



# Board Charter

*Version 2.0*

*Effective Date: 9 February 2026*

*Review and Approval: Annually reviewed and approved by the Board.*



## Contents

1	Introduction and Purpose .....	4
1.1	Purpose of this Charter .....	4
2	Roles and Responsibilities .....	4
2.1	Role of the Board.....	4
2.2	Management Authority .....	4
3	Board Composition and Membership .....	5
3.1	Board Size and Composition.....	5
3.2	Director Requirements .....	5
3.3	Director Independence .....	5
3.4	Appointment and Terms .....	6
3.5	Observer .....	6
4	Board Office Holders .....	6
4.1	Chair and Deputy Chair .....	6
4.2	Company Secretary .....	6
5	Director Duties and Conduct.....	6
5.1	Legal and Fiduciary Duties.....	6
5.2	Professional and Ethical Standards.....	7
	Directors are expected to: .....	7
5.3	Confidentiality.....	7
5.4	Conflicts of Interest .....	7
5.5	Media Communications .....	7
5.6	Social Media .....	8
6	Integrity Matters .....	8
7	Board Operations .....	8
7.1	Board Meetings.....	8
7.2	Board Committees .....	9
8	Risk Management and Assurance .....	9
8.1	CEO and CFO Assurance .....	9
8.2	Information Assurance .....	9
9	Director Support and Protection.....	10
9.1	Indemnities and Insurance .....	10
9.2	Access to Information .....	10
9.3	Access to Professional Advice.....	10
9.4	Reliance on Information .....	10
10	Relationship with Management .....	10
11	Performance Review and Evaluation .....	10



11.1	Board Performance Review.....	10
12	Crisis Management.....	11
13	Technology and Modern Governance.....	11
14	Review and Publication of Charter.....	11
14.1	Board Charter Review .....	11
14.2	Publication of the Charter .....	11
15	Appendix A .....	12
15.1	Position Description - Chair .....	12
16	Appendix B .....	14
16.1	Position Description - Deputy Chair .....	14
17	Appendix C .....	16
17.1	Board vs Management Functions.....	16
17.2	Relationships .....	17



## 1 Introduction and Purpose

### 1.1 Purpose of this Charter

This Charter sets out the authority, role, responsibilities, and structure of the Board of Equestrian Australia ("the Organisation"). It serves as a foundational governance document, guiding ethical leadership, informed decision-making, and accountability in accordance with Australian corporate law and governance frameworks.

This Charter is aligned with the Corporations Act 2001 (Cth), and best practice guidance from the AICD, ASC and GIA.

The Charter formalises transparent governance procedures, establishes appropriate checks and balances, provides standards for evaluating corporate governance performance, and clearly defines the structure and responsibilities of directors, committees and management. This Charter amplifies, but does not repeat, the Constitution of Equestrian Australia (available [here](#)).

Where conflicts exist, the Constitution prevails. A number of operational Board matters such as number of meetings per year, election and appointment processes, and member meetings are governed by the Constitution and are not reproduced in this Charter.

## 2 Roles and Responsibilities

### 2.1 Role of the Board

The Board provides effective leadership and collaborates with the executive management team in articulating the organisation's values, vision, mission, and strategies. The Board is responsible for the overall governance and strategic direction of the Organisation, maintaining open lines of communication and promulgating through the organisation and with external stakeholders the values, vision, mission, and strategies.

Key responsibilities include:

- Approving the strategic plan, annual budget, and major initiatives
- Monitoring organisational performance and managing risk
- Ensuring compliance with legal and regulatory obligations
- Appointing and overseeing the CEO (or equivalent)
- Upholding stakeholder trust and organisational integrity
- Overseeing financial reporting, audit, and remuneration (if applicable)
- Ensuring succession planning and board renewal
- Monitoring and ensuring implementation of a Code of Conduct and other ethical standards
- Approving and overseeing major capital investments, mergers, and acquisitions
- Overseeing workplace culture and sustainability performance

### 2.2 Management Authority

The Board has delegated authority for the organisation's operations and administration to the Chief Executive Officer (CEO). The CEO is responsible for the overall efficient and effective day-to-day management and the performance of the organisation.

