

Western Sydney Football Club Limited

Board Charter



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1. Introduction

- (a) This policy sets out the major principles used by the Board to manage its affairs and enable it to discharge its responsibilities.
- (b) In carrying out its responsibilities and powers as set out in this charter, the Board will at all times recognise its overriding responsibilities to discharge its duties in good faith, with care and act honestly in the best interests of the Club.
- (c) The Board considers governance, to be the system or process by which the Board, exercising accountability to stakeholders, is directed and controlled to achieve sustainable improvement in the Club's prosperity commensurate with the risks involved.
- (d) The purpose of this Charter is to:
 - (i) promote high standards of corporate governance;
 - (ii) clarify the role and responsibilities of the Board;
 - (iii) provide a framework for the Board to manage its affairs and enable it to discharge its responsibilities; and
 - (iv) enable the Board to provide strategic guidance for the Club and effective management oversight.

2. Responsibilities and functions

- (a) The Board's key responsibilities are:
 - (i) to act in the interests of the Club as a whole;
 - (ii) observe their duties as Directors in terms of corporations law, common law, the Club Constitution and other relevant legislation; and
 - (iii) provide strategic direction for the Club and effective oversight of the Executive.
- (b) The key functions of the Board include:
 - (i) ensuring a diverse and effective Board, in line with the Club Constitution with appropriate policies and procedures for the Board and its committees;
 - (ii) appointing, removal, supporting and providing advice and counsel to, evaluating and rewarding the Chief Executive Officer, taking an active role in overseeing the growth of the Executive leadership talent pool and approving the management succession plans;
 - (iii) appointment, removal and remuneration of CEO direct reports, including head coach and senior assistant coaches;
 - (iv) approving player recruitment strategy;
 - (v) approving the recruitment of any player who could be seen as raising controversies in the public, with sponsors or the overall culture of the club;

- (vi) approving annual budgets and any budget amendments;
- (vii) approving capital expenditure greater than \$100,000;
- (viii) approving the Club's five year business plan;
- (ix) approving any investment by the Club in the long term infrastructure to be used by the Club;
- (x) initiation and settling of any litigation;
- (xi) setting of membership fees;
- (xii) resolution of any matter relating to player or staff discipline which may bring the Club into disrepute;
- (xiii) dealing with any matter that may need AFL approval;
- (xiv) approval of Club policies and codes of conduct;
- (xv) dealing with any matters involving requests to the AFL for financial assistance;
- (xvi) through constructive engagement with senior management and key stakeholders, review, add-value to, approve and monitor the Club's purpose, core values, ethical framework, strategic direction and objectives;
- (xvii) reviewing, approving and monitoring the implementation of the corporate plan, linked to the strategic objectives, including financial and non-financial performance measures and results and agreed external benchmarks, ensuring appropriate resources are available;
- (xviii) supporting, reviewing and monitoring the operational and financial performance of the Club;
- (xix) monitoring key financial and non-financial risk areas by ensuring the implementation of an effective risk management and internal control framework;
- (xx) consider and agree on Committee and management recommendations on key issues including Club organisational structuring and resourcing, capital management, significant contracts and capital expenditure;
- (xxi) the power to make, add to, alter or rescind any Club rules, regulations and by-laws as it thinks fit;
- (xxii) evaluating Board processes and performance of the Board as a whole, as well as contributions by individual Directors;
- (xxiii) ensuring the Board's effectiveness in delivering good governance, including performance and conformance matters;
- (xxiv) transparent reporting and communications to the stakeholders on the Board's governance, stewardship and financial performance, including all legal and regulatory requirements;

(xxv) reviewing and approving policy in respect of human resources, including remuneration; and

(xxvi) ensure that there are strong working relationships with the AFL including regular communication on major issues confronting the Club.

