



**Gymnastics**  
Victoria

# **Gymnastics Victoria Board Charter**

Established October 2015

*This document should be read in conjunction with the GV Constitution. It is complemented by the GV Board Manual.*

*The purpose of the GV Board Charter is to articulate the role of the Board, identify key Board processes and define the relationship between the Board and the CEO.*

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## A. Defining Governance Roles

On behalf of the stakeholders, especially the owners (**Members**), Gymnastics Victoria (**GV**) Inc. board of directors (**Board**) is responsible for the stewardship and future well-being of GV. The Board should exercise leadership, enterprise, integrity and judgement in directing the organisation so as to provide assurance of its continuing and lasting prosperity. GV's purposes are made clear in its constitution. Directors need to apply and endeavor to achieve the highest possible standards of corporate governance.

In discharging their responsibilities the Board and individual Directors have a duty to act in the best interests of GV as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations. Directors' first duty and loyalty must be to GV.

### A.1 The Role of the Board

Governance can be described as:

*The exercise of corporate leadership through the establishment and monitoring of necessary controls and strategic direction setting so that the organisation is equipped to respond to the changing circumstances and situations in the external and internal environments in order to meet the expectations and demands of Members and other key stakeholders.*

In summary the Board:

1. Provides leadership to the organisation ensuring that it achieves continuing prosperity in the best interests of the organisation and its stakeholders.
2. Ensures an appropriate mix of Directors whether through interaction with Members/ key stakeholders resulting in the election of appropriately skilled personnel or through the appointment of such individuals.
3. Establishes the organisation's purpose, values and strategies.
4. Determines the appropriate culture for the organisation and models behaviours that both reflect and promulgate the desired culture.
5. Employs the Chief Executive Officer (**CEO**) and monitors management and organisation performance against Board-established criteria.
6. Identifies and monitors the management of corporate risks.

7. Ensures that the organisation complies with all internal and externally imposed compliance requirements.
8. Establishes and maintains an effective interrelationship with stakeholders.
9. Ensures that internal processes and procedures are designed to provide effective controls and serve as the basis for reporting to the Board as required.

Governance involves the Board in the process of ensuring that GV is well managed without the Board itself becoming involved in the operations except as required by its legislation or as a consequence of exceptional circumstances.

## A.2 Board Composition

There are to be no more than 8 Directors, being six elected Directors and two appointed Directors.

The Directors may elect from amongst their number a Chairperson, Vice-Chairperson and Finance Director and may also determine the period for which the persons elected is to hold that office. The persons may hold the office of Chairperson, Vice-Chairperson or Finance Director only for as long as they are a Director.

## A.3 Expectations of Directors

To execute these governance responsibilities, Directors must, so far as possible, possess certain characteristics, abilities and understandings:

### 1. Directors Responsibilities

Directors must fulfil their fiduciary duty to act in GV's best interest at all times regardless of personal position, circumstances or affiliation. They should be familiar with GV's constitutional arrangements and be aware of, and fulfil, the statutory and fiduciary responsibilities of a director.

The Code of Ethics and Conflict of Interests policies provide direction to Directors and the Board in addressing key ethical issues. Directors are expected to be punctual and attend regularly for the full extent of Board meetings and be willing to contribute between meetings if required. They should come fully prepared for Board meetings.

### 2. Strategic Orientation

Directors should be future oriented, demonstrating vision and foresight. They are expected to think conceptually, taking a 'helicopter' or 'big picture' perspective. They should be able to synthesise and simplify complex information and ideas. Their focus should be on strategic goals and policy implications rather than operational detail. They need to understand and focus on issues that are central to the success of GV.

### **3. Integrity and Accountability**

Directors must demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on - and remain collectively accountable for – all Board decisions even if these are unpopular or if individual Members disagree with them. Directors must be committed to speaking with one voice on all policy and directional matters.

### **4. Informed and Independent Judgement**

Each member of the Board must have the ability to provide wise, thoughtful counsel on a broad range of issues. He or she must have (or be able to develop) a sufficient depth of knowledge about GV's business in order to understand and question the assumptions upon which strategic and business plans and important proposals are based, and to be able to form an independent judgement as to the probability that such plans can be achieved, or proposals successfully implemented. Each Director must be willing to risk rapport with fellow Directors in taking a reasoned, independent position.