The CEO manages the organisation in accordance with the strategy, delegations, business plans, and policies approved by the Board to achieve the agreed-upon goals and objectives outlined therein. The CEO monitors performance against key performance measures,



corporate strategy plans and the budget, determines the terms of appointment, performance evaluation, succession plans and replacement of executive direct reports, and develops and monitors the risk management framework and builds an appropriate internal control environment.

The Board has no operational involvement in the conduct of the organisation's business activities and delivery of services. An exception can be if a significant deviation from the agreed strategy or significant reputational risk is identified and needs Board intervention.

### **3 Board Composition and Membership**

#### **3.1 Board Size and Composition**

The Board consists of a minimum of four (4) and a maximum of nine (9) Directors, with a quorum of four (4) required for meetings. The composition includes:

- Four (4) Elected Directors (elected by Members at AGMs)
- Four (4) Appointed Directors (appointed by the Board)
- One (1) Athlete Director (appointed by the Board to represent athlete interests)

The Board reviews its composition annually, considering business complexity, effectiveness, capabilities, and maintaining at least 50% women and/or gender diverse members in alignment with the National Gender Equity in Sports Governance Policy.

#### **3.2 Director Requirements**

All Directors must meet specific eligibility, education, and safety requirements to serve effectively on the Board.

**Eligibility:** The Athlete Director must be an "Athlete" as defined in EA General Regulations (any person taking part in an FEI Event).

**Education:** All Directors must complete recognised governance education prior to nomination (ASC courses, AICD Foundations of Directorship, ICDA Diploma of Governance, or equivalent).

**Induction:** New Directors receive a comprehensive induction covering organisational structure, operations, strategy, legal framework, and governance practices.

**Child Safety:** All Directors must hold valid Working with Children or equivalent.

#### **3.3 Director Independence**

Directors must be free from interests or relationships that could interfere with acting in the organisation's best interests. The Board assesses independence annually based on disclosed interests.

**Independence Requirements:** Directors must not be:

- A Director, employee or Delegate of a Branch
- An employee of the Company
- A member of a National Sport/Discipline Committee
- Hold any other material office with the Company
- Have a material conflict of interest

**Additional Criteria:**



### **Additional Criteria:**

In assessing independence, the following matters will be considered. A Director will be regarded as independent if they:

- Are a non-executive Director (i.e., not a member of Management)
- Are not a director, officer, or otherwise officially associated with a member or affiliated organisation
- Have not, within the last three years, been a principal of a material professional adviser or a material consultant to the Organisation or an employee materially associated with the service provided
- Have not been a material supplier to the Organisation, or an officer of or otherwise associated directly or indirectly with a material supplier
- Have no material contractual relationship with the Organisation, other than as a Director

Have been free from any business relationship which could, or could reasonably be perceived to, interfere materially with the Director's ability to act in the best interests of the Organisation

#### **3.4 Appointment and Terms**

The appointment and terms of Directors are in line with the Constitution.

#### **3.5 Observer**

The Board may, at any time, appoint a representative from the Australian Sports Commission (ASC) to act as an observer to the Board. The representative is entitled to attend all relevant meetings and to access relevant materials and communications.

### **4 Board Office Holders**

#### **4.1 Chair and Deputy Chair**

At its first meeting after each AGM, the Directors must elect a Chair and may elect a Deputy Chair if required. Office holders serve until the next AGM, until their Director appointment expires, or until they are removed or vacate their position.

The Chair provides leadership to the Board, chairs meetings, sets agendas with the CEO, acts as primary Board spokesperson, and ensures effective governance processes.

The Deputy Chair assists the Chair and fulfils Chair responsibilities when the Chair is unavailable. (Detailed role descriptions are provided in Appendix A and B).

#### **4.2 Company Secretary**

The Board may appoint a Company Secretary. The Company Secretary advises on governance matters, ensures statutory compliance, manages Board processes, and supports effective Board operations. If no Company Secretary is appointed, the CEO fulfils this role.