3. Composition of the Board

The composition of the Board is determined using the following principles:

- (a) the Board is comprised of a minimum of five and a maximum of nine Directors;
- (b) the Chairman of the Board is a non-executive Director (is not a member of management); and
- (c) the Chief Executive Officer may be one of the Directors.

4. Director letter of appointment

The Chairman provides each new Director with a formal letter of appointment setting out the basis of appointment and the powers and duties of a Director.

5. Director Induction and Education

The Board undertakes an induction process which involves the following activities:

- (a) an individual meeting with the Chairman and Chief Executive Officer to discuss expectations and duties and responsibilities;
- (b) attendance at briefing sessions which includes presentations on the business by the executive management team members; and
- (c) provision of a comprehensive package of briefing materials in relation to the Club and Board, including Code of Conduct, Human Resources Policy, Administration Policy.

6. Criteria for assessing Director's independence

- (a) The Board shall regularly assess the independence of each Director in light of the interests disclosed by them.
- (b) Each Director must provide the Board with relevant information to assess his or her independence.
- (c) In assessing independence, the following matters will be considered and a Director will be regarded as independent if that Director:
 - (i) is a non-executive Director;
 - (ii) is not a director or officer or otherwise officially associated directly with the AFL, or a State Football Body;
 - (iii) has within the last three years not been a principal of a material professional adviser or a material consultant to the Club or an employee materially associated with the service provided;

- (iv) has not been a material supplier or customer of the Club, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- (v) has no material contractual relationship with the Club, other than as a Director of the Club;
- (vi) has been free from any interest and 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 Club.

7. Tenure

As per the Club Constitution:

- (a) For the first 3 annual general meetings on and from the Transition Date (relevant date), the Non-executive Directors in office at that relevant date will retire as follows:
 - (i) at the first annual general meeting held after the relevant date, the two longest serving of those Directors still in office will retire;
 - (ii) at the second annual general meeting held after the relevant date, the two next longest serving of those Directors still in office will retire; and
 - (iii) at the third annual general meeting held after the relevant date, the two next longest serving of those Directors still in office will retire,
- (b) Following the retirement of Directors in accordance with clause 7(a), their replacement Director will hold their position for a term of three years.
- (c) All Directors are expected to continue as Directors only for so long as they have the confidence of their fellow Directors.

8. Chairman's Responsibilities

The Chairman of the Board has a major role as the head of the Club's Directors in providing leadership and other functions including:

- (a) leading and facilitating the Board;
- (b) setting the Board direction and focus;
- (c) conducting an effective decision-making process and ensuring that the Board is focused on achieving outcomes;
- (d) ensuring that no one has excessive influence;
- (e) maintaining a professional working relationship with the Chief Executive Officer;
- (f) acting as a spokesman, where appropriate, in conjunction with the Chief Executive Officer;
- (g) promoting constructive and respectful relations between Directors;

- (h) ensuring that each Director appropriately contributes to the Board's decision-making process;
- (i) ensuring the availability of the required Director skills and expertise on the Board;
- (j) ensuring the Board and individual Directors have a performance evaluation process;
- (k) ensuring that Board's workload is dealt with effectively;
- (l) setting the agenda for each Board meeting, in conjunction with the Chief Executive Officer and taking into account suggestions from other Directors;
- (m) maintaining ethical standards and behaviour based on the Club's agreed values;
- (n) communicating and consulting with the AFL and relevant stakeholders on significant issues, as appropriate; and
- (o) ensuring meetings are effectively conducted and minutes are signed as a true and correct record at the next Board meeting.

9. Board Committees

- (a) The Board may establish from time to time appropriate Committees of Directors to assist the Board by focusing on specific responsibilities in greater detail than is possible for the Board as a whole, reporting to the Board and making any necessary recommendations.
- (b) Each formally constituted Committee, including ad-hoc Committees has a written charter, approved by the Board.
- (c) The role and responsibilities, charter and performance of each committee are reviewed annually by the Board.
- (d) The present Board Committees are:
 - (i) Audit and Risk Committee (Schedule 1);
 - (ii) Community Ambassador Group (Schedule 2); and
 - (iii) Football Committee (Schedule 3).
- (e) The existence of the Committees should not be seen as implying a fragmentation or diminution of the responsibilities of the Board as a whole.

