

BOARD PERFORMANCE REVIEW & RENEWAL POLICY

Owner General Counsel and Company Secretary

Approved 27 June 2024

Purpose This Policy sets out BOQ's requirements for the performance review and renewal of the Board and Board committees, with a view to achieve and maintain a high level of performance, and in accordance with APRA Prudential Standard CPS 510 Governance.

Scope This Policy applies to Bank of Queensland Limited and all of its subsidiaries (collectively, "BOQ", "BOQ Group", "Group", "us", "we" or "our") and their products and services.



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1 Introduction

1. The BOQ Board of Directors (“**Board**” or “**Directors**”) reviews its performance and the performance of its Board committees in accordance with this Policy and APRA Prudential Standard CPS 510 Governance. The Nomination & Governance Committee assist the Board in conducting performance reviews in accordance with the terms of its Charter, this Policy and other relevant BOQ policies and frameworks.
2. Each Director is expected to:
 - a. represent the interests of all shareholders;
 - b. actively seek a full appreciation of the business of BOQ and its subsidiaries including key business drivers, the risks facing BOQ and applicable risk management frameworks, the regulatory environment in which BOQ operates, and banking, finance and insurance sector issues (as applicable to BOQ);
 - c. actively participate in open, constructive debate and discussion and bring an independent mind to bear on matters before the Board, being free to question or challenge the opinions presented at meetings where their own judgement differs from that of other Directors or of Management; and
 - d. utilise their range of relevant skills, knowledge and experience for, and apply their judgement to all matters discussed at Board meetings.

2 Requirements

Board Performance Evaluations

Appointment, election and re-election of Directors

3. The Board is responsible for approving the appointment of Directors (subject to shareholders approval where applicable). When appointing a new director, the Board will consider potential candidates by taking into account the need to balance the skills, tenure, experience, diversity and perspectives of its directors as a whole, as well as any need to address any existing or emerging business or governance issues relevant to the BOQ Group.
4. The Board will also have regard to:
 - a. the ASX Corporate Governance Principles and Recommendations; and
 - b. APRA Prudential Standard CPS 510 – Governance,each of which contain requirements regarding director independence and Board composition, including that an entity has a board of appropriate size that collectively has the skills, commitment and knowledge of the entity to enable the Board to discharge its duties effectively and to add value.
5. The Board has delegated to the Nomination & Governance Committee the responsibility for identifying and recommending candidates to the Board. Potential candidates for board positions may be identified by, among other methods, using market intelligence and specialist external advisers.
6. In seeking to identify candidates, the Nomination & Governance Committee and Board will have reference to BOQ’s Diversity & Inclusion Policy, to ensure a broad diversity of representation on the Board. Recruitment practices are structured so that a diverse range of candidates are considered.
7. When considering whether the Board will support an incumbent Director’s nomination for election or re-election, the Board will consider the candidate’s performance (taking into account the factors in paragraphs 15 to 21 below), tenure on the Board, independence (assessed in accordance with BOQ’s Director Independence Policy and applicable Prudential Standards) and the skills, experience, expertise and diversity that the candidate brings to the Board, as well as having reference to the Board skills matrix and BOQ’s strategy and values.

8. The Board will also consider the suitability of the candidate to be registered as an accountable person under the Financial Accountability Regime and to be assessed as 'fit and proper' under the Fit and Proper Policy.
9. All new Directors will undertake an induction program. Directors are encouraged to maintain and improve their knowledge, skills and expertise through briefings, seminars and ongoing training programs. Director education is conducted regularly and is incorporated into the annual Board calendar.
10. A Director may be removed as a director or cease to be a director in the circumstances set out in BOQ's Constitution, the Corporations Act 2001 (Cth) and the Banking Act 1959 (Cth), which include, among others:
 - a. retirement or resignation;
 - b. disqualification;
 - c. death; or
 - d. mental or physical incapacity.

Renewal

11. The Board recognises the importance of renewing itself so it may remain open to new ideas and independent thinking, while retaining adequate expertise. In accordance with BOQ's Constitution and the ASX Listing Rules, Directors must retire from office no later than the third annual general meeting of the Company of 3 years following that Director's last election or appointment, whichever is longer. After this period, a Director must retire and is eligible for re-appointment.
12. In order to seek re-appointment, a Director must provide the Chair with a statement (in the form approved by the Board), confirming their eligibility requirements. In the case of the Chair, re-appointment will be initiated by the Chair submitting their nomination to a Non-Executive Director nominated by the Board.
13. Directors standing for re-election are subject to the review process for new candidates outlined in paragraphs 3 to 10. The outcome of the Board's review will inform its decision to recommend (or not recommend) the Director's re-election.
14. The Nominations & Governance Committee is also responsible for reviewing and making recommendations to the Board in relation to succession planning for the Chair of the Board.