### **5. Financial Literacy**

Because the Board must monitor financial performance, Directors must be financially literate. They should be able to read financial statements and understand the use of financial ratios and other indices used for evaluating GV's performance. To achieve this appropriate training and support will be provided.

### **6. Industry and Sector Knowledge**

Each Director is expected to bring a level of industry and sector knowledge sufficient to contribute to the Board's deliberations and considerations on behalf of the organisation and its stakeholders.

### **7. Participation**

Each Director is expected to enhance the Board's deliberations by actively offering questions and comments that add value to the discussion. Each should strive to be at ease with fellow Directors participating in a constructive manner that acknowledges and respects the contribution of others at the table including the executive team. Directors must be able to accept challenge from others without becoming defensive. In order to foster teamwork and engender trust Directors should be willing to reconsider or change their positions after hearing statements of others' reasoned viewpoints.

## **A.4 Chair's Role**

The Chair provides leadership to the Board, ensuring that the Board's processes and actions are consistent with its policies. As appropriate, the Chair represents the Board and the organisation to outside parties. It is expected that the Chair will promote a culture of stewardship, collaboration and co-operation, modelling and promulgating behaviours that define sound directorship.

1. The Chair will chair Board meetings ensuring that:

- a. Meeting discussion content is confined to governance matters as defined in the Board’s policies.
  - b. All Directors are treated even-handedly and fairly.
  - c. All Directors are encouraged and enabled to make a contribution to the Board’s deliberations.
2. The Chair has no authority to unilaterally change any aspect of Board policy.
  3. The Chair will ensure that that Board develops and implements processes and systems that result in Board effectiveness including:
    - a. The development, review and monitoring of the organisation’s strategic plan and risk management.
    - b. Director and office holder succession planning.
    - c. Director and Board professional development.
    - d. Board performance assessment.
    - e. Serving as a mentor to individual Directors.
    - f. Overseeing the stakeholder interface.

N.B. Some or all of these tasks may be delegated to a Board committee e.g. Governance Committee.

4. The Chair will ensure that Board meetings are properly planned including the development and distribution of Board papers in a timely manner and that the minutes accurately reflect the deliberations and decisions of the Board.
5. The Chair will ensure that all Board decisions are understood by Directors and accurately recorded.
6. With the approval of the Board the Chair may establish a regular communication arrangement with the CEO in which there is an exchange of information. This might also provide an opportunity for the CEO to use such sessions as a sounding Board for proposed actions or to check interpretations of Board policy. However;
7. The Chair will recognise that such sessions are not used to ‘personally’ supervise or direct the CEO.
8. The Chair will maintain an appropriate professional distance from the CEO to ensure objectivity and attention to governance matters and concerns.
9. The Chair will not inhibit the free flow of information to the Board necessary for sound governance. Therefore the Chair will never come between the Board and its formal links with the CEO.
10. In contact with the media the Chair, CEO or a person delegated by the Chair or CEO shall be the spokesperson on all operating matters relating to GV.

11. The Chair may delegate aspects of the authority accompanying the position but remains accountable for the overall role.

## A.5 Role of the Company Secretary

The Association shall be represented by a Secretary in accordance with the requirements of the Act.

The Secretary shall be appointed by the Directors and shall hold office in accordance with the Act until the appointment of a substitute Secretary.

## A.6 Role of the CEO

The CEO shall:

1. Act honestly, diligently, and competently at all times in the fulfilment of his/her duties and responsibilities. In so doing the CEO shall use *his/ her* best endeavours to promote and protect the interests of GV.
2. Be responsible for discharging all duties and responsibilities hereunder at all times during the normal hours of GV and at such other times as may reasonably be required by the Board having regard to the duties and responsibilities of the position.
3. Exercise all the rights, duties and powers that are conferred upon the CEO from time to time by any enactment, or by delegation from the Board.
4. Promote compliance with all statutory obligations imposed upon GV, the Board, or upon employees.
5. Do all such incidental things consistent with the position of CEO as are reasonably necessary for the proper performance of the duties and responsibilities of the role.
6. Carry out and comply with all reasonable and lawful directions given by the Board or by any person authorised by the Board to give such directions.
7. Undertake such duties and exercise such powers, authority and discretion in relation to the business of GV as may from time to time be delegated to the CEO;
8. Undertake such other responsibilities and perform such other duties from time to time as may reasonably be required to meet the operating needs of GV;
9. In the discharge of such duties and the exercise of such powers, authority and discretion, conform to, observe and comply with the directions, restrictions, and regulation of GV made or given from time to time e.g. in the form of delegation and/or limitations policies set by the Board.