10. Conflicts of Interest

- (a) The common law fiduciary duty of Directors, as directors, to act honestly and in the best interests of the company overlaps with statutory duties of the Corporations Act including not to misuse position or information to gain an unfair advantage, to act honestly and to disclose conflicts of interest, etc.
- (b) Potential conflict of interests for Directors may include:
 - (i) a contract with the company (e.g. supply of services);

- (ii) related-party loans, guarantees and other transactions;
 - (iii) insider trading (e.g. share trading in other corporations using confidential information sourced from the Club); or
 - (iv) profiting from an opportunity that rightfully belongs to the company (e.g. competing with company for tenders).
- (c) To manage conflict of interests in accordance with the requirements of the Corporations Law the Board requires the following guidelines to be adhered to by Directors:
- (i) declare existing or potential material conflicts to the Company Secretary when appointed and on an ongoing basis as the need arises to enable the Company Secretary to maintain a register of Director's interests and potential related party conflicts;
 - (ii) provide an annual declaration to the Company Secretary for the purpose of updating the register of interests and related party transactions;
 - (iii) when a conflict of interest arises, leave the Board meeting and not vote on any resolution that relates to the conflicted issue unless the Directors who do not have a material interest in the matter have passed a resolution that identifies the Director, the nature and extent of the Directors interest in the matter and its relationship to the affairs of the Club and states that the interest should not disqualify the Director from voting on the issue;
 - (iv) if a Director has provided notice on a material conflict the Company Secretary will ensure that that Director does not receive Board papers or other information related to the conflict; and / or
 - (v) no financial benefit can be given to a related party of a Director (including spouse, a de facto spouse, parents, children and certain related corporate entities) unless approved by the Board.
- (d) A Director seeking clarification in relation to these guidelines can consult with the Company Secretary as the Corporations Act provides some exceptions to the general rules espoused in the guidelines. The Company Secretary can also arrange to provide a standing notice about an interest and will record it in the Board minutes.

11. Indemnities and Insurance

11.1 Deed of Indemnity

- (a) Each Director on appointment has executed the Deed with the Club in which the Club provides an indemnity to the Directors to the extent they are indemnified under the Corporations Act.
 - (i) each Director or retired Director is indemnified against liability the Director may incur to another person (other than the Club or a related corporate);
 - (ii) the indemnity includes costs and expenses incurred in legal proceedings;
 - (iii) in accordance with the law a Director is not indemnified for any liability

arising out of negligence or lack of good faith;

- (iv) if the Director or retired Director has incurred a liability to which the indemnity applies then the Director need not incur any expense before enforcing the right to the indemnity;
 - (v) where the indemnity covers a claim against a Director the Club is entitled to assume the conduct, negotiation or defence of the claim and the Director must co-operate with the Club in relation to the claim; and
 - (vi) in certain limited circumstances a Director may engage separate legal advisers.
- (b) The Company Secretary is available to clarify any issues arising from the indemnification deed.

11.2 Directors and Officers Insurance

- (a) Included in the annual agenda structure is the review of the Directors & Officers Insurance policy. Written details of the policy are provided to the Board as part of an overall risk management strategy. Each Director is required to truthfully answer all questions in the insurers proposal document and to disclose any information to the insurer, which would be relevant to the insurer's assessment of the risk.
- (b) The Club has agreed to pay the directors and officers insurance premiums and not to do anything which may prejudice the policy.