Review of Performance

15. The Board meets annually for the purpose of reviewing and evaluating the performance of the Board as a whole, its Committees, the Chair and individual Directors in meeting their key responsibilities and achieving their objectives. The Board also reviews the time commitment required from Directors.
16. As part of this review, the performance of the Board as a whole, each Board Committee, each Director and the Chair is assessed annually. All evaluations will have regard to the collective nature of Board work, the balance of skills, experience, independence and knowledge of BOQ on the Board, its diversity and culture, including assessing behaviours consistent with BOQ's values and Code of Conduct, diversity of views, constructive and respectful challenge, intellectual curiosity and contribution to the board dynamic.
17. The Chair meets at least once a year one-on-one with each Director, for discussion on Board performance and individual Director performance, to allow each Director to raise all issues considered to be relevant to the review and evaluation. To assist with maximising the effectiveness of such discussions, the Chair is provided with objective information about each Director (such as number of meetings attended by the Director during the past year, Committee memberships, other current directorships), and the results of the externally facilitated assessment, if one has occurred during the period under review.
18. All one-on-one discussions are confidential, unless otherwise agreed by the Director concerned.
19. The evaluation of director performance will have regard to factors such as:

- a. currency of the Director's knowledge and skills;
 - b. the Director's other commitments and the impact of those commitments on the Director's performance;
 - c. expectations of Directors as noted in paragraph 2 of this Policy; and
 - d. the expectation that the Directors and the Board as a whole will perform their duties:
 - i. in the interests of shareholders and other stakeholders; and
 - ii. in accordance with the duties and obligations imposed by applicable laws, regulations and prudential requirements.
20. In addition to the annual review, Directors may at any time request to discuss any Board performance concerns with the Chair.
21. A review of the performance of the Chair of the Board is also undertaken on an annual basis, based on feedback obtained from each Director. This review is organised by a Nominated Non-Executive director and is discussed by the Board as a whole in the absence of the Chair.
22. The Chair meets formally at least twice a year with the Managing Director & CEO to discuss the Board's view of management's performance, level of interaction with and support of management, and vice versa. These matters may also be discussed from time to time during meetings of the Chair and the Managing Director & CEO throughout the year.

Review of Composition of Board and Committees

23. The Board determines the criteria for Board membership and reviews the composition of the Board in accordance with the Board Charter. The Board has charged the Nomination & Governance Committee with the responsibility to make recommendations to the Board on its composition and succession plans.
24. The Board seeks to ensure that there is an appropriate range of experience, skills and expertise on each Committee, reflecting the type and scope of work each Committee is to undertake. The Nomination & Governance Committee may make recommendations to the Board for the rotation of members between Committees, having regard to skills requirements, succession planning and length of service of members on any Committee. Each Committee also undertakes a periodic review of its performance in accordance with its Charter.
25. The Board will regularly assess the independence of Directors who have served on the Board of BOQ for more than three (3) terms.

Use of External Consultants

26. The Board may engage external consultants to evaluate its performance in accordance with this Policy, or implement recommendations made by the Board as a result of any evaluation.
27. The external consultant will seek input from each Director and, where deemed appropriate, certain members of senior management when carrying out an independent external assessment.

3 Supporting Information

Roles and Responsibilities

28. The following table outlines the roles and responsibilities relating to this Policy.

| Role | Responsibility |
|--|--|
| Nomination & Governance Committee | <ul style="list-style-type: none"> - Assist the Board in conducting performance reviews - Identify and recommend candidates to the Board - Recommend to the Board its composition and succession plan, including Chair - Recommend to the Board the rotation of members between Board Committees |

- Board of Directors**
- Appoint and renew Directorships
 - Review Board and Director performance
 - Review composition of Board and Board Committees

Breaches

29. Suspected or actual breaches of this Policy must be reported to the Document Owner and managed according to BOQ's issue, risk event, and consequence management processes.

Related Documents

30. The following documents relate to this Policy:
- a. Nomination & Governance Committee Charter
 - b. Fit and Proper Policy
 - c. Diversity & Inclusion Policy
 - d. Director Independence Policy

Document Information

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| Approver | Board |
| Approved on | 27 June 2024 |
| Document Owner | General Counsel and Company Secretary |
| Accountable Group Executive | Rachel Stock, Chief Risk Officer |
| Document Level | Board Policy |
| Information Classification | Public |
| Relevant Legislation (incl. Prudential Standards) | Prudential Standard CPS 510 Governance – Policy required by law |
| Risk Class(es) | Compliance and Conduct Risk |
| Review Frequency | Biennial |
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Version History

| Version | Date | Author | Description |
|---------|----------|----------------|------------------|
| 2 | Jul 2021 | GM Secretariat | Scheduled review |
| 3 | Jul 2022 | GM Secretariat | Scheduled review |
| 4 | Jul 2023 | GC & CS | Scheduled review |
| 5 | Jun 2024 | G & CS | Scheduled review |