10. Comply with all legal requirements, statutory or otherwise pertaining to the position and responsibility of the CEO; and
11. Faithfully serve GV and at all times use his/her best endeavours to promote its interest.

## B. Key Board Functions

The Board is responsible for protecting the rights and interests of GV and is accountable to the Members for the overall management of the organisation. In discharging its obligations and duties, the Board should assume responsibility in at least the following areas:

### B.1 Meeting Legal Requirements

The Board's first duty is to the legal entity. In meeting this duty the Board must ensure that all legal requirements under the relevant Acts are met and that the entity is protected from harmful situations and circumstances in the interests of current and future stakeholders. The Board also has a responsibility to its various stakeholders to ensure that the available resources are used to deliver the 'right outcomes' to the 'right people' in the 'right way'.

In particular Directors have the following obligations:

- a. To act in good faith in the interests of all stakeholders of GV
- b. To exercise their powers for a proper purpose
- c. To avoid conflicts of interests
- d. To act honestly
- e. To act with reasonable care and diligence
- f. Not to make improper use of either their position on the Board or information gained while in that role.

Directors, either individually or collectively, are potentially liable if they act illegally or negligently.

### B.2 Directorship

The Board will:

- a. Assist GV to make good appointments to the Board by ensuring that constituent bodies are fully conversant with the role, responsibilities, work programme and performance of the Board and its members.
- b. Provide a thorough orientation process for new Directors.

(Refer to Board Manual for more information)

### B.3 Governance Philosophy and Approach

The Board will govern GV with an emphasis on:

- a. A future focus rather than a preoccupation with the present or past;
- b. Strategic issues rather than administrative detail;
- c. Pro-activity rather than reactivity;
- d. Promote principles of equity and diversity across all areas of GV's operations;
- e. Encourage diversity of opinions and views;
- f. Develop and express a collective responsibility for all aspects of the Board's performance;
- g. Continue improvement in Board and individual Director effectiveness; and the interests of GV as a whole.

## **B.4 Strategic Leadership**

The Board will:

- a. Formulate, authorise and monitor GV's vision, mission and strategic objectives.
- b. Provide input that assists in identifying and understanding emerging trends and issues likely to affect the well-being of GV and its stakeholders.
- c. Review GV's situation and agree the broad framework within which the strategic and business plans will be prepared each year.
- d. Recommend significant shifts in the broad strategic direction of GV to the stakeholders.
- e. Ensure that CEO is continually striving for above average performance after taking into account risk.
- f. Ensuring there are adequate internal controls and ethical standards of behaviour.
- g. Ensure the development of medium-term and annual business/operational plans.
- h. Review and approve GV's financial objectives, plans and actions, including significant capital allocations and expenditures.

- i. Monitor the effectiveness of the governance policies under which it operates and make changes as required.

## **B.5 Direction of Executive Performance**

The Board will:

- a. Select, monitor and, if necessary, replace the CEO.
- b. Maintain an up-to-date framework for defining the Board's expectations of the CEO's performance including the setting of a clear, annual performance agreement.
- c. Provide regular, honest and rigorous performance feedback to the CEO on the achievement of such expectations.
- d. Ensure there are positive conditions for the motivation of the CEO and ensure that there is adequate training to support her/him in their role.

## **B.6 Delegation to the CEO**

The Board delegates to the CEO responsibility for implementation of its strategic direction/strategic plan while complying with the CEO Delegation policies.

1. The CEO is the primary linkage and point of accountability between the Board and the operational organisation.
2. Only the Board acting as a body can instruct the CEO. Typically all instruction to the CEO will be codified as policy.
3. The Board will make clear GV's strategic direction including performance indicators to be applied to the Board when reviewing the organisation's and the CEO's performance.
4. The Board will make clear to the CEO in writing any limitations or limits it chooses to place on his or her freedom to take actions or make decisions that the Board deems to be unacceptable within the delegation, allowing the CEO any reasonable interpretation of these policies (further defined in the delegation and/or limitations policies set by the Board).
5. The CEO is responsible for the employment, management and performance evaluation of all staff employed/contracted to the organisation. Neither the Board nor individual Directors will 'instruct' staff in any matters relating to their work.
6. Provided that the CEO achieves the outcomes sought by the Board and does so in a manner consistent with the Board's policies and GV's values, the Board will respect and support the CEO's choice of actions.

