



Board Charter

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Endorsed by Board on:

1. Introduction

This policy sets out the major principles used by the Board to manage its affairs and enable it to discharge its responsibilities.

In carrying out its responsibilities and powers as set out in this charter, the Board will at all times recognise its overriding responsibilities to discharge its duties in good faith, with care and act honestly in the best interests of the Association.

The Board considers governance to be the system or process by which the Board, exercising accountability to members, is directed and controlled to achieve sustainable improvement in the Association's prosperity commensurate with the risks involved.

2. Responsibilities and functions

The Board's key responsibilities are:

- to act in the interests of the Association as a whole;
- observe their duties as Directors in terms of the *Association Incorporations Act 1985 (the Act)*, common law, the Association's constitution and any other relevant legislation; and
- provide strategic direction for the Association and effective oversight of Management.

The key functions of the Board include:

- the appointment of Independent Directors on the recommendation of the Nominations Committee, membership and role of Board Committees, including appropriate succession planning;
- ensuring a diverse and effective Board, in line with the Association's constitution with appropriate policies and procedures for the Board and its committees;
- appointing, supporting and providing advice and counsel to, evaluating and rewarding the Chief Executive Officer (**CEO**), taking an active role in overseeing the growth of the Management leadership talent pool and approving the Management succession plans;



- through constructive engagement with senior management and key stakeholders, review, add-value to, approve and monitor the Association's purpose, core values, ethical framework, strategic direction and objectives;
- supporting, reviewing and monitoring the operational and financial performance of the Association;
- monitoring key financial and non-financial risk areas by ensuring the implementation of an effective risk management and internal control framework;
- consider and agree on Committee and management recommendations on key issues including Associational structuring and resourcing, capital management, significant contracts and capital expenditure;
- make, add to, alter or rescind any Association rules, regulations and by-laws as it sees fit;
- managing Directors' interests, conflicts of same and related-party transactions
- delegation of powers and authorities, while understanding the Board remains responsible for all decision of the Association;
- oversight of compliance with appropriate laws and regulations and major litigation;
- evaluating Board processes and performance of the Board as a whole, as well as contributions by individual Directors, ensuring the Board's effectiveness in delivering good governance, including performance and conformance matters;
- corporate governance matters, including frequency and agendas of Board and Committee meetings, and the appointment of the Public Officer;
- matters pertaining to Members including meetings, communications and relations; and
- ensure that there is a strong working relationship with Bowls Australia including regular communication on major issues confronting the Association.

3. Composition of the Board

The composition of the Board is outlined in the Constitution.

4. Director letter of appointment and induction

The CEO provides each new Director with a formal letter of appointment setting out the basis of appointment and ensures the approved Board Induction Checklist is completed.

5. Tenure

Refer to the Constitution.

6. Chair's Responsibilities

The Chair of the Board has a major role as the head of the Board in providing leadership to the Directors and other functions including:

- leading and facilitating the Board;
- setting the Board direction and focus;
- conducting an effective decision-making process and ensuring that the Board is focussed on achieving outcomes;



- ensuring that no one has excessive influence;
- maintaining a professional working relationship with the CEO;
- acting as a spokesperson, where appropriate, in conjunction with the CEO;
- promoting constructive and respectful relations between Directors;
- ensuring that each Director appropriately contributes to the Board's decision-making process;
- ensuring that the Board's workload is dealt with effectively;
- setting the agenda for each Board meeting, in conjunction with the CEO and other Directors, and modelling it against the Strategic Plan to ensure appropriate structure and monitoring;
- role-modelling ethical standards and behaviour based on the Association's agreed values;
- communicating and consulting with Bowls Australia and other relevant stakeholders on significant issues, as appropriate; and
- ensuring meetings are effectively conducted and minutes are circulated and acknowledged in a timely manner.

7. Board Committees

The Board may establish from time-to-time appropriate Committees to assist the Board by focussing on specific responsibilities in greater detail than is possible for the Board as a whole, reporting to the Board and making any necessary recommendations.

Each formally constituted Committee, including ad-hoc Committees has a written charter, approved by the Board.

The membership, role and responsibilities, charter and performance of each committee are reviewed annually by the Board.

The present Board Committees are:

- Governance Committee
- Finance, Risk and Audit Committee; and
- Nominations Committee.

The existence of Committees should not be seen as implying a fragmentation or diminution of the responsibilities of the Board as a whole.