### **5 Director Duties and Conduct**

#### **5.1 Legal and Fiduciary Duties**

Directors must comply with the statutory duties under the Corporations Act 2001 (Cth), including:

- Duty of care and diligence (s180)
- Duty to act in good faith in the best interests of the Organisation (s181)



- Duty to not misuse position (s182)
- Duty to not misuse information (s183)
- Duty to prevent insolvent trading (s588G)

## 5.2 Professional and Ethical Standards

Directors have a fiduciary duty to act in the best interests of the organisation and its members. All Directors must be bound by and comply with the organisation's Director Code of Conduct at all times. The Board has an effective system in place for enforcing compliance with the code.

**Directors are expected to:**

- Act honestly, fairly, diligently and in accordance with the law in serving the interests of the organisation, the Board, employees, volunteers, stakeholders and the community
- Abide by the terms of the organisation's Code of Conduct and uphold the ethical standards and corporate behaviour described in the Code
- Operate in a manner reflecting the values of the organisation and in accordance with its agreed corporate governance guidelines, the Constitution, the Corporations Act and all other applicable laws and regulations
- Work collegiately and respectfully with other Directors
- Be prepared for Board meetings
- Read and respond to circular resolutions in a timely manner
- Maintain confidentiality of Board meetings and proceedings
- Avoid or declare real or perceived conflicts of interest
- Attend the AGM
- Invest in the development of their professionalism and capabilities as a Director

## 5.3 Confidentiality

The Corporations Act obligates Directors not to use confidential information in their own interest or to the detriment of the organisation.

All proceedings of the Board and its committees are strictly confidential and will not be disclosed to any person other than Directors, except as agreed by the Board or as required by law.

Directors are expected to sign a Confidentiality Agreement. A decision by a Director not to sign the NDA will be respected but may be considered grounds for a conflict of interest in some Board discussions, requiring that they be excused from those discussions.

## 5.4 Conflicts of Interest

Directors must disclose any actual or potential conflicts of interest, in line with the Conflicts of Interest Policy, abstain from deliberations where conflicted, and absent themselves from decisions on conflicted matters. Directors may consult the Chair or Company Secretary where uncertainty arises.

## 5.5 Media Communications

All media communications must be coordinated through designated spokespersons to ensure consistency and accuracy. The Chair and CEO are the primary spokespersons for the Board and the organisation, respectively. All public statements must be approved by the Board prior to release, unless otherwise agreed. Directors must refer all media inquiries to the designated spokespersons and ensure any personal communications clearly distinguish between personal



views and Board positions.

#### **5.6 Social Media**

Directors must not post on social media on behalf of the organisation, as all official social media content is managed through the Equestrian Australia profile. When engaging on social media in a personal capacity, directors must ensure that their posts are in line with the [Social Media Policy](#).

### **6 Integrity Matters**

The Board is committed to maintaining the highest standards of integrity and ethical conduct throughout the organisation. The Board recognises the importance of independent investigation processes and appropriate governance boundaries.

#### **Board Non-Interference in Investigations:**

The Board must not interfere in ongoing investigations conducted by management, external investigators, or regulatory authorities. Board members are prohibited from:

- Attempting to influence the conduct or outcome of on-foot investigations
- Directly contacting witnesses, subjects, or investigators involved in active investigations
- Requesting confidential investigation information outside of proper governance channels

#### **External Enquiries Protocol:**

Any enquiries received by Board members from external parties (including regulatory bodies, media, legal representatives, or stakeholders) regarding integrity matters, complaints, or investigations must be immediately forwarded to the CEO without response or comment.

The CEO is responsible for coordinating appropriate responses and, where necessary, will provide the Board with updates through proper governance channels, such as Board meetings or via the Chair.

### **7 Board Operations**

#### **7.1 Board Meetings**

The Board meets at least six (6) times per year, with one meeting conducted in conjunction with the AGM. Meetings may be held in person or virtually. Quorum and voting requirements are governed by the Constitution and, where silent, the Corporations Act 2001 (Cth).

#### **Meeting Procedures:**

- Board papers circulated at least five (5) business days prior to meetings
- Directors may request agenda items via the Chair or Company Secretary
- Directors must disclose absences in advance and seek leave where necessary
- Minutes recorded and approved at subsequent meetings or via circular resolution through the Board Portal
- Directors are required to read all board papers before each board meeting to ensure they are adequately prepared to participate in discussions and make informed decisions
- In-camera Board-only sessions held for at least 15 minutes before or after formal meetings

The Annual Board Work Plan structures meetings around strategy oversight and renewal, governance obligations, Board performance and renewal, compliance assurance, risk review, and financial/operational performance monitoring.