7. The expert knowledge and experience of individual Board members is available to the CEO.

## **B.7 CEO Authority**

1. As long as the CEO applies any reasonable interpretation of the Board's policies, i.e. does not set out to defeat the stated intent or the spirit of the policies, he/she is authorised to establish all operational policies, make all operational decisions and design and implement and manage all operational practices and activities.
2. Acknowledging a Board member's right to have access to information necessary to meet his/her duty of care to the organisation, the CEO may defer instructions or requests from individual Board members or from unofficial groups of Board members if, in his/her opinion, such requests or instructions are:
  - a. Inconsistent with the Board's policies.
  - b. Are deemed to make unjustifiable intrusions into the CEO's or other staff member's time; or
  - c. Are an unjustifiable cost to the organisation.
3. The CEO must notify the Chair of the use of point 2.

## **B.8 CEO Remuneration**

CEO remuneration will be decided by the Board as a body based on terms and conditions that reflect the organisation performance and executive market conditions.

1. Organisation performance will be only that performance revealed by the monitoring system to be directly related to criteria given by the Board in policy.
2. Remuneration will cover the entire range of salary, compensation, benefits and all other forms.
3. Remuneration will be competitive with similar performance within the marketplace based on achievement of the Board's strategic direction and strategic goals while complying with the delegation and/or limitations policies set by the Board.
4. A committee process will be used to gather information and to provide options and recommendations for the Board for its consideration and decision.

## B.9 CEO Performance Assessment

The CEO's performance will be continuously, systematically and rigorously assessed by the Board against achievement of the Board-determined strategic outcomes and compliance with delegation and/or limitations policies set by the Board. The Board will provide regular performance feedback to the CEO.

1. The Board's assessment of the CEO's performance will be against only those performance indicators that have been agreed at the commencement of the performance year.
2. The standard applied to all facets of the performance assessment shall be that the CEO has met or can demonstrate compliance with the intent or spirit of the Board policy/statement.
3. The Board may monitor any policy at any time using any method but will normally base its monitoring on a predetermined schedule.
4. The Board may use any one or more of the following three methods to gather information necessary to ensure CEO compliance with Board policies and thus to determine its satisfaction with that person's performance:
  - a. CEO reporting,
  - b. Advice from an independent, disinterested third party, or
  - c. Direct inspection by a Board approved Board member or group of Board members.
5. If at any time the Board engages an outside evaluator to assist the Board to conduct an assessment of the CEO's performance, the process must be consistent with this policy. Any such evaluator is a contractor to the Board, not the CEO.

## B.10 Risk Management

GV considers that risk management is an important aspect of corporate governance.

Consistent with ISO 31000, GV adopts the definition of risk management as:

*"The processes, systems and culture applied in order to manage both the upside and downside of uncertainty on the strategic objectives of Gymnastics Victoria."*

Gymnastics Victoria will establish an Enterprise Risk Management Framework to outline the principles and processes by which GV will react to the risks facing the organisation.

The framework will encompass the following elements:

- provides the context for organisational risk management at GV;
- outlines the overarching documentation structure and risk review requirements;
- describes the governance structure and accountabilities that are in place; and
- provides the procedure for identifying and assessing enterprise risks, and the response required in order to mitigate risks that may impact the organisation.

The Enterprise Risk Management Framework is a document mandated by the Board. The Finance and Risk Committee is responsible for overseeing, the audit and risk assessment function for the organisation.

## 1. RISK Governance and Process

The maintenance of a sustainable risk management function that supports the organisation remains the ultimate responsibility of the Board with assistance from the Finance and Risk Committee.

Responsibilities of the Finance and Risk Committee regarding risk include:

- Consider the organisation's risk profile;
- Monitor the risk management maturity and capability;
- Review and assess the effectiveness of the organisation's risk management framework;
- Report to the Board on the above matters.

Key artefacts required by the Board and Finance and Risk Committee to ensure that risk management is embedded in the organisation includes the following:

- Enterprise Risk Management Framework
- Disaster Recovery Plan / Business Continuity Plan;
- Strategic Risk Register; and
- Communications that encourage all staff to embrace risk management as part of their day to day roles.