8. Conflicts of Interest

Directors have a duty to act honestly and in the best interests of the Association and not to misuse position or information to gain unfair advantage, and to disclose conflicts of interest.

Potential conflict of interests of Directors may include:

- holding a position within the sport's membership
- a contract with the company (e.g. supply of services);
- related party loans, guarantees and other transactions; or



- profiting from an opportunity that rightfully belongs to the Association.

To manage conflict of interests in accordance with the requirements of the Act, the Board requires the following guidelines to be adhered to by Directors:

- declare existing or potential material conflicts to the Chair when appointed and on an ongoing basis as the need arises to enable the Chair to maintain a register of Director's interests and potential related conflicts.
- when a conflict of interest arises, leave the Board meeting and not vote on any resolution that relates to the conflicted issue, unless the Directors who do not have a material interest in the matter have passed a resolution that identifies the Director, the nature and extent of the Director's interest in the matter and their relationship to the affairs of the Association and states that the interest should not disqualify the Director from voting on the issue;
- if a Director has provided notice on a material conflict the CEO will ensure that the Director does not receive Board papers or other information related to the conflict; and/or
- no financial benefit can be given to a related party of a Director (including spouse, a de facto spouse, parents, children and certain related corporate entities) unless approved by the Board.

The Chair will ensure conflicts of interest are recorded in the Board minutes.

9. Access to records

A director has both a common law and a statutory right to inspect the documents of the Association. A Director is entitled to access to financial records at all reasonable times. This right applies to all Directors regardless of whether they have specific financial responsibilities, but a Director cannot extend the right to 3rd parties. Access to documents can be made through the CEO at no cost to the Director.

For the purpose of certain legal proceedings, a person who has ceased to be a Director has a right to access all books of the Association (including its financial records) at all reasonable times. This right extends for a period of 7 years after a person has ceased to be a Director.

10. Directors and Officers Insurance

The Association has agreed to pay the Directors & Officers Insurance premiums and not to do anything which may prejudice this policy.

Copies of the Certificate of Currency will be provide to Directors on Induction and at annual renewal time via the CEO Report as outlined in the Forward Agenda.

11. Access to Professional Advice

Directors and Board Committees have the right in connection with their duties and responsibilities to seek independent professional advice at the Association's expense, subject to:



- prior approval of the Chair, Committee or the Board which is not unreasonably withheld; and
- information so obtained is shared with all Directors or Committee Members as appropriate.

12. Role of Chief Executive Officer

The CEO is responsible for the overall day-to-day management and the performance of the Association. The CEO manages the Association in accordance with strategy, delegations, business plans and policies approved by the Board to achieve agreed goals and objectives included therein.

13. Strategic Direction and Oversight

The Board reviews the Association's long-term strategic plans and the major issues that it and management expects the Association to face in the future.

The Board sets the broad parameters for the preparation of the Association's Strategic Plan.

The Board only approves the Strategic Plan after conducting a rigorous review, including considered stakeholder input on major strategic initiatives.

The review includes a thorough understanding of what is required to successfully execute the Strategic Plan.

The Board approves a performance management system that has key performance measures (budget and financial/non-financial KPI's) aligned with the Strategic Plan and ensures that the remuneration of Management (including the CEO) is aligned with the achievement of strategic outcomes.

14. Board Meeting Annual Agenda

The Board must establish and endorse by the end of January each year its annual meeting agenda. The annual agenda should be aligned with the strategy cycle of the Association and bring many governance aspects of this charter to life.

The annual agenda dictates the dates, times and locations of Board meetings in the upcoming year. Refer Board Forward Agenda.

15. Board Meeting

Directors have adopted the following procedures:

- Per the constitution, there are a minimum of six Board meetings per year
- proper and timely notice of meetings is provided with an outline of proposed business (AGENDA);
- agenda papers which include executive summaries and resolutions are provided at least 4 days in advance to allow time for review;
- the Board meets periodically without the CEO present to discuss sensitive issues;



- a general business item is on the agenda so that Directors may add items for discussion or information;
- minutes are clear, accurate and have the appropriate detail; and
- draft minutes will be distributed to the Directors within 7 days after the meeting, and Directors will respond with comments within a further 7 days.

16. Board Meeting Attendance

Unless invited by the Chair, only the CEO and staff with relevant reports will attend Board meetings.

Advisors and other parties external to the Board are invited to attend Board meetings by the Chair, as appropriate.

17. Quorum

The constitution contains information in regard to what constitutes a quorum and the process where a quorum is not met.

