

ClubsNSW

Board Charter

1 Purpose

This Board Charter sets out the Board's terms of reference and provides an explanation of the Board's approach to the following key corporate governance matters:

- our values
- overview of the Board's responsibilities
- Board structure and composition
- roles and responsibilities
- relationship between the Board and Management
- powers retained by the Board
- Board meeting procedures.

2 Our values

Our values are:

- We treat people fairly, respecting their views and valuing their contributions
- We accept, embrace and promote diversity and inclusivity
- We encourage our people to be creative, take initiative, show leadership and reach their potential
- We take responsibility for our communications, decisions, actions and performance
- We act with integrity in our work and in dealing with others.

3 Overview of the Board's responsibilities

The Board of ClubsNSW has primary responsibility to Member Clubs for the conduct of the affairs and activities of ClubsNSW. In carrying out its responsibilities, the Board undertakes to serve the interests of its Member Clubs.

The operations and activities of ClubsNSW and its subsidiaries ('**ClubsNSW**') are managed under the direction of the Board of Directors, in the best interests of the Member Clubs as a whole. The Board is responsible for the business and affairs of ClubsNSW, except for matters reserved for Member Clubs in general meeting. The Board is accountable to ClubsNSW Member Clubs for the direction and performance of ClubsNSW. The Board is governed by all applicable laws, the ClubsNSW Constitution ('**Constitution**') and it takes cognisance of the ClubsNSW Code of Practice and Best Practice Guidelines. Whilst this Charter supports the Constitution, the Constitution takes precedence in the event of any inconsistency.

In carrying out their responsibilities and exercising their powers, Directors must carry out their duties in compliance with all applicable laws, including the Corporations Act, the Constitution and By-Laws, and be cognisant of the ClubsNSW Code of Practice and Best Practice Guidelines, and all ClubsNSW policies and procedures. In discharging his/her duties, each Director must:

- exercise skill, care and diligence;
- inform themselves about the subject matter of a decision to the extent they reasonably believe to be appropriate;

- act in good faith in the best interests of ClubsNSW;
- declare if a conflict of interest exists on any matter to be considered by the Board and not take part in either the discussion or the decision;
- not improperly use his/her position or misuse information;
- maintain Board confidentiality at all times;
- commit the time necessary to discharge effectively his/her role as a Director; and
- engage in ongoing skills development in relation to his/her role as a Director.

In the context of the above, the Board's key responsibilities are:

- overseeing the operations, including its control and accountability systems;
- appointing and removing the CEO, or equivalent;
- where appropriate, ratifying the appointment and the removal of Senior Executives;
- providing input into, and final approval of, management's development of corporate strategy and performance objectives;
- reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct, and legal compliance;
- monitoring Senior Executives' performance and the implementation of strategy;
- ensuring appropriate resources are available to Senior Executives;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures; and
- approving and monitoring financial and other reporting.

Directors have the right to seek independent professional advice (at ClubsNSW's expense) in furtherance of their duties as Directors. The Chairperson's prior approval is required and the advice will normally be made available to all Directors, unless the Chairperson decides otherwise.

The Board will conduct an annual review of the performance of:

- the full Board;
- Board Committees;
- individual Directors; and
- the Chairperson.

The method of conducting each review and the extent of that review, is for the Board to determine.

4 Board structure and composition

The Constitution provides for the election of six Directors. The Chairperson and Deputy Chairperson are appointed by the Board. The Board approves the standard terms and conditions for Directors contained in each Director's letter of appointment.

Directors remain on the Board until required to vacate the office as required by the Constitution. Board elections are held pursuant to Sections 17 to 20 of the Constitution. Each Director will hold office until the applicable Annual General Meeting, or earlier as determined by the Constitution.

The Board regularly reviews the skills, competencies, experience, characteristics and behaviours ('**Skills**') required for the Board as a whole to ensure that the Skills represented on the Board remain relevant. To encourage Board renewal, the Board has instituted succession planning, Director continuing education and training, and individual Director and collective Board performance evaluations.

Prior to and after his/her election, each Director is to commit to ongoing education and professional skills development, as approved by the Board and subject to annual review. The Board will have access to resources and training specific to its tasks and responsibilities.

Board Committees

The Board, in accordance with the Constitution, may establish Board Committees to assist it in carrying out its work. Board Committees provide an opportunity to examine issues in greater detail than what is possible during Board meetings.

The purpose of each Committee is to undertake activities defined in this Charter.