12. Access to board papers

- (a) A Director has both a common law and a statutory right to inspect the documents of the Club. The Corporations Act provides that a Director is entitled to access financial records at all reasonable times. This right applies to all Directors regardless of whether they have specific financial responsibilities, but a Director cannot extend the right to third parties. Access to documents can be made through the Company Secretary at no cost to the Director.
- (b) For the purposes of certain legal proceedings a person who has ceased to be a Director has a right to access all books of the Club (including its financial records) at all reasonable times. This right extends for a period of seven (7) years after a person has ceased to be a Director.

13. Company Secretary

- (a) The Company Secretary is accountable to the Board through the Chairman, on all governance matters.
- (b) All Directors have direct access to the Company Secretary.
- (c) The appointment and removal of the Company Secretary is a matter for decision by the Board as a whole.

14. 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 Club's expense, subject to:

- (a) prior approval of the Chairman, Committee Chairman or the Board, which is not to be unreasonably withheld; and
- (b) information so obtained is shared with all Directors or Committee Members as appropriate.

15. Role of Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the overall day-to-day management and the performance of the Club. The CEO manages the Club in accordance with strategy, delegations, business plans and policies approved by the Board to achieve agreed goals and objectives.

16. Strategic Direction and Oversight

- (a) The Board reviews the Club's long-term strategic plans and the major issues that it and management expects the Club to face in the future.
- (b) The Board sets the broad parameters for the Executive's preparation of the Club strategic plan.
- (c) The Board only approves the strategic plan after conducting a rigorous review, including considered Board input on major strategic initiatives (including the options considered and sensitivities, on what basis, and why they were rejected).
- (d) This review includes a thorough understanding of what is required to successfully execute the strategic plan.
- (e) The Board approves key performance measures (budget and financial and non-financial KPIs) aligned with the strategic plan and ensures that the remuneration of Executive Management (including the CEO) is aligned with the achievement of strategic outcomes.

17. Board Meetings

17.1 Board Meeting Annual Agenda

- (a) The annual agenda should be aligned with the strategy cycle of the Club and bring many governance aspects of the Board's charter to life.
- (b) The annual agenda dictates how many times the Board should meet each year to discharge its duties and responsibilities.

17.2 Board Meetings Procedure

Directors have adopted the following procedures:

- (a) there are minimum of nine Board meetings per annum, including three meetings dedicated mostly to strategy development and review;
- (b) proper and timely notice of meetings is provided with an outline of proposed business;

- (c) agenda papers which include executive summaries and resolutions are provided five clear days in advance to allow time for review;
- (d) an action list is presented to ensure all outstanding items are dealt with, including monitoring progress of past decisions;
- (e) non-executive Directors may meet periodically at scheduled meetings without Management present;
- (f) a general business item is on the agenda so that directors may add items for discussion /information;
- (g) minutes are clear, accurate and have the appropriate detail; and
- (h) draft minutes will be distributed to the Chairman for comment as soon as practicable after the meeting.

17.3 Board Meeting Attendance

- (a) It is usual for Executive Management team members to attend Board meetings.
- (b) Advisors and other parties external to the Board are invited to attend Board meetings by the Board Chairman, as appropriate.

17.4 Quorum

In all cases at least three (3) voting Directors constitutes a quorum.

18. Access to Management

- (a) The Board and individual Directors have the power to meet or make inquiry with Club management, with or without the CEO, outside of scheduled Board or Committee meetings.
- (b) Directors have complete access to the senior management team in relation to issues for which they are accountable.
- (c) Notwithstanding clause 18(a), Directors will use their judgement so that contact is not distracting or disruptive to the business operation of the Club and will therefore initially raise any material issues or concerns with the CEO where possible.

19. Code of Conduct

- (a) The Club takes ethical and responsible decision-making very seriously. It expects its staff, managers and Directors to do the same.
- (b) Based on the Club core values, the Code (as outlined in Schedule 4) is designed to encourage ethical and appropriate behaviour in all Club activities and dealings with stakeholders based on the Club's core values.
- (c) The Code also addresses matters relevant to the Club's compliance with its legal obligations to all stakeholders.
- (d) The Board has an appropriate system for enforcing compliance with the Code.