18. Access to Management

The Board and individual Directors have the power to meet or make inquiry with the CEO outside of scheduled Board or Committee meetings. The Board and individual Directors may meet with Management in consultation with the CEO.

Directors will use their judgment so that contact is not distracting or disruptive to the business operation of the Association and will therefore initially raise any material issues or concerns with the CEO.

19. Political donations

The Association does not make political donations.

20. Risk Management

Risks are any event or action that threatens the assets and earnings of, values or services provided by the Association. It is the Board's role to establish a sound system of risk oversight and management and internal control.

The Board has tasked the Finance, Risk and Audit Committee with development and oversight of a risk management framework and register and has scheduled regular reporting on this in the forward agenda.

The Board ensures that the Association, at all levels, prescribes to a desired culture and exhibits accepted behaviours that are consistent with the agreed risk appetite.

21. Compliance system

The Board oversees the performance of an effective compliance system which requires, at a minimum, that:



- the Association complies with all relevant statutes, regulations and other requirements places on it by external bodies;
- effective internal controls exist and there is full and accurate reporting to the Board in all areas of compliance; and
- the Association is financially secure and is able to meet all its financial obligations when they fall due, in the normal process of business.

22. Policy and Procedures

The Board is responsible for:

- the development, enforcement and review of delegations (financial and non-financial);
- approving and monitoring compliance with all significant policies and procedures by which the Association is operated; and
- approving policies and procedures designed to ensure the Association operates at all times within applicable laws and regulations and in accordance with the Association's values and ethical standards.

23. Board's Role in Critical Incident Management

The Board has two key roles in a critical incident situation, one prior to the critical incident and the other during.

Prior to any critical incident, the Board ensures that there is in place a comprehensive critical incident management plan that has been tested and employees have been trained in its execution.

During any critical incident, the Board will fully support management in its continuity and recovery effort. The Manager responsible for Marketing and Communications will advise on urgent media and communications issues.

The chief spokesman during any critical incident will be the CEO supported by specified members of senior Management, or the Chair as needed.

24. Integrity of financial reporting

The Board ensures that a structure of review and authorisation is designed to ensure the truthful and factual presentation of the Association's financial position and performance.

The structure is overseen by the Finance, Risk and Audit Committee, although this delegation does not diminish the ultimate responsibility of the Board to ensure the integrity of the Association's financial reporting.

25. CEO assurance

The Board requires that the CEO state in writing to the Board that the Association's financial reports present a true and fair view, in all material aspects, of the company's financial condition and operational results and are in accordance with relevant accounting standards.



This statement is complemented by a statement that indicates that financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and that this system of risk management is operating efficiently and effectively in all material respects.

26. Annual Report to Members and other stakeholders

The Board provides the Members and other stakeholders with a comprehensive annual report outlining how they fulfilled their governance role, the achievements of the Association, the aspirations of the Association and sufficient financial information so that members can make a judgment as to how effectively the Board is fulfilling its role.

27. Annual General Meeting

The Association encourages effective communication with Members and their effective participation at general meetings and has strategies in place to effect this.

All Directors are expected to attend Annual General Meetings.

28. Board, Chair and Directors Effectiveness Performance Assessment

The Board through the Nominations Committee, reviews its own performance and that of the Board Committees annually.

The performance of the Chair shall be reviewed annually.

These processes ensure that the Board and Board Committees are working efficiently and effectively in discharging their responsibilities (against measurable and qualitative indicators).

29. Review of CEO Performance

The Board sets the performance criteria for the CEO, which are regularly reviewed by the Board.

The Nominations Committee facilitates the performance review, with all the Directors having an opportunity to contribute to the review.

30. Directors' Remuneration

The Nominations Committee recommends to the Board appropriate remuneration policies.

Directors are reimbursed all out-of-pocket expenses incurred by them in carrying out their duties as Directors.

The CEO handles all reimbursement matters.

31. Charter Review

The Board reviews this charter regularly and makes changes as necessary.



The CEO is responsible for monitoring and maintenance of this charter.



Board Meeting Papers and Decision-Making

1. Board Meeting Papers

The agendas for individual Board meetings should include (But not be restricted to):

- Minutes
- Conflicts of interests regarding any agenda items for decision
- Annual agenda items allocated to the meeting (per Forward Agenda)
- Other strategic issues for discussion
- Issues of litigation or non-compliance
- Items submitted for consideration and decision
- Items submitted for information
- Other general business

Meeting agendas should be well balanced (i.e. among the time allocated between strategy, performance, compliance and other business). There should be no Associational topics that are “off-limits” for discussion (i.e. Directors should feel free to speak out openly and honestly without fear of criticism, even when voicing a minority position or dissenting view).

