

# Leadership

## ***Selection of the Chair and Vice Chair***

The Board prefers that the Chair and Vice Chair of the Board be from different classes of Directors; one a Member Director and one an Independent Director. The Governance Committee nominates individuals for the positions of Chair and Vice Chair after making a determination that the candidates possess the characteristics and abilities required for the positions as set forth in the job description. Members of the Governance Committee are not precluded from being nominated for either position. The Chair and Vice Chair are elected for two-year terms. The Chair of the Board is a non-voting ex officio member of all Committees who may participate in discussion and debate, but does not count for quorum requirements and may not vote. The Vice Chair will serve as a voting member of such Committees as approved by the Board and as a non-voting ex officio member of all other Committees.

## ***Selection of the Committee Chairs and Vice Chairs***

The Governance Committee, with direct input from the Chair, recommends to the Board the membership of the various Committees and their Chairs and Vice Chairs and the Board approves the Committee assignments. In making its recommendations to the Board, the Governance Committee takes into consideration the need for continuity, subject matter of expertise, tenure, and the desires of individual Board members. There is no rule against the number of years any Director can serve as Chair or be on a certain Committee. The availability of an individual to work with staff will be considered during the selection of Chairs. Individual Directors also have an opportunity to indicate which Committees they are interested in serving on for the next year. No Committee Chair shall be required to be either a Member or Independent Director. The Board believes that a mix of Member and Independent Directors on all Committees is good.

## ***Duties of the Committee Chairs and Vice Chairs***

The Committee Chair, when present, shall preside over all meetings of the Committee for which he/she chairs. The Chair shall perform all duties incident to the office and such other duties as shall be prescribed by the Board of Directors, from time to time.

The Committee Vice Chair, in the absence or disability of the Chair, shall exercise all powers and discharge all of the duties of the Chair, including presiding over Committee meetings. The Vice Chair shall also participate in the establishment of the agenda for each Committee meeting and shall otherwise be consulted regarding the strategic direction of the Committee. The Vice Chair shall perform all duties incident to the office and such other duties as shall be prescribed by the Board of Directors, from time to time.

## ***Formal Evaluations of the CEO***

The Board conducts a formal evaluation of the CEO on an annual basis. The CEO is reviewed against pre-established performance factors that are set at the beginning of each year. The Human Resources and OMWI Committee is responsible for developing the performance factors for the CEO.

## ***Succession Planning***

The CEO is responsible for developing and maintaining a process for advising the Board on planning for potential successor CEOs, as well as for other key senior leadership positions in the Bank. The Directors are responsible for oversight of the succession and management development program for senior leadership in the Bank. The chief executive reviews this plan with the Directors at least once annually.

