



TBE DEMONSTRATION COMPANY

2024 - BOARD REVIEW

September 2024

Report Produced By THINKING BOARD EVALUATOR



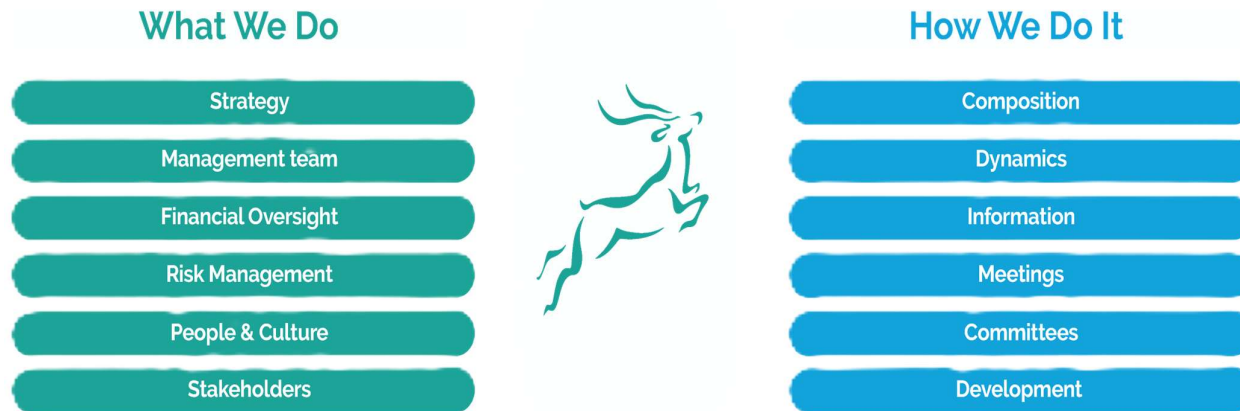
INDEPENDENT AUDIT

LEADERS IN BOARD EFFECTIVENESS

About this report

This report has been prepared by Thinking Board® Evaluator based on your feedback. The purpose of the report is to help you work better in future.

19 of you were asked to provide feedback. Those who responded are listed at the end of this report. You scored performance across aspects of effectiveness that we at Independent Audit set out in our board governance model below.



As well as scoring your performance, you were asked to think about a short list of good practices that are followed in relation to each area. These are activities that, if done well, will improve performance. You identified those where you thought you could do better.

This report uses your feedback to identify the priority areas for development. It also identifies what you see as your main strengths, so that you can protect them. The report does not provide a pass/fail score against an arbitrary measure of effectiveness. It is a basis to discuss how well you are working and to agree what are the most important things needed to make your work more effective, more efficient or more enjoyable.

The most important thing for any board is to have consistently good judgement. That's hard to measure, and anyway the past is no guide to the future. But trying to do your best across these twelve areas will give the best chance of exercising good judgement, and therefore of making good decisions.

How to use this report

Usually, you will get the most value from your self-assessment if you go through these steps:

- > All Board (or Committee) members should receive a copy of the report.
- > Arrange a time to discuss it. The objective is not to give a rating for past performance, but to agree what you can do to make yourselves better. This can be part of a normal meeting, or you can arrange one just for this purpose.
- > Allow enough time for a good quality discussion, so that by the end everyone is aligned on the main changes.
- > Start the discussion by acknowledging the things you do well. Think about how you can ensure they stay that way, and how you can keep challenging yourself to avoid complacency.
- > Move on to the areas that have been identified as priorities for development. Explore the different aspects of these, agree how important they are, and decide what you are going to do about them.

Overview



This is the overall picture of your performance.

The colour ratings derive from two factors: how many people felt there was room for improvement and how strongly they felt about it.

The average question score for the topic **What We Do** was moderate. This suggests that, in general, things are going OK, but that there is certainly room for improvement in how you are fulfilling many of your main responsibilities. The mean scores of individual questions differed significantly, with some questions rated very positively and others very negatively. Use the commentary below to help you identify the most important areas. And discuss the reasons behind such a varied picture.