## 7.2 Board Committees

Board Committees are essential to the operation of the organisation. Each formally constituted Committee, including ad-hoc Committees, is to have a written charter, approved by the Board.

The existence of Committees does not imply a fragmentation or diminution of the responsibilities of the Board as a whole. The role and responsibilities, charter and performance of each Committee are reviewed annually by the Board.

### **Powers That Cannot Be Delegated**

The following powers and functions of the Directors may not be delegated and must be exercised by the Board:

- Receipt and consideration of reports of Committees and the auditor
- Establishment and membership of Committees of the Board
- Appointment of the CEO and the formation of selection panels for the appointment of the CEO
- Decisions requiring constitutional compliance or amendment
- Strategic direction and major policy decisions
- Annual budget approval and significant financial commitments
- Risk management oversight and compliance assurance
- Director appointment, performance evaluation and succession planning
- Any other powers specifically reserved to the Board by the Constitution or applicable law

The Constitution may specify additional powers that cannot be delegated. Directors must refer to the Constitution for the complete and authoritative list of non-delegable powers.

## 8 Risk Management and Assurance

### 8.1 CEO and CFO Assurance

The Board requires that the CEO and, where applicable, the CFO or Finance Controller, state in writing to the Board that the organisation'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 to be 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.

### 8.2 Information Assurance

The Board reduces the risk of the CEO being the only conduit of information to the Board by:

- Encouraging attendance at meetings of other managers, both in person and as authors of reports.
- The use of the risk management and financial functions.
- The use of the external auditors.
- A rotating internal audit cycle that focuses on major business risks.
- Absent management from the final Committee proceedings when discussing sensitive matters.
- Requiring letters of assurance (management representations) to be provided to the Board as part of the annual accounts process.



## **9 Director Support and Protection**

### **9.1 Indemnities and Insurance**

Each Director, on appointment, shall execute a Deed of Indemnity with the organisation. The organisation provides an indemnity to Directors, in accordance with the Constitution, to the extent they are indemnified under the Act.

The organisation will maintain Directors and Officers Insurance. Details of the policy are available from the Company Secretary on request.

### **9.2 Access to Information**

A Director has both a common law and a statutory right to inspect the documents and financial records of the organisation at reasonable times. Access to documents can be made through the Company Secretary at no cost to the Director.

### **9.3 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 organisation's expense, subject to:

- Prior approval of the Board, which is not to be unreasonably withheld.
- Information so obtained is shared with all Directors or Committee Members as appropriate.

### **9.4 Reliance on Information**

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 the organisation and its operations.

## **10 Relationship with Management**

Management of the day-to-day business of the organisation is to be conducted by or under the supervision of the CEO, and by those to whom the management function is properly delegated by the CEO.

Communication between Directors and management will primarily be through the CEO or where relevant, the Company Secretary. When Directors seek clarification regarding information provided to them or are seeking information about the organisation generally, this may be sought directly from the appropriate staff member; however, the CEO should be advised.

Where the Board establishes a Working Group that may overlap with governance and management activities, the Chair of the Working Group is responsible for coordinating its activities with the CEO.

## **11 Performance Review and Evaluation**

### **11.1 Board Performance Review**

The Board, through the Nominations Committee:

- Review Board performance and effectiveness annually.
- Review the performance of the Chair annually.



- Review the performance of at least two Directors annually, on a rotational basis. A Director shall not be reviewed in their first 12 months of their election or appointment.

## **12 Crisis Management**

The Board has two key roles in a crisis situation:

**Prior to any crisis:** The Board is to ensure that there is in place a comprehensive crisis management plan that has been tested and that employees have been trained in its execution.

**During any crisis:** The Board will fully support management in its continuity and recovery effort. The chief spokesman during any crisis will be the CEO, supported by specified members of senior management, or the Board Chair as needed.

