



## **Performance Evaluation Process (KMP & Directors)**

### **Performance Evaluation**

Arq Group has processes in place to review the performance of KMP and Directors, on an annual basis.

Key Performance Indicators (KPIs) are set and measured over an annual period, aligned with the operational planning cycle.

When reviewing KMP performance, 360 degree feedback and factual assessment of KPI achievement (ie financial metrics, business reporting and project delivery) is undertaken. Independent advisors may be called upon to assist in this process.

Performance evaluation is based on specific criteria, including business performance, achievement of strategic objectives, adherence to corporate values, and engagement and development of people in the business.

The CEO reviews the performance of KMP (direct reports to the CEO) and makes recommendations to the Human Resources Remuneration and Nomination Committee (HRRNC) on performance achievement. A similar process is followed for evaluating the CEO's performance, as directed by the Board and the HRRNC.

Director and Board performance is reviewed each year. Independent advisors may also be called upon to assist in this process.

### **Induction**

All new KMP and Directors are taken through an induction process managed by the CEO, the HRRNC Committee members, and People & Culture.

All KMP and Directors are required to review and attest to company policies.

Induction material includes company strategic, financial and operational information; risk management policies and processes informing the rights, duties, responsibilities and roles of KMP, the Board and individual Directors.

