

Board of Management Charter

1. Context

- 1.1. The Board's duties, functions, roles and responsibilities are governed by Corporations Law, the Club's Constitution, and common law as relevant.
- 1.2. The Board of Management Charter represents the Board's policy in areas in which it has discretion.

2. Role of the Management Committee

The Board of Management of the Club:

- governs in accordance with the requirements of Constitution to meet the objectives of the Club;
- sets the Club's strategic aims;
- provides entrepreneurial leadership of the Club within a framework of prudent and effective controls which enable risks to be assessed and managed;
- ensures that the necessary financial and human resources are in place to enable the Club to meet its objectives;
- establishes performance indicators, control mechanisms and related benchmarks to allow it to satisfy itself that the Club is being properly managed;
- sets and monitors strategic requirements for effective financial reporting, risk management and management of the capital program;
- reviews performance, and where required takes appropriate action to ensure management of performance against objectives, benchmarks and the implementation of approved strategies is achieved;
- establishes the Club's values and standards and ensures that its obligations to its shareholders and others are understood and met;
- engages and communicates effectively with its owners and other stakeholders; and
- appoints and removes the Club Manager;
- determines the Club's remuneration policy;
- reviews and approves the Club's high level organisational structure and succession plan;
- establishes committees reporting to the Management Committee, approves written charters for each and appoints members.

3. Delegations

- 3.1. Subject to Corporation Law and the Constitution, the Board may delegate its powers in accordance with the Delegation of Authority Policy approved by Board of Management.
- 3.2. This policy details those matters specifically reserved to the Board and those powers delegated to management. It also includes reporting processes to monitor the exercising of delegations.

Board Structure

- 3.3. The Club's Constitution specifies the Board will comprise up to twelve members including the President, Vice President, Secretary and Treasurer.

4. Role of Individual Board members

- 4.1. Board members recognise their personal legal duties and responsibilities to the LPCYC. Board members also recognise that the Board off Management as a whole is collectively responsible for promoting the success of the LPCYC by directing and supervising its affairs.
- 4.2. Board members have fiduciary and other duties under common law.
- 4.3. These are owed by each Board member individually and are summarised as the duties to:
- a) act in good faith in the interests of the LPCYC as a whole;
 - b) exercise powers for proper purpose;
 - c) exercise care, skill and diligence;
 - d) avoid conflicts of interests;
 - e) not misuse the position of members and/or the information gained for personal benefit or to the detriment of the LPCYC; and
 - f) retain discretionary powers.
- 4.4. Board members' duties continue to exist after the Board membership ceases. Board members can be personally liable for breaches of their collective and individual duties for the period of their membership ion the Board.

5. Role of the President

- 5.1. The Board members of the LPCYC are collectively responsible for promoting the success of the LPCYC by directing and supervising its affairs.
- 5.2. As a Board member, the President holds the same formal role and responsibilities as other committee members.
- 5.3. However, the President also aims to ensure that the Board fulfils its role as expressed in this Charter. In this regard, the President:
- a) adopts a leadership role of the conduct of the board's responsibilities and leads and manages the board in the discharge of its duties, by ensuring that the board is in a position to meet, and does meet, its responsibilities;
 - b) facilitates the effective contribution of all Board members and promotes constructive and respectful relations between Board members and between the Board and management;
 - c) engages and communicates effectively with members and other stakeholders; and
 - d) ensures the Board fulfils its other governance obligations.

6. Corporate Governance Framework

- 6.1. The LPCYC is committed to strong and effective corporate governance and adopts the ASX Corporate Governance Principles and Recommendations as its framework.
- 6.2. In accordance with the 'comply or explain' philosophy underpinning the ASX Principles, the LPCYC will tailor its corporate governance practices to its particular context and circumstances and provide an explanation where its practices differ, or appear to differ from the ASX Principles.
- 6.3. The LPCYC Secretary is accountable to the Board of Management through the President for all corporate governance matters.

