

CEO Evaluation

1. Introduction

The evaluation of the CEO is one of the most important responsibilities of the Board. The evaluation process provides a formal opportunity for the Board and CEO to have a constructive discussion regarding the performance of CLBC and the CEO's leadership of CLBC.

The Governance and Human Resources Committee provides a leadership role in carrying out the evaluation process although the Board as a whole is involved in approving the CEO's objectives and the final evaluation.

The main objectives of the CEO evaluation process are:

- a) appropriate assessment and reward of the CEO's performance;
- b) linkage of the CEO's performance to CLBC's goals;
- c) CEO growth and professional development; and
- d) strengthening Board/CEO relations.

2. Benchmarks

The following documents constitute the benchmarks against which the review takes place:

- a) a written statement of the CEO's performance goals for the year under review; these goals are agreed to by the CEO and the Board in March of each year for the following fiscal year;
- b) CLBC's performance measures set out in the strategic plan;
- c) the CEO Position Description;
- d) the CEO's employment agreement; and
- e) measurement of outcomes and KPIs.

3. Process

The Governance and Human Resources Committee is charged with leading and implementing the CEO evaluation process. This process may include a self evaluation, a committee and board appraisal, and/or a 360° evaluation.

In March of each year, the CEO will prepare, the Governance and Human Resources Committee will review, and the Board will approve, the CEO's objectives for the following fiscal year.

In May of each year, the CEO will provide a self-appraisal, rating his/her performance against the previously agreed upon objectives for the year and the strategic plan.

The CEO's self-appraisal will be in written form and will be presented to the Governance and Human Resources Committee.

The Governance and Human Resources Committee will obtain input from Board members as to the CEO's performance. This will be consolidated and discussed with the Board.

Following discussion by the Board, the Board Chair and Governance and Human Resources Committee Chair will provide the CEO with a summary of the Board's evaluation.

From time to time the board may also conduct a 360° evaluation on the CEO's performance in order to provide additional feedback and perspectives on the CEO's perceived strength and weaknesses with a view to creating a supportive and collaborative working relationship