## 2. Senior Management Team Risk Responsibilities

Senior Management have the responsibility to complete the following:

- **Identification** of risk – identify the reputational, regulatory, operational, financial and strategic risks that are prevalent in fulfilling the GV's vision.
- **Analysis** of risk – analyse the reputational, regulatory, operational, financial and strategic risks in accordance with the agreed likelihood and consequence scales
- **Evaluation** of risk – evaluate risks to ensure action is taken on highly prioritised risks.

- **Treatment** (mitigation) of risk – develop mitigation strategies and action plans to reduce unacceptable levels of risk that would impact the success of the GV.
- **Monitor and Review** – monitor all risks and opportunities impacting GV.

### 3. Risk Reporting

The CEO in conjunction with Senior Management is responsible for the reporting of risks and incidents in line with this framework.

Management will provide a risk reporting package to support the identification and management of risks and incidents to the Finance and Risk Committee, on behalf of the Board, for presentation as follows:

- i. Risk management incidents, compliance breaches or near misses (bi-monthly)
- ii. Outcomes of assurance or monitoring activities (bi-monthly)
- iii. Updates to risk register or risk matrix (bi-monthly)
- iv. Risk treatment plan update (bi-monthly)

### 4. Culture – ‘Risk management is everyone’s responsibility’

To achieve a culture of ‘risk management is everyone’s responsibility’ management and staff must be consistent in their communication and clear in their mission to mitigate risk that may impact GV.

Risk mitigation is not isolated to Board, management and staff but a key part of the role of every affiliated club, member, volunteer, contractor and visitor who contribute to the success of GV.

## **B.11 Monitoring Operational Performance**

The Board has a duty to oversee and monitor the performance of the operational organisation.

1. The CEO will report to the Board on the performance of GV at a frequency and to a standard specified by the Board.
2. All such reporting should be targeted at the Board's interests and duties rather than a description of management actions.

## **B.12 Compliance and Integrity**

The Board will:

- a. Ensure ethical behaviour and compliance with the Board's policies, and statutes and regulations, audit and accounting principles and GV's stated values and its governance documents.
- b. Ensure the integrity of GV's internal control and management information systems so that its decision-making capability and the accuracy of its reporting are maintained at a high level at all times.

## **B.13 Other**

The Board will perform other functions as a prescribed by law or assigned to the Board under GV's governing documents.

## **B.14 Policy Framework**

Whereas the Board sets governance-level policies and establishes the strategic direction including the development of the organisation purpose, values and the organisation-wide goals and objectives, the CEO designs and manages the day-to-day operational processes. The CEO is thus the agent of the Board. The Board is responsible for determining organisational 'Ends' or outcomes and the CEO's role to design the 'Means' or methods to achieve those ends.

A Policy Framework has been established, to provide a register of each GV Policy, Procedures and Major document. It details:

1. When each document was created and updated;
2. When it requires review;
3. Who is responsible for it; and
4. Who administers it.

Review of this framework should occur at least once a year to ensure all Policies, Procedures and Major documents are accurate, current and relevant to GV.

There are two levels of organisational policy

(a) Governance-level policy. Policies at this level are developed and adopted by the Board and relate to high-level, organisation-wide matters. These include policies in respect of the Board's operating processes and duties, and its delegation to the CEO for the organisation's day-to-day management. These policies are a reflection of the Board's desire to meet its duty of care under law and its moral responsibility to provide good governance on behalf of all interested parties. These areas include, but are not limited to:

- Code of Ethics
- Strategic Direction and Planning
- Financial Governance
- Conflict of Interests
- Risk Management
- CEO Delegation

(Refer to Board Manual for more information)

(b) Management-level policy. These are developed by the CEO and relate to the operational management of the organisation. The Board is not required to approve policies at this level. Management-level policies flow logically from the governance policies. The Board will endorse the Policy Framework for these policies.

(Refer to Board Manual for more information)

## **B.15 Partnerships and stakeholder engagement**

It is recognised that GV would not be able to operate successfully without effective partnerships.

The Board is responsible for ensuring that these partnerships are established with the appropriate people and groups, and that they are well managed. From time to time, this may involve Directors or the CEO directly or it may be that others in committees or commissions do the work and the Board keeps track and oversees the work. The Chair and CEO will play a significant role in the relationship management of partnerships that the Board sees as particularly important.

For a detailed listing of GV partners refer to the Gymnastics Victoria website for a full list of partners and sponsors.