7. Board members' Interests

- 7.1. The *LPCYC's Act 2001* and the LPCYC's Constitution require committee members to disclose to the Board of Management a material personal interest in a matter being or about to be considered by the Board and/or an interest in a matter that may conflict with the proper performance of the member's duties.
- 7.2. Perceptions of conflicts, even when they are not material, may damage the reputation of the LPCYC, and the members agree to notify the President of any actual or potential conflict, as soon as they are aware of it and to withdraw from any discussions relating to it, unless invited to remain.
- 7.3. It is accepted and acknowledged that members have business interests other than those of the LPCYC, but all members are required to declare any conflicts that actually exist or could be perceived to exist.
- 7.4. If a Board member becomes aware of any new or potential conflict of interest, it must be disclosed to the President as soon as practicable but certainly before relevant papers are received or a discussion occurs at a meeting in which the conflict is realised.
- 7.5. The President and Club Manager will review Board papers and limit access to those members to whom a known conflict exists or may exist.

8. The Role of the Club Manager

- 8.1. The Club Manager is responsible to the Board of Management for the general administration, operational management, planning, leadership and management of the LPCYC in accordance with the Board's requirements and the approved Delegation of Authority Policy.
- 8.2. In addition to the formal position description approved by the Board for the role, the Club Manager will:
 - a) Regularly advise the Board on the operational and financial performance of the LPCYC;
 - b) immediately advise the Board of any material matter likely to seriously impact on the LPCYC;

- c) ensure a dynamic and consultative interaction with the Board of Management in setting the vision, objectives and strategies of the LPCYC; and
- d) conduct day to day business in accordance with the Constitution, other relevant legislation and policies set by the Board.

9. Board of Management

- 9.1. The LPCYC's Constitution details the processes for conducting meetings.
- 9.2. Board members will endeavour to attend Board meetings in person. Members unable to attend a meeting must advise the President and Cub Manager as soon as practicable and make all reasonable efforts to participate in the meeting by an alternative method.
- 9.3. The conduct of the meetings will be in accordance with the provisions set out in the Constitution
- 9.4. The Club Manager attends Board meetings by standing invitation. The Board may request other LPCYC officers attend its meetings. However, the Board also has the right to meet without the Club Manager (or other management) present, at its discretion.
- 9.5. The President will determine the degree of formality required at each meeting while maintaining appropriate decorum. However, as good meeting protocol, the President will:
 - a) ensure that all members are heard;
 - b) retain sufficient control to ensure that the authority of the President is recognised; and
 - c) take care that decisions are completed with a formal resolution recording the conclusions reached.

10. Effective Decision Making

- 10.1. Board members recognise that they each have a positive duty to act honestly, ethically and satisfy their statutory, fiduciary and other duties when making decisions.
- 10.2. When deliberating on LPCYC matters, individual Board members and the Board collectively will:
 - a) heed their statutory, fiduciary and other duties;
 - b) follow LPCYC policies;
 - c) ensure sufficient information of suitable scope, depth, accuracy and completeness is available to them;
 - d) make reasonable enquiries of management but avoid relying unduly on management if the circumstances warrant it;
 - e) seek competent and independent advice for the given issue if necessary; and
 - f) ensure advisors are not 'captured' by or beholden to management; and
 - g) exercise independent judgement.

11. Information Technology

- 11.1. All Board members agree that meetings may be held with all Board members present in the one location; linked together through technology; or a combination of both, as provided in the Constitution.
- 11.2. Board papers, and other useful documents papers, will be provided electronically.

12. Board Papers

- 12.1. The President, together with the Club Manager, is responsible for the preparation of the Board agenda and circulation of Board papers electronically. All Board papers must be available to members one week before meetings.
- 12.2. LPCYC staff are responsible for meeting agreed processes to ensure deadlines are met.
- 12.3. Although subject to the President's discretion, Board papers must usually contain:
 - a) agenda;
 - b) declaration of further interests;
 - c) minutes of previous meeting;
 - d) Club Manager report;
 - e) Sub-Committee reports (where appropriate) in accordance with their respective charters; and
 - f) any Board submissions requiring decisions.
- 12.4. Where a pressing issue arises with no opportunity to present a paper to the Board, the President has the discretion to introduce the matter in the meeting. The Board has the right to determine how it responds to the matter.

13. Board Minutes

- 13.1. All decisions will be formally recorded in the minutes of the meeting. Board members who disagree with a Board decision are entitled to have their decision noted in the Minutes.
- 13.2. The Club Manager will ensure minutes are prepared in draft form and circulated to committee members within three business days.
- 13.3. Once the minutes have been adopted by the Board, they can only be amended if the requirements of the LPCYCs Act are followed.

14. Annual Agenda & Meeting Schedule

- 14.1. The Club Manager maintains the Board Meeting Schedule. The Board aims to keep changes to meeting dates to a minimum to provide greater certainty to all committee members.
- 14.2. Board members shall discuss any request to change meeting dates with the President.

