

BOARD EVALUATION PROCESS

I. INTRODUCTION

The Board evaluation process is designed to provide Directors with an opportunity to examine Board effectiveness to identify ways in which improvements might be achieved. This evaluation process includes an assessment of the performance of the Board, the Board Committees and their respective Chairs. It also provides, from time to time, for an assessment of the performance of the individual Directors.

II. BOARD, BOARD COMMITTEE AND CHAIRS' PERFORMANCE

- A. The Governance and Corporate Social Responsibility Committee ("**Governance Committee**") will annually implement an appropriate evaluation process for the Board, Board Committees and their respective Chairs.
- B. The focus of the evaluation may change from time to time on the recommendation of the Governance Committee. In some instances it may be a comprehensive review of all aspects of Board activity. On other occasions it may be appropriate to focus on specific aspects of Board activity that warrant attention. Likewise, the evaluation methodology may vary from time to time. For example, in place of a questionnaire, the Governance Committee may elect to undertake personal interviews.
- C. Typically, the Directors will be requested to complete a comprehensive questionnaire which asks for their individual evaluation of how well the Board is functioning in a variety of areas such as, but not limited to:
 - knowledge in identified areas;
 - Board composition and structure;
 - frequency and length of meetings;
 - appropriateness of supporting information provided for meetings;
 - discussions;
 - decision-making process;
 - management of key relationships;
 - oversight in key areas;
 - policies, processes and guidelines; and
 - communication and meeting management.
- D. The President and Chief Executive Officer ("**CEO**") and the Vice Presidents reporting to the CEO ("**Executive Management**") will also be asked to complete a questionnaire and to offer their comments.
- E. The Chair of the Governance Committee will summarize the input of the Directors, the CEO and Executive Management on a confidential basis and review the summary with the Governance Committee.

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- F. The Governance Committee Chair will then report to the Board. Time will be set aside for a full and comprehensive discussion.

III. INDIVIDUAL DIRECTORS PERFORMANCE

- A. The Governance Committee may, from time to time, recommend to the Board a formal review of individual Directors' performance. Such reviews will be conducted only when the Directors have had an opportunity to become fully familiar with their roles.
- B. When such reviews are conducted, Directors will be asked to complete a comprehensive self-analysis in which they individually rate their own performance against a number of relevant yardsticks such as: preparation for meetings, attendance record, familiarity with the activities of BCLC; effective contribution to Board discussion, comfort with the decision-making process, working relationships with fellow Directors, etc.
- C. These questionnaires will be reviewed on a confidential basis by the Chair of the Governance Committee who will advise the Board Chair of any situations that would appear to warrant follow-up in the form of additional training, a personal interview, etc.
- D. The sole purpose of this assessment is to identify opportunities to improve performance. Any follow-up recommended by the Chair of the Governance Committee will be handled on a confidential basis and the questionnaires completed by the individuals will be destroyed without record.
- E. This process does not preclude the Board Chair from dealing with individual Director issues or problems as they may occur from time to time.