The average question score for the topic **How We Do It** was high. This suggests that things are going well in most areas and that you have few concerns about how you are fulfilling most of your main responsibilities. The mean scores of individual questions differed significantly, with some questions rated very positively and others very negatively. Use the commentary below to help you identify the most important areas. And discuss the reasons behind such a varied picture.

Areas of strength

These are the questions where you gave yourselves the highest scores:

Financial oversight

Ensure that the finances are well-managed and reliably reported?

Committees

Make sure it benefits from the value added and support provided by Committees?

Development

Make a conscious effort to stay relevant and effective?

For each of these you should ask:

Is our confidence justified?

What is it that we are doing that underpins our strength in this area?

Priorities for development

The top priority areas are highlighted here. This is where you would most like to see performance improve.

People & culture

You were asked:

Look at the way our people and behaviours support the delivery of our strategy?

Your answers show that you think it is a priority to improve performance in this area.

To do this, start by looking at some specific things where a significant proportion of you think that you could do better:

- Receiving information about culture and behaviours from various sources to see if they meet our expectations (92 %)
- Giving non-executive directors some opportunities -including virtual or real visits- to informally hear the views of the workforce (92 %)
- Discussing our target organisational culture to make sure it aligns with our values, purpose and strategic ambitions (71 %)
- Considering whether executives and non-executives behave in line with the standards they expect of others (71 %)

For each of these you should ask:

What can we do better?

And are there any other useful things we could do, in addition to these points?

Areas where you aren't aligned

These are the areas where your views most diverge. Some of you have significant concerns, while others seem to be content.

Why are some of you more concerned than others?

What is needed to bring everyone to the same level of comfort?

Stakeholders

Composition

Management team

Dynamics

Risk management

Information

Strategy



Some other specific points

These points were highlighted by one third or more of you. The areas to which they relate are not included as priority areas, but nonetheless these specific points are likely to be worthwhile opportunities for improvement.

Financial oversight

- Understanding the important subjective areas in the accounts and the risk in financial reporting judgements (46 %)
- Having good reason to be confident that the external auditors' work is sufficient, expert, rigorous and unbiased (46 %)

Development

- Refreshing the agenda regularly to stay focused on the main factors that will drive our strategic success (35 %)

