

FIVE ▶

BOARD EVALUATION POLICY



Issued by the Senior Director of Risk and Compliance

Approved by the Board, Jan 2023

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1. DEFINITIONS

Following are the terms defined under this Policy.

Term	Definition
Board	Refers to the Board of Directors of FIVE
Committees	Board Committees of FIVE (BVI) Holding Limited (referred to as 'FIVE' or 'the Company' hereafter)
Director	Refers to the Executive and Non-executive Directors of FIVE
Employees	means any person employed by, or in any other form of relationship of authority to, FIVE or any subsidiary of FIVE, irrespective of the duration of the employment, including independent contractors and secondees
Executive Directors	An Executive Director is an Employee of FIVE, who holds a senior management and executive role within the business. The statutory duties of Executive Directors extend to the whole of the business, and not just that part of it covered by their individual roles
Non-executive Directors	A Director on the Board of Directors who does not form part of the executive management team and is not an Employee of FIVE group. The role of Non-executive Directors is generally to provide an advisory or supervisory element to the Board
Stakeholders	FIVE's guests, real estate investors, Employees, supply chain partners, financial institutions and shareholders

2. INTERNAL REFERENCE DOCUMENTS

Sr. No.	Document Title
1.	Conflict of Interest Policy
2.	Disclosure Policy
3.	Corporate Governance Manual
4.	Terms of Reference - Nomination and Remuneration Committee
5.	Terms of Reference - Board of Directors
6.	Terms of Reference - Audit and Risk Committee
7.	Terms of Reference - Sustainability Committee

3. PREFACE

FIVE recognises the benefit of Board evaluation exercise that provides meaningful insight to Board and its Committee's members on how their individual and collective contribution to the leadership and effectiveness of the Company's performance can be improved. The evaluation also provides an important opportunity to agree on priorities for the Company and develop an appropriate Board agenda for the year.

Evaluation of the Board shall consider the balance of skills, experience, independence and knowledge of the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness.

All evaluations shall be designed to be completed before the Nomination and Remuneration Committee meets to discuss the nominations for candidates for election as Directors at the annual general meeting of the Company in that year.

Individual evaluation shall aim to show whether each Director continues to contribute effectively and to demonstrate commitment to the role, including commitment of time for Board and Committee meetings and any other duties.

4. PURPOSE

The Board Evaluation Policy (referred to 'Policy' hereafter) has been framed with an objective to ensure Directors of the Company and the Board as a whole, work efficiently and effectively in achieving their defined roles and responsibilities, for the benefit of the Company and its Stakeholders.

The Board evaluation sets the standards of performance and improves the culture of collective action by Board. Evaluation also improves teamwork by creating better understating of Board dynamics, the relationship between Board and management and operating as a group within the Board. It helps to maximize Board/Director contribution by encouraging participation in meetings and highlighting the skill gaps on the Board and those of individual members.

5. SCOPE

The Policy provides guidance on evaluation of performance of:

- Individual Directors of FIVE
- FIVE's Board of Directors as a whole
- FIVE's Board Committees

6. GOVERNANCE

FIVE's Board shall undertake a formal and rigorous annual evaluation of its own performance and that of its Committees and individual Directors, with a formal externally facilitated performance review of the Board conducted at least every three-years.

The Nomination and Remuneration Committee (NRC) shall be responsible for formulating the criteria for evaluation of the Board, its Committees and individual Directors. The criteria for evaluation shall be discussed and agreed upon by the Board. The evaluation process shall be facilitated by the Company Secretary.

NRC shall review this policy, on regular intervals and recommend changes to the Board, if any.

7. ROLES AND RESPONSIBILITIES

Board

The Board of Directors shall undertake the following activities on an annual basis:

- The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives
- Review performance evaluation reports of various committees along with their suggestions on improving the effectiveness of the Committee. Also, the requirement of establishing any new committees shall be reviewed by the Board on an annual basis
- Review the various strategies of the company and accordingly set the performance objectives for Directors
- Ensure that adequate disclosure is made with regard to performance evaluation in the Annual Report/ Corporate Governance Report
- Evaluate the performance of individual Directors

Nomination and Remuneration Committee

It shall be the duty of the Nomination and Remuneration Committee to define the evaluation parameters and approach for conducting the evaluation process of Board, its Committees and individual Directors. Company Secretary shall support Nomination and Remuneration Committee (NRC) to facilitate the evaluation process.