20. Corporate Social Responsibility (“CSR”)

- (a) The Club is committed to the long-term sustainability of its operation and aims to optimise, or minimise whatever the case may be, the social, environmental and economic impact of its significant business proposals and ongoing operations for the benefit of all stakeholders.
- (b) The Board ensures that the Club’s CSR performance is consistent with its business strategies and brand/reputation strategy.

21. Political donations

The Club does not make political donations.

22. Risk Management

- (a) Risks are any event or action that threatens the assets and earnings of, values or services provided by, the Club. It is the Board’s role to establish a sound system of risk oversight and management and internal control.
- (b) The Board has implemented a risk management approach reporting to the Audit and Risk Committee, based on the following core elements:
 - (i) the identification of key business risks;
 - (ii) the measurement of each identified risk in terms of potential impact and likelihood of occurrence;
 - (iii) an assessment of the external environment and the control mechanisms in place to manage the risk;
 - (iv) the development of action plans to manage the risk; and
 - (v) constant monitoring of the program and reviewing continued economic justification and/or process improvement opportunities.
- (c) To support this formalised process for identifying, prioritising, assessing and managing the key business risks, the executive management team members deal with specific risk areas across the Club. This strategy is incorporated on the corporate plan and integrity into business plans, external audit plans and the training program.
- (d) The Board regularly reviews the key risks identified by the executive management team through the Audit and Risk Committee. Risk and compliance information is reported to the Audit and Risk Committee.
- (e) The Board ensures that the Club organisation, at all levels, prescribes to a culture and exhibits accepted behaviours that are consistent with the agreed risk appetite.

23. Compliance system

The Board oversees the performance of an effective compliance system which requires, at a minimum, that:

- (a) the Club complies with all relevant statutes, regulations and other requirements placed on it by external bodies;
- (b) effective internal controls exist and there is full and accurate reporting to the Board in all areas of compliance; and
- (c) the Club is financially secure and is able to meet all its financial obligations when they fall due, in the normal process of business.

24. Policy and Procedures

The Board is responsible for:

- (a) approving and monitoring compliance with all significant policies and procedures by which the Club is operated; and
- (b) approving policies and procedures designed to ensure the Club operates at all times within applicable laws and regulations and in accordance with the Club's values and ethical standards.

25. Board's Role in Crisis Management

- (a) The Board has two key roles in a crisis situation, one prior to the crisis and the other during.
- (b) Firstly, prior to the crisis, the Board ensures that there is in place a comprehensive crisis management plan that has been tested and employees have been trained in its execution.
- (c) Secondly, during any crisis, the Board will fully support management in its continuity and recovery effort. The CEO or his delegate will advise on urgent media and communications issues.
- (d) The chief spokesman during any crisis will be the CEO supported by specified members of the senior management team or the Chairman as needed.

26. Integrity of financial reporting

- (a) The Board ensures that a structure of review and authorisation designed to ensure the truthful and factual presentation of the Club's financial position and performance, is in place.
- (b) The structure is overseen by the Audit and Risk Committee, although this delegation does not diminish the ultimate responsibility of the Board to ensure the integrity of the Club's financial reporting.

27. CEO and CFO assurance

- (a) The Board requires that the CEO and the CFO (Finance Manager), state in writing to the Board that the Club's financial reports present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards.
- (b) This statement is 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.

28. Annual Report to Members and other stakeholders

The Board provides the Members and other stakeholders with a comprehensive annual report outlining how they fulfilled their governance role, the achievements of the Club, the aspirations of the Club and sufficient financial information so that members can make a judgment as to how effectively the Board is fulfilling its role.

29. Annual General Meeting

- (a) The Club encourages effective communication with Members and their effective participation at general meetings and has strategies in place to effect this.
- (b) All Directors are expected to attend Annual General Meetings.