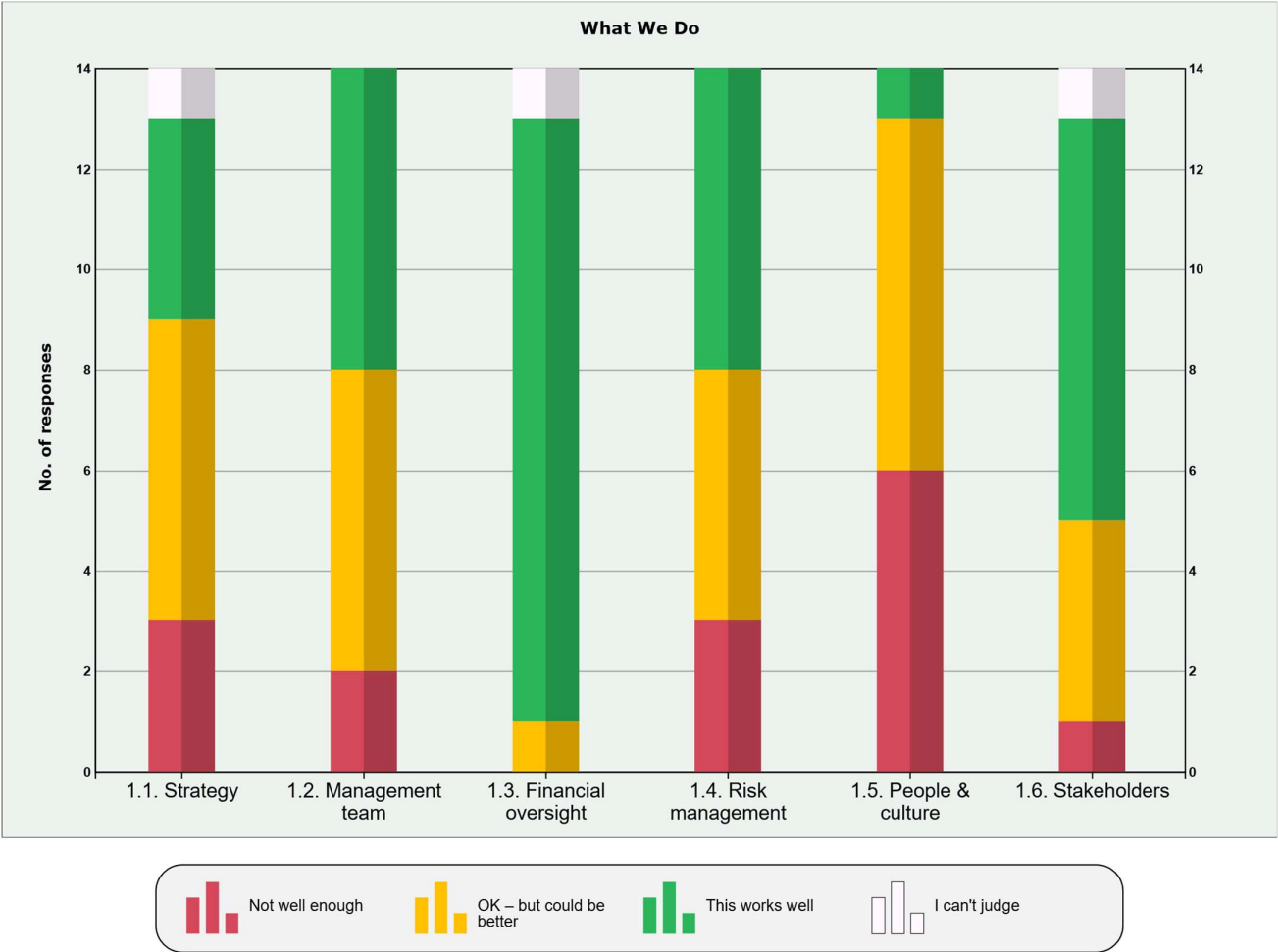
Meetings

- Scheduling meetings of the right length and at the right times (64 %)