## **13 Technology and Modern Governance**

The Board has committed to adopting collaborative technology solutions to share Board and working papers and enhance the conduct of meetings. Directors are expected to have sufficient IT expertise and infrastructure to be able to adopt standard user products such as videoconferencing and document file shares.

Board meetings may be conducted by phone, collaborative IT tools or circular resolution.

## **14 Review and Publication of Charter**

### **14.1 Board Charter Review**

The Board shall review the Board Charter annually.

Board Sub-Committees may assist with specific aspects of the review, such as providing input on their own charters.

### **14.2 Publication of the Charter**

Key features of the charter are to be outlined in the organisation's Annual Report. A copy of the charter is available at [web address].



## 15 Appendix A

### 15.1 Position Description - Chair

<b>Job Purpose</b>	The Chair may be the nominal Board head of the NSO and will act as Chair of any Board meeting or General Meetings at which he/she is present.
<b>Job Responsibilities</b>	<p>Primary responsibilities for the role of the Chair include:</p> <ul style="list-style-type: none"><li>• Ensure that discussion at meetings relates to the roles and responsibilities of the Board (as per the Constitution and the Board Charter) and does not impinge on the role of senior management (if applicable).</li><li>• Provide the right environment for consideration of issues of significance, ensuring all Directors can express views and have them considered.</li><li>• Facilitate discussion and decisions on governance process, the Constitution, and strategic objectives.</li><li>• Oversee the development, monitoring, and review of the Strategic Plan.</li><li>• Role model the organisation's culture, including providing a welcoming Board environment.</li><li>• Work with the CEO to ensure the organisation operates in an ethically, environmentally, and socially responsible manner.</li><li>• Oversee the recruitment, induction, and training of Board members.</li><li>• Oversee the assessment, review and renewal of the Board.</li></ul>
<b>People Management</b>	Yes, required to support: <ul style="list-style-type: none"><li>• The Directors of the Board and any portfolio duties</li><li>• The CEO in the execution of the organisation's plans</li></ul>
<b>Budget Management</b>	Nil
<p>Note:</p> <ul style="list-style-type: none"><li>• This position requires clearance to work with children</li><li>• The ordinary working hours for the position can include duty on weekends and evenings.</li><li>• The successful candidate for this role may be subject to a National Police Criminal History Check prior to appointment.</li></ul>	
<b>JOB HOLDER CAPABILITIES</b>	
<b>Qualifications and/or Experience</b>	<ul style="list-style-type: none"><li>• Qualifications in Law, Governance, Finance or Business (preferable)</li><li>• Previous experience in a not-for-profit, volunteer-based organisation is preferable</li></ul>
<b>Personal Attributes</b>	<ul style="list-style-type: none"><li>• Adaptability</li><li>• Authenticity</li><li>• Building self-insight</li><li>• Courage</li><li>• Engagement readiness</li></ul>
<b>Knowledge and Skills</b>	<ul style="list-style-type: none"><li>• Knowledge of the laws and legislation relating to non-profit organisations.</li><li>• Strong understanding and working knowledge of the constitution,</li></ul>



	<p>rules, by-laws, policies and procedures of the Board</p> <ul style="list-style-type: none"><li>• Expertise in finance, governance, business and communication</li><li>• Sound skills in applying risk management principles and understanding the political and sporting landscape</li><li>• Experience in facilitating decision-making processes</li><li>• Ability to foster and sustain positive relationships</li><li>• Honesty and trustworthiness</li><li>• Sound interpersonal and leadership skills</li></ul>
--	---