30. Board and Directors Effectiveness Performance Assessment

- (a) The Board reviews its own performance and that of the Board Committees annually to ensure that the Board and Board Committees are working efficiently and effectively in discharging their responsibilities (against measurable and qualitative indicators).
- (b) The performance of all non-executive Directors is subject to annual review by the Board Chairman.

31. Review of CEO Performance

- (a) The Board sets the performance criteria for the CEO, which are regularly reviewed by the Board.
- (b) The Board undertakes the performance review of the CEO.

32. Director's Expenses

- (a) The non-executive Directors are reimbursed all out-of-pocket expenses incurred by them in carrying out their duties as non-executive Directors.
- (b) Company Secretary handles all reimbursement matters.

33. Charter review

- (a) The Board reviews its governance charter regularly and makes changes as necessary.
- (b) The Company Secretary is responsible for monitoring and maintenance of the charter.

34. Board Meeting Papers and Decision-Making

34.1 Board Meeting Papers

- (a) The agendas for individual Board meetings should include (but not be restricted to):
 - (i) Minutes and Action List
 - (ii) Conflicts of interests regarding any agenda items for decision
 - (iii) Annual agenda items allocated to the meeting (including monthly CEO and CFO Financial report)
 - (iv) Other strategic issues for discussion
 - (v) Issues of litigation or non-compliance
 - (vi) Items submitted for consideration and decision
 - (vii) Items submitted for information (monthly general manager report overviews, material transactions, financial review etc)
 - (viii) Other general business
- (b) Meeting agendas should be well balanced (i.e., among the time allocated between strategy, performance, compliance and other business). There should be no organisational topics that are “off-limits” for discussion (e.g., Directors should feel free to speak out openly and honestly without fear of criticism, even when voicing a minority position or dissenting view).
- (c) The format and content of Board papers should be driven by the annual agenda and the Board’s information requirements. The agenda should drive what information the Board needs from management and other sources to aid informed decision-making. The reporting of information to the Board is essentially by way of Board papers.
- (d) The Board meeting papers should:
 - (i) be concise, timely, relevant, accurate and material to the type and nature of matters to be discussed;
 - (ii) include timely, appropriate and in-depth external information (e.g., media and industry reports, market trends, competitor activity, stakeholder research);
 - (iii) encapsulate the Club strategy and identify the key things which are driving or inhibiting effective execution of that strategy;
 - (iv) contain a balanced picture of performance (not just the “good news stories” or what management thinks the Board only needs to know) and promptly communicate any potential warning signs or bad news (problems or failures are reported early and honestly);
 - (v) regularly track key variables with accuracy and consistency; and

- (vi) appropriate information on the Club's performance (including financial and non-financial performance indicators and real insights into performance dynamics and the performance outlook) and how risks are being managed to enhance the Club's overall performance.
- (e) The papers should include the CEO's report.
- (f) Where possible, information technology should be used to enhance the oversight capabilities through effective collection, distribution, access and reporting of Board information.
- (g) The Corporations Act provides that Directors meetings may be called or held using any technology consented to by all Directors. The consent may be a standing one. A Director can only withdraw their consent within a reasonable time before the meeting.
- (h) Informal communications outside Board meetings contribute to overall Board effectiveness (e.g., Club lunches, dinners and other activities like Member Club meetings which help build rapport and understanding).

34.2 Decision-making elements

- (a) Strategic Fit
 - (i) Is the proposal part of the existing strategy?
 - (ii) Is the strategy still applicable?
 - (iii) If it is not part of the existing strategy, why are management submitting this proposal?
 - (iv) If reasons are substantive, then should we review the existing strategy?
- (b) AFL
 - (i) Is the potential decision or policy consistent with AFL strategy, policies, Rules and Regulations?
- (c) Financial considerations
 - (i) Are the financial requirements of the proposal clearly articulated?
 - (ii) What effect will this project, if approved, have on our cashflow?
 - (iii) Are there robust financials giving various scenarios supporting the proposal?
 - (iv) Where necessary, has an independent financial due diligence been completed?
- (d) Strategic and operational risks
 - (i) Have the significant strategic risks been identified?
 - (ii) Are there alternative proposals that may achieve a better result?