The format and content of Board papers should be driven by the annual forward agenda and the Board’s information requirements. The agenda should drive what information the Board needs from management and other sources to aid informed decision-making. The reporting of information to the Board is essentially by way of Board papers.

The Board meeting papers should:

- be concise, timely, relevant, accurate and material to the type and nature of matters to be discussed;
- include timely, appropriate and in-depth external information (e.g. media and industry reports, market trends, stakeholder research);
- encapsulate the Association strategy and identify the key things which are driving or inhibiting effective execution of that strategy;
- contain a balanced picture of performance (not just the “good news stories” or what management thinks the Board only needs to know) and promptly communicate any potential warning signs or bad news (problems or failures are reported early and honestly);
- regularly track key variables with accuracy and consistency; and
- appropriate information on the Association’s performance (including financial and non-financial performance indicators and real insights into performance dynamics and the performance outlook) and how risks are being managed to enhance the Association’s performance.

The papers should include the CEO’s report.

Where possible, information technology should be used to enhance the oversight capabilities through effective collection, distribution, access and reporting of Board information.



Informal communications outside the Board meetings contribute to overall Board effectiveness (e.g. Association lunches, dinners and other activities like Member-Association meetings which help build rapport and understanding).

2. Decision-making elements

Strategic Fit

- Is the proposal part of the existing strategy?
- Is the strategy still applicable?
- If it is not part of the existing strategy, why are management submitting this proposal?
- If reasons are substantive, then should we review the existing strategy?

Financial considerations

- Are the financial requirements of the proposal clearly articulated?
- What effect will this project, if approved, have on our cashflow?
- Are there robust financials giving various scenarios supporting the proposal?
- Where necessary, has an independent financial due diligence been completed?

Strategic and operational risks

- Have the significant strategic risks been identified?
- Are there alternative proposals that may achieve a better result?
- Have all significant operational risks been identified?
- Have appropriate risk management decisions been made in relation to these risks?

Due diligence

- Have the benefits and disadvantages of the proposal been clearly identified?
- Have all appropriate areas of due diligence been completed using external resources where necessary?
- Have all regulatory issues been considered?
- Has third party information been used to test key assumptions?

Member, stakeholder and market perception

- How will members receive the decision?
- If there are concerns, how are they to be managed?
- Are there any other stakeholder issues that need to be managed (e.g. participants, customers, staff and suppliers, communities, funders)?
- Are there other ways of constructing the proposal to enhance member perceptions?

Ethical fit

- Will the Associational values be compromised?
- If the decision became front-page news, would it embarrass the Association or Directors personally?



- If the decision involves other regions or communities are there any ethical or social responsibility questions?
- Will the environment be compromised?

Availability of resources

- What effect will the transaction have on the asset base?
- Does our current management have the competencies and resources to successfully implement the decision?
- If alternate resources are required are they easily obtainable?
- What effect will the decision have on other resources, including technology, premises etc?

Synergy

- Does the proposal provide potential synergies with the existing business?
- Have the benefits derived from this synergy effect been clearly articulated?
- Are there any other future developments that may enhance the synergy effect further?

Value creation

- Does the proposal clearly highlight the financial and non-financial outcomes?
- How does the proposal create value for members?
- Is there a clear mechanism to monitor/measure the value created through implementation of the proposal?

Contingency plans

- Does the proposal consider a “worst case scenario” in the event of failure?
- Are contingency plans detailed?

Monitoring mechanisms

- Does the proposal outline Board monitoring mechanisms?
- Do the monitoring mechanisms include:
 - Regular reporting timelines
 - Progress reports covering:
 - Achievement of benefits
 - Risk profile and management
 - Expenditure variations
 - Timeline variations
 - Any other concern



3. Directors Induction Program

Common law and statutory obligations aside, new Directors, in order to make immediate worthwhile contributions to the Board's deliberations, need to quickly gain a good understanding of how the Association operates.

It is expected that all new directors will undergo an induction process. The induction will include relevant meetings and will also include providing the new director with access to all relevant documents. The below list is suggestive of the sorts of meetings and documents that may be included in an induction but should not be seen as required or exhaustive.

Refer separate Board Induction Checklist.

4. Additional Resources

- Board Forward Agenda
- Instrument of Delegation