## **B.16 Public Comment**

The Board shall from time-to-time designate the Chair or the CEO to speak on behalf of GV. When individual Director are approached by the media for comment the following guidelines apply. Directors:

1. Must refrain from disclosing any significant information, documents or other forms of data without prior consent from the Board or the Chair.
2. Refrain from performing any activities on behalf of the person or organisation approaching the Director without prior consent from the Board or the Chair.
3. Must inform the Board or the Chair at the earliest convenience of the approach and the request for comment so that, if possible, a Board agreed position or appropriate action can be determined.

## C. Improving Board Processes

The majority of Board business will be conducted in Board meetings. In order to ensure effective meetings the following principles apply:

### C.1 Board Meetings

The Board will:

- a. Ensure that the Board makes the best possible use of its meetings by dealing only with matters that have governance-level significance, by focusing primarily on the future and, within a defined policy framework, by delegating as much as possible to the CEO.
- b. Ensure that reports and proposals for the Board are timely, contain content and are formatted so as to reinforce and support the Board's governance role.
- c. Review and approve transactions that are not consistent with the ordinary course of business (i.e. of considerable size, or of an unusual nature).
- d. The Chair will establish the agenda for each Board meeting although each Director is free to suggest the inclusion of item(s) on the agenda. To the extent possible (given some matters worthy of the Board's attention may be unforeseen) agendas will be based on a schedule of subjects agreed at the beginning of each year and documented in the form of an annual work agenda.

The Board will meet at least six times per year, however, Board meetings may be scheduled at other times or at other frequencies as determined by the Board.

### C.2 Board Meeting Agenda

1. The Board will develop a one year agenda that:
  - a. Regularly reviews progress towards the achievement of the strategic direction/strategic plan and relevant strategic issues;
  - b. Provides assurance that all relevant compliance requirements are addressed; and
  - c. Improves Board performance through education and continuous focus on its governance effectiveness.

2. The Chair, in consultation with the CEO will prepare the agenda for each Board meeting. All Directors have the opportunity to contribute to the agenda.
3. Directors are expected to have read their papers and be prepared fully for Board meetings. Whenever possible personal queries and matters of clarification should be pursued prior to the meeting.
4. Directors are expected to provide input into Board decision-making and dialogue.
5. Board meetings will be conducted in an open and constructive manner, recognising that genuinely held differences of opinion can bring greater clarity and lead to better decisions.
6. Board decisions will be reached by vote. Every Board resolution requires a proposer and seconder and any decision will be recorded as a unanimous or majority decision in favour or against the motion, together with any abstentions.
7. Directors are expected to arrive on time and remain in the meeting for its duration.
8. Directors shall disclose any conflicts of interest at the earliest point in the meeting and, as determined, refrain from voting or participating in resolution of the issue under discussion.
9. Attendees may participate in Board meetings at the Board's discretion. Attendees will respect the Boards' integrity and accountability and will thus accept any constraints imposed by the Board or the Chairman on their participation and presence.
10. The Board may determine to hold 'Board only' sessions in response to sensitive or confidential issues. Such sessions might also be scheduled on a regular basis at the commencement of the meeting so that the Board can, without observers present, agree the priorities for the meeting, answer questions from Directors that could cause embarrassment if asked in front of observers, or discuss any other matters of a confidential nature.

### **C.3 Board Papers**

1. Board Papers will be in a consistent reporting format.
2. Board Papers will indicate if an item is "matter for decision" or "matter for noting".
3. Matters for decision will include a section titled "recommendation" and list if an item is to "endorse" or "approve".
4. Other than in extraordinary circumstances, substantive papers or matters requiring Board consideration will not be received and acted upon at the meeting at which these are presented.

## C.4 Meeting Cycle

The Board will adopt an indicative cycle to ensure that adequate time is allowed for review of board papers prior to each meeting.

(Refer to Board Manual for more information)

## C.5 Strategic Board Calendar

The Board will adopt and manage a two year Strategic Board Calendar. The Calendar should consist of a rolling cycle of matters for board consideration and decisions including:

1. Governance: comprising matters such as preparation for the Annual General Meeting, review of governance matters and documents and director nominations.
2. Strategy: comprising a strategy review, input to the strategic plan and finalisation of the plan.
3. Business Plan: comprising input and sign off of annual plan and consideration of quarterly reports against the plan.

## C.6 Committees

These are standing formalised groupings of Directors to achieve specific elements of the governance function; they have a delegated authority from the Board.