- (iii) Have all significant operational risks been identified?
 - (iv) Have appropriate risk management decisions been made in relation to these risks?
- (e) Due diligence
 - (i) Have the benefits and disadvantages of the proposal been clearly identified?
 - (ii) Have all appropriate areas of due diligence been completed using external resources where necessary?
 - (iii) Have all regulatory (including ACCC) issues been considered?
 - (iv) Has third party information been used to test market key assumptions?
- (f) Members, stakeholder and market perception
 - (i) How will members receive the decision?
 - (ii) If there are concerns, how are they to be managed?
 - (iii) Are there any other stakeholder issues that need to be managed, eg players, customers, staff and suppliers, communities?
 - (iv) Are there other ways of constructing the proposal to enhance market perceptions
- (g) Ethical fit
 - (i) Will the organisational values be compromised?
 - (ii) If the decision became front-page news, would it embarrass the organisation or directors personally?
 - (iii) If the decision involves other regions or communities are there any ethical or social responsibility questions?
 - (iv) Will the environment be compromised?
- (h) Availability of resources
 - (i) What effect will the transaction have on the asset base?
 - (ii) Do our current management have the competencies and resources to successfully implement the decision?
 - (iii) If alternative resources are required are they easily be obtained?
 - (iv) What effect will the decision have on other resources, including technology, premises etc?
- (i) Synergy
 - (i) Does the proposal provide potential synergies with the existing business?

- (ii) Have the benefits derived from this synergy effect been clearly articulated?
 - (iii) Are there any other future developments that may enhance the synergy effect further?
- (j) Value creation
 - (i) Does the proposal clearly highlight the financial and non-financial outcomes?
 - (ii) How does the proposal create value for members?
 - (iii) Is there a clear mechanism to monitor / measure the value created through implementation of the proposal?
- (k) Contingency plans
 - (i) Does the proposal consider a “worst case scenario” in the event of failure?
 - (ii) Are contingency plans detailed?
- (l) Monitoring mechanisms
 - (i) Does the proposal outline Board monitoring mechanisms?
 - (ii) Do the monitoring mechanisms include:
 - a. Regular reporting timelines
 - b. Progress reports covering:
 - Achievement of benefits
 - Risk profile and management
 - Expenditure variations
 - Timeline variations
 - Any other concern

35. Board of Directors Annual Agenda

[illegible]

	Scheduled meetings											
	J	F	M	A	M	J	J	A	S	O	N	D
External auditor independence												
Reports												
Annual financial report												
Directors' declaration												
Annual report												

36. Retained and Delegated Authorities

36.1 CEO Reporting Responsibilities

- (a) The reporting of information to the Board is essentially by way of the monthly board report. The Board has the following guidelines to assist management with issues that must come to the Board. The CEO is responsible for reporting to the Board on business operations. They include:
- (i) mission, vision and values, strategic direction, objectives and budgets, as part of the corporate plan;
 - (ii) corporate policy and compliance in accordance with the key policies and manuals identified in the Board Charter;
 - (iii) monitoring achievement of corporate plans and objectives and performance against appropriate benchmarks;
 - (iv) capital expenditure as specified in the annual capital budget;
 - (v) major decisions beyond management delegations;
 - (vi) risk profile and control framework;
 - (vii) external and internal audit recommendation/appointment
 - (viii) major issues affecting the organisation's external total environment and corporate reputation;
 - (ix) governance issues, including major potential or actual litigation or non-compliance with legislation or the organisation's policies;
 - (x) executive management succession planning;
 - (xi) acquisitions;
 - (xii) investment policies and mandates;
 - (xiii) debt raising;
 - (xiv) new product lines;
 - (xv) organisational structure;

