

Board Charter

Version 2 | By resolution of the Board 27 November 2018

1. OVERVIEW AND PURPOSE OF THE CHARTER

The operations and activities of Mingara Leisure Group (MLG) are managed under the direction of the Board of Directors, in the best interests of the members as a whole.

The Board is responsible for the business and affairs of MLG, except for matters reserved for members in general meeting.

The Board is responsible to the members for the direction and performance of all clubs within the MLG group.

The Board is governed by all applicable law, the Club Constitution and also the *Club Code of Practice* and *Best Practice Guidelines* as published by ClubsNSW and from time to time revised.

The purpose of this Charter is to provide the framework for the MLG Board to deliver best practice standards of corporate governance in the execution of the responsibilities reserved for the Board.

2. ROLE OF THE BOARD

The Board has responsibility to Club members for the conduct of the affairs and activities of MLG. In carrying out its responsibilities, the Board undertakes to serve the interests of all MLG members, employees, other stake holders and the broader community.

Each Director of MLG will act in good faith in the best interests of the Group as a whole and collectively oversee and appraise the strategies, major policies, processes and performance of the Group, using care and diligence to ensure that MLG's long-term sustainability is assured.

3. STRUCTURE AND COMPOSITION OF THE BOARD

The Mingara Recreation Club Limited Constitution (Clause 19) provides for the election of six (6) Directors consisting of a Chairperson, Deputy Chairperson and four other directors.

Elections are conducted pursuant to Part 4 - Board and Elections of the Constitution. This section (Clause 20) also provides for election of all directors to the Board in accordance with the "triennial rule".

The Chairperson and Deputy Chairperson are not elected by members, but by the Board from amongst their own number at a duly convened Board Meeting held immediately following the AGM (Clause 21).

4. BOARD RESPONSIBILITIES

The Board is responsible to members for the overall governance and performance of MLG, including determining the strategic direction and monitoring management's implementation of that strategy.

The Board

- Selects and appoints the CEO and identifies an appropriate succession plan;
- Determines the CEO's conditions of service, delegates responsibilities and monitors his/her performance against established objectives;
- Approves senior management remuneration policies and practices;
- Monitors financial outcomes and the integrity of reporting, particularly approving annual budgets and longer-term strategic and business plans;
- Sets specific limits of authority for management to commit to new expenditure, enter new contracts or acquire business without Board approval;
- Approves acquisitions and disposals of businesses and investments above the delegated limits of authority;
- Approves significant changes of key policies;
- Monitors compliance with legislative requirements and ethical standards and reporting back to members on these issues;
- Appoints any such Committees of the Board as may be appropriate to assist in the discharge of its responsibilities, determines their responsibilities and approves a charter for each Committee;
- Ensures that MLG conforms with the principles and practices of economic, social and environmental sustainability and best practice wherever possible;
- Ensures that MLG's business is conducted ethically and transparently;
- Oversees strategic risk management; and
- Meets in accordance with the Constitution and by-Laws of MLG and any other relevant legislative requirements.

5. CLUB CONSTITUTION

The MLG Board is governed by the Constitution of Mingara Recreation Club Limited.

This Charter supports the Constitution of MLG and the Constitution takes precedence in the event of inconsistency.

6. DELEGATIONS OF AUTHORITY AND COMMITTEES

To assist in the discharge of its responsibilities, the Board has delegated the following responsibilities to the CEO and Committees:

Chief Executive Officer

- The Board delegates the responsibility for the day to day operation and management of MLG's business to the CEO;
- A Director will not interfere with the day to day operation and management of MLG, and will make all enquiries concerning employees, contractors or the operation of MLG to the CEO;
- Management 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 MLG and the members as a whole;
- Deals with attendance of management and invited experts at Board meetings; and
- The Board will ensure that it retains its independence which may require independent expert advice from time to time.

Board Committees

- The Board, in accordance with the Constitution (Clause 37), may form Board Committees to assist in carrying out its responsibilities;
- The Board will appoint the members of each Committee, including each Committee Chair who will be responsible for governing the committee and may allow for external expertise where appropriate;
- The Board will establish Charters setting out matters relevant to the composition, responsibilities and administration of the Committees and other matters that the Board may consider appropriate; and
- A Committee to which any powers have been delegated must exercise the powers delegated in accordance with the Charter for that committee, as approved by the Board from time to time.

7. DIRECTORS' DUTIES

Directors must carry out their duties in compliance with all applicable law, including the *Corporations Act*, Mingara Recreation Club Limited Constitution and By-Laws, the *Club Code of Practice* and *Best Practice Guidelines* as published by ClubsNSW and from time to time revised and all MLG policies and procedures. In discharging his/her duties, each Director must:

- Exercise care and diligence, demonstrating commercial reasonableness in all decisions;
- Inform themselves about the subject matter of a decision to the extent they reasonably believe to be appropriate;
- Act honestly and in good faith in the best interests of MLG;
- Declare any material personal interest or pecuniary/financial interest they have in the affairs of MLG;
- Maintain Board confidentiality at all times;
- Commit the time necessary to discharge effectively his/her role as a Director;
- Engage in ongoing skill development in relation to their role as Director;
- Not make improper use of information gained through their position as Director or otherwise take improper advantage of the position of Director;
- Not allow personal interests, or the interests of any close associate, to conflict with the interests of the Board or MLG; and
- Make reasonable enquiries to ensure that MLG is operating efficiently, effectively and legally toward achieving its goals.

