BOARD POLICY

Directors' Performance Evaluation

Approved by the Board of Directors - reviewed March 2026

Annual self-assessment of the Board, its committees and individual directors, with periodic external review.

Scope of the evaluation

The Board evaluates its own effectiveness, that of each committee and that of each individual director annually. Every third year the evaluation is facilitated by an external reviewer with no other mandate from the bank. The 2025 evaluation was internally facilitated; the next external review is scheduled for 2027.

Dimension assessed	Method	2025 outcome
Board composition and skills	Self-assessment and gap analysis	One gap identified
Quality and timeliness of papers	Questionnaire	Effective
Time allocated to strategy	Agenda analysis	Improvement required
Challenge to management	Questionnaire and interviews	Effective
Risk and control oversight	Committee self-assessment	Effective
Committee terms of reference	Documentary review	Effective
Individual contribution	Chairman's interviews	All satisfactory
Chairman's effectiveness	Led by an independent director	Effective
Succession readiness	Nomination Committee review	Improvement required

Actions arising from the 2025 evaluation

- Two additional Board sessions a year dedicated to strategy, with no routine reporting on the agenda, from 2026.
- Recruitment of an additional independent director with supervisory and risk experience - announced on 19 March 2026.
- A deeper internal successor pipeline for two authorised management roles, with named development plans reported to the Nomination Committee twice a year.
- Standardisation of Board paper cover sheets to state the decision sought, the options considered and the risk implications on a single page.

Follow-through

The Company Secretary maintains an action log from each evaluation and reports progress to the Board at least twice a year. An action is closed only when the Board is satisfied that the underlying issue has been addressed, not when the activity has been completed. Two actions from the 2024 evaluation remained open at the date of the 2025 review and were carried forward.

Review and approval

This document is approved by the Board of Directors of China Everbright Bank (Europe) S.A. and is reviewed at least annually, or more frequently where a change in law, regulation, supervisory expectation or the bank's own risk profile requires it. It is maintained by the Company Secretary and forms part of the bank's internal governance framework as required by CSSF Circular 12/552 as amended and the EBA Guidelines on internal governance.

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