Senior Independent Director

Senior Independent Director shall be responsible for the evaluation of the Chairperson of the Company. The Senior Independent Director, along other Directors, at their separate meetings shall review the performance of the Chairperson of the company, taking into account the views of Non-executive Directors.

Evaluation of Independent Directors shall be carried on by the entire Board of the Company. The Director, who is being evaluated shall recuse himself/herself from the evaluation process.

8. BOARD AND BOARD COMMITTEE PERFORMANCE EVALUATION

8.1. Evaluation Technique

The evaluation may be conducted by the entire Board / Committee Members by undertaking a self-assessment of its collective performance using standard questionnaire. These questionnaires may be administered telephonically, online or in person depending on the availability of the Director.

This technique uses grading scale for rating the Board / Board Committee performance.

(Refer [Annexure 1](#) to view 'Board Evaluation Questionnaire', [Annexure 2](#) to view 'Board Evaluation Model Template', [Annexure 3](#) to view 'Board Committee Evaluation Questionnaire' and [Annexure 4](#) to view 'Board Committee Evaluation Model Template').

8.2. Compilation of Self-assessment results

Responses received on the self-assessment questionnaire shall be compiled by the Secretary to the Nomination and Remuneration Committee (NRC) and summary of evaluation results shall be presented to the Board. The summary of evaluation results shall be reviewed by the NRC.

8.3. Presenting findings to the Board

The results of the self-assessment of Board and Board Committees shall be presented to the Board either at routine Board meetings or a session outside regular meetings. Board may suggest action points and recommendations to the Directors or members of the Committees and shall share a report including actionable for improving Board / Board Committee performance.

9. DIRECTOR PERFORMANCE EVALUATION

9.1. Evaluation Technique

Evaluation of the Directors of the Company shall be carried out by entire Board except the Director being evaluated. The evaluation of the Chairperson shall be led by the Senior Independent Director, who shall take into consideration the views of the Non-executive Directors and the Board apart from the Chairperson during the review process. The evaluation of performance of Board members shall be done at least once in a year.

(Refer [Annexure 5](#) to view 'Executive Director's Evaluation Questionnaire, [Annexure 6](#) to view 'Executive Director Evaluation Model Template', [Annexure 7](#) to view 'Non-executive Director Evaluation Questionnaire' and [Annexure 8](#) to view 'Non-executive Director Evaluation Model Template').

9.2. Compilation of results

Responses received on the self-assessment questionnaire of individual Directors shall be compiled and summary of evaluation results should be presented to the Board by the Nomination and Remuneration Committee (NRC). The responsibility for compilation of the self-assessment results and preparation of summary of results may be delegated to the Secretary of NRC. The summary of self-assessment results shall be reviewed by NRC.

9.3. Presenting findings to the Board

The results of the self-assessment of Directors shall be presented to the Board either at routine Board meetings or a session outside regular meetings. Board may suggest action points and recommendations to the Directors and shall share a report including actionable for improving their individual performance.

10. DISCLOSURE

The summary of the performance evaluation of Board and its Committees shall be disclosed in the Annual Report/Corporate Governance Report.









11. FOLLOW-UP ACTIVITY

Once the evaluation is complete, Directors shall be encouraged to formally recognize the results and enable follow-up activities. Follow-up shall include developing a plan of action for addressing points as recommended by the Board. The NRC shall be responsible for reviewing progress of implementation of the defined plan of action based on Board recommendations. This may include:

- **Communication to the Board:** the feedback or concerns may be shared by the Chairperson of the Board to other Board members in a Board meeting

- **Communication to Board Committees:** the feedback or concerns may be shared by the Chairperson of the respective Committee in a Committee meeting
- **Communication to individual Director:** the feedback or concerns may be shared with Directors, by the NRC

12. ANNEXURE

Annexure No.	Reference	Document
1	Board Evaluation Questionnaire	 Annexure 1_Board Evaluation Questionn Back
2	Board Evaluation Model Template	 Board Evaluation Model Template.xlsx Back
3	Board Committee Evaluation Questionnaire	 Annexure 3_Board Committee Evaluation Back
4	Board Committee Evaluation Model Template	 Board Committee Evaluation Model Tem Back
5	Executive Director’s Evaluation Questionnaire	 Annexure 5_Executive Directors Evaluation Q Back
6	Executive Director’s Evaluation Model Template	 Executive Director’s Evaluation Model Tem Back
7	Non-executive Directors’ Evaluation Questionnaire	 Annexure 7_Non-executive Dire Back
8	Non-executive Directors’ Evaluation Model Template	 Non-executive Director’s Evaluation Back