## 16 Appendix B

### 16.1 Position Description - Deputy Chair

<b>Job Purpose</b>	<p>The role of the Deputy Chair is to assist the Chair in providing leadership for the organisation and the Board, stepping in to the Chair's role/s whenever they are unavailable.</p> <p>The Deputy Chair must proactively develop skills necessary to fulfil the Chair's responsibilities. There should be some consideration to succession planning and ensuring the smooth transition in leadership in appointing the Deputy Chair.</p> <p>The Deputy Chair performs the duties as required of an ordinary Director (unless acting for the Chair) and the appointment to this role should be undertaken following the Chair's appointment at the first Board meeting after the AGM.</p>
<b>Job Responsibilities</b>	<p>Primary responsibilities for the role of Deputy Chair include:</p> <ul style="list-style-type: none"><li>• Governance<ul style="list-style-type: none"><li>○ Act as the Chair in the absence of the Chair</li><li>○ Be completely familiar with the constitution and any procedural matters, so they can deliver on the responsibilities of the Chair</li><li>○ Review governance frameworks to ensure alignment with fit for purpose practice under the Sports Governance Standards</li></ul></li><li>• Culture<ul style="list-style-type: none"><li>○ As a senior leader of the organisation, role model ethical leadership and adhere to the organisation's values. (including Code of Conduct)</li></ul></li><li>• Planning<ul style="list-style-type: none"><li>○ Assist the Chair in delivering the outcomes of the strategic plan</li></ul></li><li>• Meetings<ul style="list-style-type: none"><li>○ In the absence of the Chair, chair meetings ensuring they are run efficiently and effectively</li></ul></li><li>• Leadership and Management<ul style="list-style-type: none"><li>○ Assist the Chair on general or specified duties</li><li>○ Assist the Chair to monitor the implementation of board-established policies and strategies</li><li>○ Assist the Chair in deciding which matters are dealt with by the Executive, the full Board and delegated to committees</li><li>○ Be assigned responsibility for working on an area of strategic or functional importance</li><li>○ Be a key point of contact and engage with stakeholders to engage external representation</li></ul></li><li>• Director<ul style="list-style-type: none"><li>○ Perform all responsibilities and obligations of a Director</li></ul></li><li>• Succession Planning<ul style="list-style-type: none"><li>○ Build any necessary skills or knowledge to be confident to stand for election as Chair</li><li>○ Represent the organisation at meetings and forums as agreed with the Chair</li></ul></li></ul>



Note:

- This position requires clearance to work with children
- The ordinary working hours for the position can include duty on weekends and evenings.
- The successful candidate for this role may be subject to a National Police Criminal History Check prior to appointment.

**JOB HOLDER CAPABILITIES**

<b>Competencies</b>	<ul style="list-style-type: none"><li>• Leads the board</li><li>• Compelling communication</li><li>• Builds respect</li><li>• Creates a culture of trust</li><li>• Emotional intelligence essentials</li><li>• Strategic influence</li><li>• Establishes strategic direction</li><li>• Energises the organisation</li><li>• Establishes strategic partnerships</li><li>• Navigates politics</li><li>• Identifies and selects CEO talent</li><li>• Navigates complexity</li><li>• Leads change</li><li>• Financial acumen</li><li>• Optimises diversity</li><li>• Drives innovation</li></ul>
<b>Personal Attributes</b>	<ul style="list-style-type: none"><li>• Adaptability</li><li>• Authenticity</li><li>• Building self-insight</li><li>• Courage</li><li>• Engagement readiness</li></ul>
<b>Knowledge and Skills</b>	<ul style="list-style-type: none"><li>• Knowledge of laws and legislation relating to non-profit organisations.</li><li>• Excellent interpersonal and leadership skills</li><li>• Strong understanding and working knowledge of the constitution, rules, by-laws, policies and procedures of the board</li><li>• Strong understanding of Board governance</li><li>• Expertise in finance, governance, business and communication</li><li>• Experience in facilitating decision making processes</li><li>• Ability to create, foster and sustain positive relationships</li><li>• Integrity, honesty and trustworthiness</li></ul>



## 17 Appendix C

### 17.1 Board vs Management Functions

#### Functions and responsibilities

For an effective, cohesive relationship between the board and management, a clear mutual understanding of roles, delegations and boundaries is required to allow each party to respect the other's responsibilities, contributions and expectations. The relationship depends on the open flow of relevant and timely information in both directions.

#### Differences

The below table provides an overview of key functional differences between the board and management.