Question scores

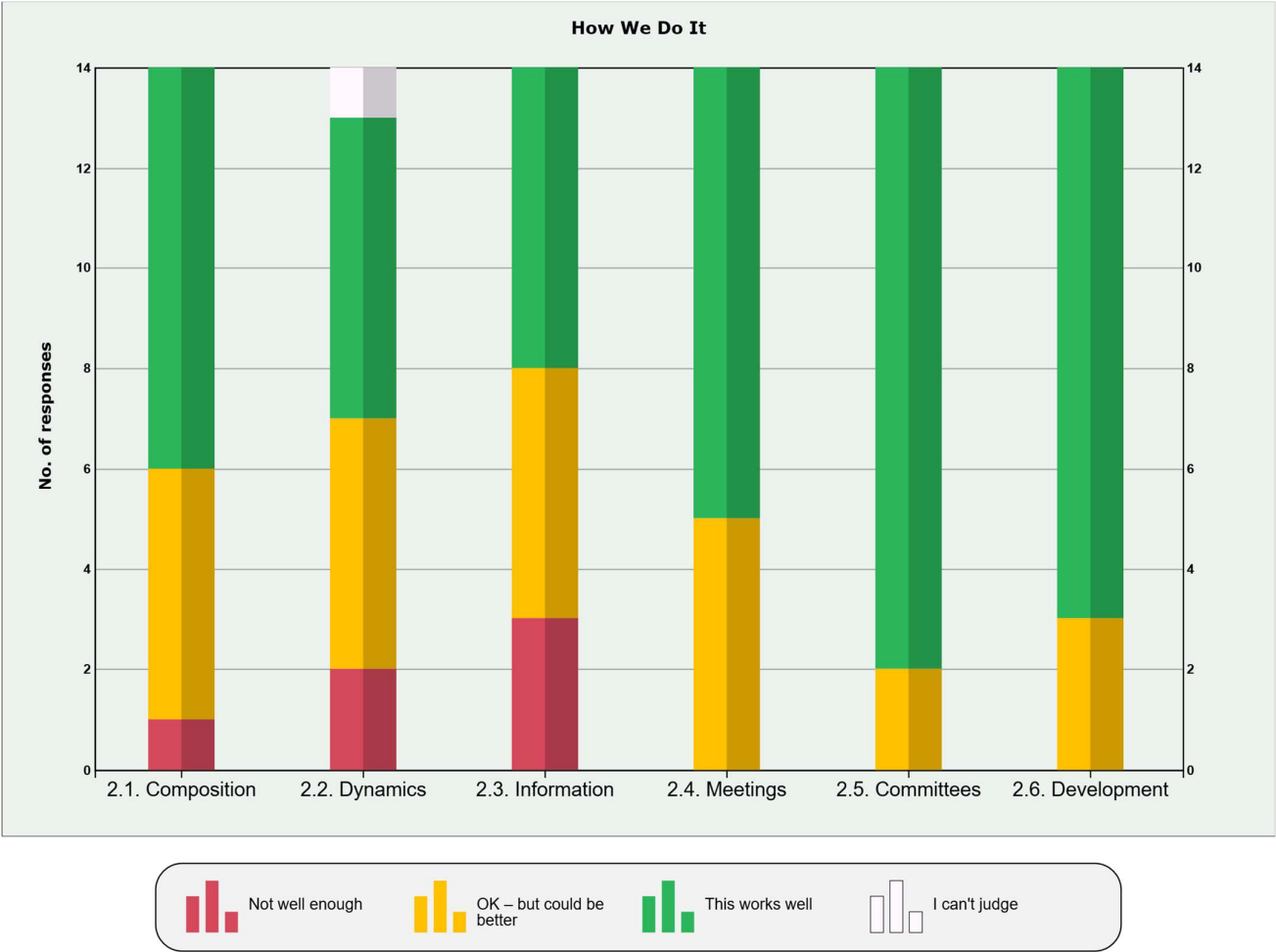
On the next two pages are charts which show the separate scores for each question. These will help you to understand what lies behind the averages used in the earlier parts of this report.

What We Do



Question	How well do we...
1.1 Strategy	Oversee the development and implementation of strategy?
1.2 Management team	Make sure a high-performing management team is in place?
1.3 Financial oversight	Ensure that the finances are well-managed and reliably reported?
1.4 Risk management	Make sure that risk is being managed effectively?
1.5 People & culture	Look at the way our people and behaviours support the delivery of our strategy?
1.6 Stakeholders	Understand and address the needs of our various stakeholders?

How We Do It



Question	How well do we...
2.1 Composition	Maintain the right mix of expertise, perspectives and personalities both for now and the future?
2.2 Dynamics	Have thorough and balanced discussions leading to well-considered decisions?
2.3 Information	Make sure it gets the information it needs to be effective?
2.4 Meetings	Make sure board meetings are efficient, enjoyable and useful?
2.5 Committees	Make sure it benefits from the value added and support provided by Committees?
2.6 Development	Make a conscious effort to stay relevant and effective?

Whose views are included?

This page lists all those who provided feedback

Vanessa O'Hara	Test Participant 1	Test Participant 2
Test Participant 3	Test Participant 4	Test Participant 5
Test Participant 6	Test Participant 7	Test Participant 8
Test Participant 9	Test Participant 10	Test Participant 11
Test Participant 12		

Additional information

This report has been kept short to focus only on the priority matters identified by your self-assessment.