8. ROLE OF THE CHAIR

The responsibilities of the Chair are principally to:

- Provide appropriate leadership to the Board and MLG;
- Chair Board and General Meetings of the club 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 Board members are briefed and have access to information on aspects of MLG operations;
- Ensure that the core issues facing MLG are addressed;
- Establish the agenda for Board meetings in consultation with the CEO;
- Maintain regular dialogue and an effective working relationship with the CEO;
- Be the main point of contact and communication between the Board and the CEO, ensuring that the Boards' views are communicated clearly and accurately;
- Lead the review of the Boards' performance and the review of the CEO's performance, ensuring that the delegated authority and expected key performance criteria for the CEO are clear;

- Ensure that there is regular and effective evaluation of the Boards' performance;
- Set a standard for Board members in terms of attendance at meetings and prior familiarity with Board Papers distributed and issues to be raised;
- Guide, promote and facilitate the on-going effectiveness, development and contribution of the Board and all individual Directors, and
- Be the media spokesperson for the Board where appropriate and represent MLG interests.

9. ROLE OF THE CEO

The CEO is responsible for the day-to-day management of MLG in an efficient and effective manner.

The CEO is responsible to the Board for the overall management and performance of MLG in accordance with the strategy, plans and policies approved by the Board to achieve the agreed results.

The CEO is to have a formal employment agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.

10. BOARD ATTENDANCE BY MANAGEMENT

In the interests of ensuring the full accountability and support of the CEO by the Board, the CEO (or in his/her absence, the Acting CEO) is, in general, the only member of management who attends Board Meetings.

However, the CEO at his/her discretion and in consultation with the Chair, may arrange for senior staff members to attend parts of Board meetings where he/she determines that there is benefit in relation to his/her providing clarification to the Board.

11. BOARD AND DIRECTOR MEETINGS

Full Board meetings will occur at least once in each month, pursuant to the Constitution (Clause 36).

Special Board meetings may be convened by the Chairperson as and when required.

Any Board Committees formed will meet at a frequency determined by the Board which is congruent with any requirement of the Constitution.

12. PROFESSIONAL DEVELOPMENT

Pursuant to the Constitution (Clauses 27 and 32), prior to and after their election each Director is to commit to ongoing education and professional skills development as determined by the Board, ClubsNSW or applicable law, and is subject to annual review.

The Board will have access to resources and training specific to the Club Industry as offered by ClubsNSW and other providers.

13. CLUB CODE OF CONDUCT AND PROTOCOLS

The Board and Directors will be guided at all times by the *Club Code of Practice* as published by ClubsNSW and from time to time revised.

Directors are bound by the principle of transparency and will at all times ensure that issues are discussed in open forums where the Board is able to openly evaluate strategies, ideas and suggestions.

14. REVIEW OF PERFORMANCE

The Board will conduct regular reviews of its performance. The method of conducting each review and the extent of that review is for the Board to determine from time to time, and in conjunction with the Constitution and the ClubsNSW *Code of Practice*.

The review of the Chair’s performance will also be conducted in accordance with this Charter.

The Chair or the Board may elect to be assisted by an external independent agency in undertaking the Review of Performance.

15. REVIEW OF THE CHARTER

The Board will regularly review this Charter and the Charters of Board Committees to ensure they remain consistent with the Board’s objectives and responsibilities and relevant standards of corporate governance.

16. PUBLICATION OF THE CHARTER

This Charter will be made available to the MLG members upon request and key features may be outlined in the MLG Annual Report.

17. AMENDMENT OF THE CHARTER

This Charter has been adopted by the Board. Any amendment to this Charter can only be approved by the Board.

The CEO is responsible for reviewing this Charter annually in consultation with the Board, to ensure its continued compliance with legal requirements and corporate governance requirements applicable to MLG and the *Club Code of Practice*.

18. DIRECTORS ANNUAL AFFIRMATION

I confirm that I have received and reviewed this Board Charter document and the Directors’ Core Responsibilities in my capacity as a currently elected (or appointed) Director of the Mingara Leisure Group Board.

I hereby acknowledge the standards and principles contained therein and undertake to uphold the Charter and Directors’ Core Responsibilities at all times during the execution of my responsibilities and duties as a member of Mingara Leisure Group’s Board of Directors.

I declare I do / do not have a close relative employed by the club. I understand that if a close relative is employed by the club, the person’s employment is to first be approved by the Board.

Name of relative working with Mingara Leisure Group: _____

Club: _____

Signed: _____

Dated: _____

Name: _____