15. Board Committees

- 15.1. Each Committee established by the Board will have its own charter to govern its responsibilities, reporting obligations and the extent of its delegated authority. Unless otherwise specified in the respective Committee Charter, relevant sections of this Board Charter also apply to the operation of each and every Board Committee.

16. Monitoring

- 16.1. A fundamental function of the Board is to monitor the LPCYC's performance and compliance.
- 16.2. With this general principle in mind, the Board commits to monitoring both financial and non- financial Key Performance Indicators (KPIs) and taking appropriate corrective action to address performance trends that are not meeting required standards.

17. Compliance

- 17.1. The Board is committed to meeting its obligations under relevant legislation and regulation and maintaining the highest ethical standards.

18. Risk Management

- 18.1. The Board is committed to ensuring the LPCYC effectively manages its strategic, operational, reputational and emergency risks.

19. Club Manager Evaluation

- 19.1. The Management Committee manages the Club Manager's performance.
- 19.2. Formal processes will be established and maintained, including opportunities for committee members to discuss the Club Manager's performance regularly.

20. Board Members' Rights

- 20.1. As a general rule, a director has two key rights - the right to information and the right to be insured against specific risks of being a director, subject to limitations in the Constitution. Therefore, as a matter of policy, the following measures aim to protect committee members and the collective Board will apply.
- 20.2. Information-seeking protocol
The following protocol applies for committee members when seeking information from the LPCYC:
 - approach the Club Manager to request the required information (with a copy to the President);
 - approach the President if the information is not forthcoming;

- formally raise the matter in a Board meeting and request the matters be recorded in the minutes;
- if the information is still not forthcoming, write a letter to all the LPCYC's committee members and the Club Manager detailing the information required, including the purpose of the information and how the director intends to resolve the matter; and
- as a last resort, employ the provisions of the *LPCYCs Act*.

20.3. Access to Board papers

The Club Manager holds a complete set of Board papers on behalf of each director at least for the statutory period of seven years while the LPCYC exists. The official registers of Board papers, resolutions and minutes are stored in the LPCYC's document management system.

Committee members are entitled to seek access to relevant papers for the period they were a director if necessary to defend actions or claim against them, even if they have ceased to be a director.

20.4. Independent advice

The Board as a whole, and individual committee members, have the right to access competent, independent advice regarding LPCYC matters, at the LPCYC's expense. It is the Board's responsibility to ensure that it is reasonable to rely on the advice received and that the advisor is competent and appropriately independent from management or other interested parties.

Advice requested by an individual director will be provided to all the LPCYC's committee members. If requests for advice are not made during a Board or Committee meeting, they should be channeled through the President or Club Manager.

20.5. Insurance

The Tasmania LPCYC PCYC will maintain Committee members & Officers Insurance each year for current committee members and for seven years from the date at which a director ceases to hold that position.

Past committee members are entitled to contact the Club Manager and obtain advice regarding Committee members and Officers Insurance and request a copy of the relevant policy cover as necessary.

21. Board of Management Evaluation

- 21.1. Evaluations of the Board and its Committees will be conducted annually. The Board will determine the most appropriate method of assessment each year, and this may include external review from time to time.
- 21.2. The Board commits to implementing agreed improvements emanating from reviews. The President is responsible for overseeing the process and reporting to the Board as required.

22. Director Induction

- 22.1. The Board President and Club Manager will develop an appropriate and timely induction program to ensure new members are able to participate fully and actively in Board decision making as soon as possible after appointment.

23. Director Development

- 23.1. In order to continually improve Board performance, all Board members are encouraged to participate in professional development.
- 23.2. Board members will be offered resources and training to address any specific skills gaps identified. This may include education concerning key developments in the LPCYC.
- 23.3. Board members are also encouraged to undertake self-development where appropriate.

24. Board Members' Expenses

- 24.1. Reasonable expenses incurred by board members in the course of LPCYC business will be reimbursed in accordance with the current version of the Management Committee's Travel and Expense Policy.

25. Director Selection and Succession Planning

- 25.1. The Board will maintain a matrix of desired skills and diversity in the development and maintenance of the Board of Management Succession Plan.

26. Publication of this Charter

- 26.1. The Board of Management's Charter will be published on the LPCYC's website.

27. Review of Charter

- 27.1. The Board of Management will review this Charter at least three yearly.