Your self-assessment administrator has access to the full output of Thinking Board® Evaluator, which includes possible areas for development that have not been included as priority areas in this report. This output can be made available to you by your administrator if you wish. However, we recommend that you should concentrate on the more important matters set out in this report. The company secretary and/or management should use the detailed output to identify lower-priority opportunities for development, and to propose an action plan for approval.

Additional output includes points that were identified by less than one third of you as needing improvement (any identified by one third or more are included in this report). It is also possible for you to see the summary feedback split into the three categories of non-executive, executive and other. This information can be valuable but it needs to be treated carefully in order to maintain confidentiality. If there are fewer than four people in any category it is often possible to guess who gave which answers, so in these cases you should only use the segment analysis if participants have agreed.

When you use Thinking Board® Evaluator more than once you will also be able to obtain reports that show your progress over time.

Appendix | Comments: Areas of Strength

1.3 Financial oversight

Ensure that the finances are well-managed and reliably reported?

I think we need more specialised external advisors to help with this

We are working on a new risk strategy for our 5 year plan.

We should be more precise in our reports to ensure that even higher reliability is met

2.5 Committees

Make sure it benefits from the value added and support provided by Committees?

I believe that responsibilities are clearly set out and easy to follow and revisited quarterly

2.6 Development

Make a conscious effort to stay relevant and effective?

The Board is always trying to priorities among all the issues what need the most focus without getting lost in details

I think we have made great progress in this area in the last 12 months

As I said in the comment before, we always ask as a group if we are up to date with our duties.

Appendix | Comments: Priorities for Development

1.5 People & culture

Look at the way our people and behaviours support the delivery of our strategy?

We need to be doing more horizon scanning

The executive team is not really reflecting the values and the culture of the organisation

There are not enough discussion around the culture and even less about the ESG

Appendix | Comments: Areas where you aren't aligned

1.1 Strategy

Oversee the development and implementation of strategy?

We should ensure that strategic goals and plans are clearly communicated across all levels of the organization can be challenging. Miscommunication can lead to misunderstandings and misalignment with the overall strategy

I believe that we struggle with setting up effective monitoring systems and being agile enough to pivot when necessary

We should spend more time on site to gather more information and see the results of our decision

1.2 Management team

Make sure a high-performing management team is in place?

Identifying and attracting the right talent for key management positions can be challenging. The Board need to ensure they have a robust process for recognizing individuals with the potential to drive the organisation forward.

Sometimes the management team is lacking the right skills to do their job properly

We do face difficulties in setting up fair and effective evaluation systems that accurately reflect the team's contributions and areas for improvement.

1.4 Risk management

Make sure that risk is being managed effectively?

The risk and control monitoring does not always meet the business needs. We should revisit our risk implementations and all the control systems that we have in place.

We are reevaluating risk in a long-term and need to look at everything.

Although it is working well I think that there is not much clarity around the comprehensive processes in place to detect both obvious and subtle risks that could impact the organisation

1.6 Stakeholders

Understand and address the needs of our various stakeholders?

The company organised some internal survey to understand better the stakeholders' needs but we never looked at them

We should listen more to our stakeholders

We question around the board what can impact the stakeholders' views

2.1 Composition

Maintain the right mix of expertise, perspectives and personalities both for now and the future?

There are occasions where I felt that we are lacking certain basic skills around the Board

Nice personalities around the board.

We do not have a succession plan

2.2 Dynamics

Have thorough and balanced discussions leading to well-considered decisions?

Sometimes uncomfortable questions are not very welcome

Sometimes, I do not feel like I can speak freely without being judge

2.3 Information

Make sure it gets the information it needs to be effective?

The timely arrival of board papers has really improved

Certain meetings do not have all the information we need. The CoSec is new and does not a lot of experience, however, a great attitude and with time I am sure he will perform well and this problem will be fixed

It is working well but we should priorities a bit more

Independent Audit Limited

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