, commitment)
- Interpersonal skills (communications, influence)
- Leadership skills (trust, vision, team development)

The review will include the setting of goals and expectations for the coming period with progress of these goals being reviewed on a regular basis. The goals and expectations will guide the priorities set for professional development activities.

Compensation for the senior executive will be independent of any performance review however will not contradict the message of performance evaluation.

### **Process for Performance Evaluations History**

25 February 2014	Process for Performance Evaluations adopted.
27 May 2015	Revised Process for Performance Evaluations approved.
5 September 2016	Review. Reflect new branding.
August 2017	Updated process for senior executive performance reviews.
August 2018	Review