

Performance Evaluation Policy

Background

A key component of staff management consists of the regular assessment of performance through a process which measures and ranks each staff member and director against previously agreed standards which are both measurable and qualitative.

Performance management includes:

- Planning work and setting reasonable expectations and goals that can be measured;
- Continually monitoring performance;
- Developing the capacity to perform;
- Periodically rating performance; and
- Rewarding good performance.

Purpose

The performance review process will be designed so as to fairly review and actively encourage enhanced Board, management and staff effectiveness.

Annually Credit Corp will evaluate the performance of its Board, Board committees, individual directors and its executive management and all staff against their charter and, against pre-determined indicators which are both measurable and qualitative.

Evaluation Procedure

Setting Performance Criteria

- a) Annually the Board will set key performance criteria for each of, the Board, its committees and the executive management against which actual performance will be evaluated;
- b) Annually management will set key performance criteria for each member of their staff against which actual performance will be evaluated; and
- c) New Directors and staff will inducted into the Company in accordance with the Company's induction policy. During this induction process initial performance criteria will be set between the Company and the director or staff member.

Evaluation

a) Board and director evaluation

Annually the remuneration committee shall conduct a self-evaluation review of the Board against the pre-determined performance criteria.

The self-evaluation review will be completed by all directors and shall be collated by the Company Secretary and reported to the Board at next Board Meeting.

The Chairman will meet with each non-executive director separately to discuss individual performance and areas of improvement. The Chairman will document the review and provide a copy to the director.

b) Board Committees

Each committee will provide the Board with reports on the performance of its responsibilities during the course of the year.

The Board will review the charter of each committee and the committee's performance annually to ensure it remains consistent with the Board's objectives and responsibilities.

c) Chairperson

In relation to the Chairperson, the Board as a whole (excluding executive directors) undertakes the performance review. The performance review will be led by a director nominated by the Board, who is a non-executive director and is not the Chairperson.

d) Chief Executive Officer, Executives and Staff.

All executives and staff will be annually, subject to the Company's performance evaluation procedure.

Executives and staff will be evaluated by their manager or in the case of the Chief Executive Officer, the Chief Financial Officer and or Company Secretary by the Board or its committee as appropriate and will be evaluated against the following:

- achievement of their agreed key role specifications and personal goals;
- their contribution towards agreed specific business plan objectives; and
- their compliance to Credit Corp's Corporate Governance Framework.

Review of this policy

The Board will review this policy annually to ensure it remains consistent with the Board's objectives and responsibilities.

Publication of Policy

A copy of the policy is available on our website at www.creditcorp.com.au.

A copy of the policy is available to Credit Corp Group security holders upon request.