The current standing Committee of the Board is:

- the Remuneration and Nominations Committee.

In carrying out its work, each Committee will have access to appropriate resources (e.g. opinions of Senior Executives and, where necessary, independent advice).

Each Committee is comprised of Directors appointed by the Board who are best suited to effectively participate in achieving the objectives of the Committee. The specific membership requirements of each Committee are set out in its related Charter.

The Committee Chairperson, who is appointed by the Board, is responsible for governing the Committee.

The Board reviews and approves Committee Charters on an annual basis.

Each Committee reports to the Board on the outcome of its work and, where appropriate, makes recommendations to the Board.

Board members are ex officio members of all Committees and may attend any meeting held by a Committee.

The minutes of each Committee meeting are prepared and circulated to all Directors. The Committee Chairperson will provide written and verbal reports to the Board of key recommendations and discussions of the Committee which they chair.

5 Roles and responsibilities

The Chairperson

The Directors will appoint the Chairperson of the Board.

The Chairperson's principal roles are to provide leadership to the Board and ClubsNSW, and to ensure that the Board effectively discharges its responsibilities.

The Chairperson's main responsibilities are to:

- lead the Board;
- develop an ongoing relationship with, and provide guidance and advice to, the CEO;
- maintain liaison with Member Clubs, reporting feedback and insights gained to the Board;
- chair Board and General Meetings of ClubsNSW competently, ethically and transparently, and ensure Board effectiveness;
- ensure that General Meetings are conducted efficiently and that members have adequate opportunity to express their views and obtain answers to their queries;
- liaise with the CEO to ensure that new Directors receive appropriate induction and necessary briefings;
- foster a positive Boardroom dynamic, enabling open and robust debate of key issues;
- ensure that the Board receives the information it requires for informed decision-making;
- facilitate the effective contribution of all Directors;

- take reasonable measures to ensure that, where possible, a quorum is formed for each meeting and for each agenda item;
- develop the annual Board agenda for approval of the Board and establish the agenda for Board meetings in consultation with the CEO and Senior Executives;
- be the main point of contact and communication between the Board and the CEO and Senior Executives, ensuring that the Board's views are communicated clearly and accurately;
- lead the review of the Board's performance and the review of the CEO's performance, ensuring that the delegated authority of the CEO and expected key performance criteria for the CEO are clear;
- ensure that there are regular and effective performance evaluations of the Board, Committees and individual Directors;
- set a standard for Directors in terms of attendance at meetings and prior familiarity with Board papers distributed and issues to be raised.

The Chairperson's roles and responsibilities are further detailed in a role description approved by the Board.

The CEO

The CEO is responsible for the day to day management of ClubsNSW in an efficient and effective manner. The CEO is to have a formal employment agreement describing his/her term of office, duties, rights and responsibilities, and entitlements on termination.

The CEO manages ClubsNSW in accordance with the strategy, business plans and policies approved by the Board.

The CEO's performance is regularly evaluated against the achievement of agreed goals, targets and performance indicators.

In relation to the interaction of the CEO and the Board, his/her role includes, but is not limited to:

- organising Board Meetings, Agendas, Board Papers etc;
- monitoring compliance with the Constitution and this Charter;
- advising the Board on compliance with meeting procedures; and
- responsibility for presentation of Minutes of Board meetings, arranging approval of Minutes and storage of the Minutes within one month of the meeting.

7 Relationship between the Board and Management

The Board is ultimately responsible for the performance of ClubsNSW. The Board has retained its authority to make decisions on matters specified in this Charter, and save for those matters and the CEO's operational limits, determined from time to time by the Board, it delegates authority for all other matters to the CEO. The delegations to the CEO are:

- the Board delegates the responsibility for the day to day operation and management of ClubsNSW;
- a Director will not interfere with the day to day management of the operation of ClubsNSW;
- the CEO must report to the Board on a regular basis to maintain accountability and to inform the Board so that it can make its decisions in the best interests of ClubsNSW and the members as a whole.

The Board maintains its independence from Management by identifying and defining the respective roles of Management and the Board and the exercise of independent thinking in decision-making.

The CEO is accountable to the Board for the exercise of the delegated authority and, with the support of Senior Executives, is to demonstrate progress to fulfil this responsibility through the provision of reports, briefings and presentations on a regular basis.

The CEO is expected to provide candid reporting that accurately portrays ClubsNSW performance.

Board papers on matters for decision by the Board should normally conform to the Board's requirements, as determined from time to time.