	Board of Directors	Management
<b>Includes</b>	<ul style="list-style-type: none"><li>• Chair</li><li>• Elected Directors – directors elected by the members</li><li>• Appointed Directors – directors appointed by the board</li></ul>	<ul style="list-style-type: none"><li>• Chief Executive Officer (CEO) - head of the executive</li><li>• General Manager, Sports Operations (GM SO) – head of sports operations</li><li>• Financial Controller (FC) – head of finance</li></ul>
<b>Responsibility</b>	<ul style="list-style-type: none"><li>• Responsible for oversight, strategic planning and big picture thinking</li><li>• Make informed decisions based on available information</li><li>• Satisfied itself of the competence, capability and capacity of the CEO</li><li>• Is accountable to members and regulators for the organisation's performance</li><li>• Hire, develop and monitor the CEO's performance and accountability</li><li>• Monitoring the organisation's progress including how it manages its financials and other risks</li><li>• Helping set and monitor the values, culture and purpose of the organisation</li></ul>	<ul style="list-style-type: none"><li>• Day-to-day leadership of the organisation</li><li>• Assists the board in developing strategy</li><li>• Responds to issues raised by the board</li><li>• Responsible for the efficient and effective operations of the organisation, including its finances in accordance with approved delegation</li><li>• Reports relevant information to the board</li><li>• Stimulates board discussion on emerging issues</li></ul>
<b>Appointment</b>	Elected by the members	Hired by the board of directors
<b>Decision making</b>	Required to make decisions that will affect the future of the organisation	Must implement the decision made by the board of directors
<b>Accountability</b>	Are accountable to the members	Are accountable to the board of directors

<b>Company Administration</b>	Responsible for the organisation's administration	Related duties associated with the organisation's administration can be delegated to management, but this does not relieve the directors of their ultimate responsibility
<b>Ethics and values</b>	Directors have a key role in the determination of the values, culture and purpose of the organisation	Managers must enact the values and behaviours, taking their direction from the board
<b>Legal Responsibility</b>	May be held responsible for the organisation's actions. Can be held personally liable if they are in breach of their duties or act improperly	No legal responsibility

## 17.2 Relationships

The nature of the relationship and the responsibilities and expectations of each of the board and management should be set out in the organisation's board charter. However, it is the translation of these principles into practice as part of the culture of the organisation and the relationship between the board and management that is vital. The chair has a primary responsibility to foster and maintain a constructive and effective culture in the best interests of the organisation.

### Responsibilities and expectations of the board

- Making quality informed decisions based on relevant material information being available to the board, especially from management
- Overseeing, managing and holding management accountable
- Satisfying itself of the competence, capability and capacity of management
- Being accountable to shareholders/members and regulators of the organisation's performance

### Responsibilities and expectations of management

- Report relevant material information to the board
- Stimulating board discussion on emerging issues
- Assisting the board in analysing and considering issues
- Responding to issues raised by board
- When reporting or presenting to the board, management must:
  - be clear as to the purpose to the report or presentation and expectations of the board as a result (i.e. for noting information purposes only, for discussion and to gain the board's wisdom and input, or for decision making and resolution)
  - know their audience
  - be responsive to the audience's needs
  - understand board politics and personalities
  - maintain focus on key issues
  - be patient, polite and respectful

### Relationship between the Chair and CEO

The relationship between the chair and CEO is critical. Primarily, it should be an engaged business relationship where professional and personal trust and respect are paramount in an environment of construction challenges. This is a vital relationship as the primary source of communication between the board and management, between board meetings, is through the chair and the CEO.

The relationship needs to primarily be a "business relationship" where professional and personal



trust and respect is paramount and where the chair can act as a mentor/sounding board to the CEO. At the same time, it should be a relationship of frankness and candour (behind the scenes) and unity and mutual support (in public).

It is to be expected that the chair and CEO meet from time to time between board meetings to help set board agendas, to debrief following board meetings and to exchange updates and give guidance on material issues impacting the organisation.

#### **Relationship between individual board directors and executive management**

Individual directors have no inherent authority or executive power. Enquiries by directors of management and by management of individual directors should primarily be channelled via the chair and CEO.

Where there is any direct material contact between individual directors and executive management, the chair and CEO should be kept informed by way of courtesy. Where there is strength of mutual respect and confidence that the chairs and CEO's authority will not be undermined, communications between executive management and directors may be freer. There may also be expectations of freer communication between the chairs of the finance, audit and risk committees and the relevant executives responsible for those functions, on matters within the scope of those functions.