- (xvi) delegations; and
- (xvii) committee reports

36.2 Delegation to Management items

- (a) Financial and contractual delegations in respect of the following budgeted transactions:
 - (i) Approved capital expenditure
 - (ii) Operational expenditure – per annum item/contract value
 - (iii) Exceptions to general delegations for annual budgeted expenditure
 - (iv) Litigation – instigate / settle
 - (v) Write off / write-down of assets
 - (vi) Bad debts
 - (vii) Non-commercial sponsorships and donations
 - (viii) Operational expenditure – contract
 - (ix) General contracts
 - (x) Marketing / advertising contracts
 - (xi) Taxation and duty payments
 - (xii) Approval of payroll and on-costs
 - (xiii) Credit card / purchase card issue
- (b) Tendering within budget
 - (i) Issue of tenders
 - (ii) Receive tenders
 - (iii) Open tenders – must be two
 - (iv) Post tender negotiations
 - (v) Tender acceptance
 - (vi) Providing quotes
- (c) Human Resources Delegations within budget
 - (i) Remuneration policy, subject to the approval by the Board
 - (ii) Conditions of employment, including packages other than for direct reports
 - (iii) Bonuses or ex gratia payments up to \$20,000

- (iv) Executive management team – appointment, transfers, terminations
- (v) Other staff – appointment, transfers, terminations
- (vi) Creation of new positions
- (vii) Nomenclature
- (viii) Position evaluation and position regrading
- (ix) Disciplinary action
- (x) Redundancies
- (d) Other delegations
 - (i) Business unit structure
 - (ii) Company policy approval/authorisation, subject to Board approval
 - (iii) Banking arrangements, including signatories
 - (iv) Borrowing arrangements, subject to Board approval
 - (v) Insurance arrangements
 - (vi) Appointment of legal advisors
 - (vii) Invest funds
 - (viii) Confidentiality agreements
 - (ix) Make public statements

37. Directors Induction Program

- (a) Common law and statutory obligations aside, new Directors, in order to make immediate worthwhile contributions to the Board's deliberations, need to quickly gain a good understanding of the how the Club operates.
- (b) A formal and comprehensive induction program for new Directors is essential which should include:
 - (i) Information package including:
 - a. Board and Committee charters;
 - b. Annual agenda;
 - c. Annual reports for the last three years
 - d. Board papers and minutes for the past twelve months (or reviewed at Club premises);
 - e. Outline of the resources provided to Directors;

- f. Club Constitution;
 - g. Club organisational and management structure outline;
 - h. Board and Executive Management CV's;
 - i. Overview of key governing body people;
 - j. Key Club policies;
 - k. Board activities calendar (Board meetings/other functions);
 - l. The latest strategic and business plan, including budgets;
 - m. Management letters from External auditors;
 - n. Copy of the Club's risk profile;
 - o. Detailed information on the AFL competition, AFL Rules and AFL Policies
- (ii) In-depth meetings, to discuss the Board charter, how the Board operates, the main business, financial dynamics, business value drivers and other matters of significance with:
- a. Board Chairman;
 - b. Chief Executive Officer;
 - c. Executive Management team members;
 - d. Board Secretary;
 - e. Chief Financial Officer;
 - f. External Auditor;
 - g. Legal Counsel.
- (iii) Follow-up meeting with Board Chairman to discuss any issues arising from the induction program.
- (iv) The way in which any Board pursues its objectives will be influenced by many factors including the governance structure, competition, community expectations and even the personalities of those who are present in the boardroom and executive suite.

Schedule 1: Audit & Risk Committee Charter

Schedule 2: Community Ambassador Group Charter

Schedule 3: Football Committee Charter

Schedule 4: Code of Conduct – Directors and Senior Executive