The standing committees of the GV Board are:

1. Finance and Risk Committee
2. Governance Committee
3. CEO Performance Review Committee

The Terms of Reference for these committees will be found in the Board Manual.

Other committees may be formed from time to time for standing or ongoing tasks with specific terms of reference.

## **D. Board Effectiveness**

### **D.1 Director Protection**

In fulfilling their role, Directors are entitled to rely on information and advice after making an independent assessment of the information or advice, having regard to the Director's knowledge of GV, the complexity of the structure and operations of the GV.

Directors are encouraged to do this by ensuring that GV has the right people and capabilities in its management team, and that there is a management culture of accountability and performance. The Board can influence this in a number of ways in its management of the CEO and the conduct of Board business.

The Board has decided to reduce the risk of the CEO being the only conduit of information to the Board by the:

1. Encouragement of attendance of other staff (e.g. authors of reports or recognised specialists in a complex area).
2. Use of the external auditors (through the Management Report process).

The organisation will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by the relevant legislation.

### **D.2 Board Evaluation**

The Board will assess annually its own effectiveness in fulfilling this charter and other Board responsibilities, including the effectiveness of individual Directors.

To assure its accountability the Board will:

- a. Serve the legitimate collective interests of the present stakeholders of GV and account to them fully.
- b. Remain up to date in terms of stakeholders' concerns, needs and aspirations.
- c. Report to the Members and other key stakeholders on the performance of all GV's entities and account for the Board's stewardship of that performance.

### **D.3 Director Remuneration**

Director may not be paid for services as a Director but, with the approval of the Directors and subject to the Act, may be:

- a. paid by the Association for services rendered to it; and
- b. reimbursed by the Association for their reasonable travelling, accommodation and other expenses when:
  - (i) travelling to or from meetings of the Directors, a Committee or the Association; or
  - (ii) otherwise engaged on the affairs of the Association.

The Association may in General Meeting by ordinary resolution determine to pay a director an ex gratia payment.

#### **D.4 Succession Planning**

Succession planning is the series of actions to plan and manage the turnover of Directors, and enable the filling of positions created by unplanned departures while causing minimal disruption to the activities of the Board.

The aims of Board succession planning include:

1. Endeavouring to ensure the best possible Director composition at all times
2. Ensuring that the leadership within the Board is well managed and developed
3. Build confidence in the Board by all stakeholders

Succession Planning involves the Board systematically reviewing its structural requirements, Board matrix and plan succession around these requirements. It may also be required in the event of an unplanned retirement or departure.

#### **D.5 New Director Induction**

The Board will provide to all new Directors a thorough induction into the affairs of the Board and GV at large.

1. Prospective Directors will be provided with relevant information.
2. Upon appointment/election and prior to attendance at their first Board meeting, new Directors will receive a copy of the Board Manual including governance policies, articles, Constitution and other relevant legal governance documentation, current and recent meeting papers, an organisational chart, contact details for other Directors and key staff, a glossary of key terms, definitions and acronyms, the current year's meeting schedule and the annual agenda.
3. Meet with the Chair for a governance familiarisation. This meeting may be held as a group session or with individuals.
4. Meet with the CEO for an operational familiarisation.

(Refer to Board Manual for more information)

## D.6 Board and Director Professional Development

The Board's value-adding role requires that the Board as a whole and all Directors have access to professional development relevant to the role and duties of directorship.

1. The Board will make every reasonable effort to facilitate training for all Directors and for the Board as a whole to maximise its value-adding contribution to the organisation.
2. An annual Board development budget will be established that provides for both Board and individual Director development, the quantum of this budget item to be determined on a year by year basis.
3. All Directors will be encouraged to undertake the AICD or comparable Director development course.
4. The Board will schedule at least one occasion each year when it will undertake professional development in an aspect of its governance role. This might involve hiring a governance specialist to attend a Board meeting or specially arranged session or might be conducted by one or more Directors as the result of their own specialist skills or following attendance at a governance-related training session.
5. Directors will be encouraged to attend conferences relevant to their role as Directors or conferences related to other aspects of their directorship of GV. The Board will consider covering all or some of the costs associated with such attendance on a case by case basis.
6. All costs associated with governance effectiveness will be designed to ensure the development of the highest standard of governance including; meeting costs associated with effective communication with owners and other key stakeholders, surveys and associated analysis, focus groups, the costs associated with external audit and other independent third party reviews or consulting input.