Directors may communicate directly with ClubsNSW's Senior Executives, provided that any contact is in accordance with the Board's established procedures guiding Director/Senior Executives communication.

8 Powers retained by the Board

The Board

The Board is responsible to Member Clubs for the overall governance and performance of ClubsNSW.

In addition to matters expressly required by law to be approved by the Board, powers specifically reserved by the Board are as follows:

- sets the strategic direction and vision;
- evaluates, approves, monitors and establishes priorities for the strategic and financial plans of ClubsNSW;
- approves the annual budget and monitors financial performance against the budget;
- ensures that the financial records of ClubsNSW and its affiliated companies are audited annually by an external auditor;
- monitors the integrity of management reports to the Board;
- approves acquisitions and disposals of assets and investments above the delegated limits of authority;
- approves significant changes of key policies;
- approves By-laws on processes and procedures consistent with the Constitution;
- monitors compliance with legislative requirements;
- appoints any such Committees of the Board as may be appropriate to assist in the discharge of its responsibilities and approves and periodically reviews the Charters put forward by those Committees;
- ensures that there is conformity with the principles and practices of economic, social and environmental sustainability and best practice, wherever possible;
- ensures that the ClubsNSW business is conducted ethically and transparently;
- oversees strategic risk management;
- meets in accordance with the Constitution and By-Laws of ClubsNSW, and any other relevant legislative requirements;
- selects and appoints the CEO;
- identifies appropriate succession plans for both the Board and CEO;
- determines the CEO's conditions of service, delegates responsibilities and monitors his/her performance against established objectives; and
- sets specific limits of authority for the CEO to commit to new expenditure, enter new contracts or acquire businesses without Board approval.

9 Board meeting procedures

The relevant provisions of the Constitution govern meetings and the proceedings of the Board.

Full Board meetings will occur at a frequency determined by the ClubsNSW Constitution, which is generally once each month. Meetings should be conducted in accordance with the Constitution, standing orders and fair rules of debate.

The following rules apply to meetings:

- meetings must be chaired by the Chairperson or, in the Chairperson's absence, by the Deputy Chairperson or another member elected by the members present;
- a quorum for a meeting is four (4) Directors present in person or by phone;
- the Chairperson must determine the times and places of Meetings and must give all directors reasonable notice of each Meeting;
- decisions of the Board are made by resolution approved by a majority of Directors present at a meeting; and
- otherwise, the procedure at meetings is determined by the Chairperson.

A member of the Board who is not a member of the Committee can attend any meeting as an observer.

Meetings of Committees formed by the Board shall occur at a frequency determined by the Board.

To assist in planning the Board's calendar, the Board adopts an annual agenda detailing the items to be considered at each Board meeting. The Board meeting schedule is determined annually in advance by the Board. In certain circumstances, additional unscheduled meetings may be called to deal with urgent business.

The Chairperson, working with the CEO, will normally set the agenda for each meeting, although any Director may request the inclusion of specific items on the Board's agenda.

The agenda and supporting papers should be distributed to Directors prior to each meeting in sufficient time to enable Directors to read the papers and properly prepare for the meeting.

Draft minutes of each Board meeting are prepared by the Company Secretary (or their delegate) for review by the Chairperson and circulated to all Directors as soon as practicable, but no later than seven working days following the meeting.

The CEO and Executive Managers shall attend Board meetings by standing invitation, but may be asked to absent themselves at any time, including during in-camera sessions. The Board may invite other persons to Board meetings as it thinks fit.

If a Director has a 'material personal interest' in a matter that is being considered at a meeting, they must not be present for consideration of that matter, unless all other Directors present are satisfied that the interest should not disqualify the Director from being present or voting.

Directors are expected to be fully prepared for each meeting, having carefully reviewed all Board papers distributed in advance of the meeting and by being prepared to participate effectively in Board discussions.

Directors are expected to make every reasonable effort to attend each Board meeting and each meeting of Committees on which they serve. Attendance in person is preferred, however, participation by teleconference or other electronic means is permitted, if necessary.

10 Approval and Review

This Charter has been approved by the Board.

At least annually, the Board will review the contents of this Charter, and those of any Board Committees, to ensure that they remain consistent with the Board's purpose and responsibilities, and will make any approved changes.

11 Publication of the Charter

This Charter will be made available to Member Clubs upon request and key features may be outlined in the ClubsNSW Annual Report.

Document Version History

Ver. No.	Ver. Date	Board Approved	Prepared By	Description
1.0	12/10/18	23/07/18	A. Ball	Release