



## BOARD CHARTER (Adopted 24 February 2023)

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### Purpose of Charter

1. The Board Charter sets out the role, composition and responsibilities of the Board of Directors (**Board**) of Basketball Australia (BA).
2. The conduct of the Board is also governed by the Constitution of, a copy of which is located at <https://australia.basketball/wp-content/uploads/2022/05/BA-Constitution-Effective-April-2022.pdf>

A number of operational matters relating to the Board such as number of meetings per year, notification of interests, and election of directors are governed by the Constitution and are not reproduced here.

### Objectives

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The Board's primary responsibility is to direct the affairs of Basketball Australia for the betterment of Basketball in Australia.

The Board acts in the best interests of BA as a whole and is accountable to the members for the overall direction, management and corporate governance of BA.

The objectives of the Board are to determine and to monitor:

- BA's short, medium and long term goals and its strategic direction, with specific reference to BA's Strategic Plan (at [https://australia.basketball/wp-content/uploads/2021/07/Basketball-Australia\\_Strategic-Plan\\_2021-2024.pdf](https://australia.basketball/wp-content/uploads/2021/07/Basketball-Australia_Strategic-Plan_2021-2024.pdf)) and in consultation with key stakeholders in Australian Basketball.
- Policies governing the operations of BA and the conduct of its members.
- Powers and functions of Board committees and other committees as may be established from time to time.
- Annual progress and performance of BA in meeting its objectives.

### Responsibilities

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Without limiting the general role of the Board, the principal functions and responsibilities of the Board include the following:

#### Business Strategy

- Setting the strategic direction of BA and monitoring management's implementation of that strategy:
  - review and approve strategies, objectives, goals, annual operating plans and financial plans.
- Ensuring that BA is properly resourced to effectively deliver on the strategies developed for the organisation and the day to day operations of BA.
- Approval of capital expenditure, operating expenditure and major transactions not included in the budget or outside the ordinary course of business.
- Ensuring risks are identified and appropriate controls, monitoring and reporting mechanisms are in place.

- Providing effective oversight over management's activities.
- Monitoring financial performances including approval of the annual financial report and the liaison with external auditors by the Finance & Audit Committee.
- The Board delegates to the Chief Executive Officer (**CEO**) the responsibility for implementing the strategic direction and for managing the day-to-day operations of BA. The CEO consults with the Chair, in the first place, on matters which are sensitive, extraordinary or of a strategic nature.
- The Board has specifically reserved to itself authority for certain matters. The matters not expressly reserved to the Board and delegated to management are set out in the Delegations Policy or are referred to in this Charter.

#### **Board**

- Assurance of standards of good governance throughout the organisation.
- Reviewing the performance of board and board committees.
- Establishing and determining the powers and functions of board committees and other committees established by the Board.
- Ensuring that BA has adequate insurance cover for product and public liabilities and directors and officers liabilities in the event of a claim against BA.
- Setting specific limits of authority for management to commit to new expenditure, entering contracts or acquiring/divesting assets.
- Setting the framework for policy platforms.
- Determining the desired culture for the organisation.
- Enhancing and protecting BA's reputation.
- Making and/or amending from time to time, the by-laws that regulate the board, the organisation and its members.

#### **Senior Management and Organisational structure**

- Approval of the appointment of, delegation of authority to, and regular review of performance of, the CEO.
- Approval of the terms of appointment of the CEO.
- Approval of annual remuneration packages for the CEO.
- Assessment of BA's and of the CEO's performance.
- Approving succession plans for the CEO.
- Approval of performance objectives and performance measurement systems.

#### **Relations with members**

- Overseeing relations with members by monitoring communications to members including:
  - arrangements for the annual general meeting (**AGM**) other members' meetings;
  - effective and timely reporting to members; and
  - important notices of policy or general interest to the community.
- Specifically building relationships with members through formal and informal access.

#### **CEO Responsibilities**

- Implementing the strategic direction and for managing the day-to-day operations of BA.
- Establishing the organisation's operating structure and plans.
- Systems for the appointment, remuneration and performance management of employees.
- Reporting to the Board on key performance metrics and strategic objectives.
- Manage communication between management and the Board.

#### **Company Secretary Responsibilities**

- Provide governance advice and support to the Board and the CEO.
- Maintain full and accurate records of Board meetings, minutes, resolutions, By-Laws, policies and other governance matters on the Company Register.
- Coordinate and support the conduct of AGMs and other General Meetings of the Members.
- Support the function and operation of Board committees.

## **Structure & Function**

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### **1) Membership of BA's Board.**

Membership of the Board is set out in the Constitution and as at the date of adoption of this Charter comprises:

- Up to five elected directors. Elected directors may serve a maximum of two successive four year terms.
- Up to two appointed directors (at the discretion of the Board). Appointed directors may serve a maximum of two successive four year terms.
- The Chair is elected by the Board and holds office for the term of their directorship.
- In considering the election and appointment of Directors regard must be had to any requirements or objectives that the Australian Sports Commission has for female membership of the board of national sporting organisations in light of the then gender composition of the Board.

In discharging their duties, each Director must:

- (a) exercise care and diligence;
- (b) act in good faith in the best interests of BA;
- (c) undertake appropriate training, including an induction to the company;
- (d) not improperly use his/her position or misuse information of BA; and
- (e) commit the time necessary to discharge effectively his/her role as a Director.

Meetings of the BA Board:

- There must be a minimum of 6 Board meetings per annum.
- The Board may meet, adjourn, and otherwise regulate their meetings as it thinks fit.
- Meetings may be held using any technology consented to by all directors.
- Each member of the Board has one (1) vote for the purpose of determinations by the Board.
- A quorum is any number of directors that is more than half the total number of directors.
- Minutes of Board meetings shall be kept and signed by the Chair and CEO.

Board Review:

The Board will review its performance annually and consider changes to improve the effectiveness of the Board and/or its Committees.

### **2) BA Board committees:**

To assist it in carrying out its responsibilities, the Board has established the following standing Committees consisting of such persons as the directors think fit:

- Nominations Committee
- Finance & Audit Committee
- Governance & Risk Committee
- Integrity Committee

The Board annually reviews the performance and charters of these committees and approves the composition of each committee. The Board may also create, establish or appoint other committees consisting of such persons as the directors see fit.

### **3) Communication with Management**

Board and Management communication in the ordinary course of business should occur through the Chair and CEO or Company Secretary.

The Board may authorise Directors to engage directly with Senior Executives on specific matters where appropriate to enable to efficient functioning of the organisation.

Director Chair or Members of committees may communicate directly with management in accordance with the relevant committee charter.

Senior Executives may also be invited to attend and present at Board meetings as necessary from time-to-time.

## **Delegation of Authority**

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### **Matters reserved for the Board**

The matters specifically reserved for the Board under the Delegations Policy include decisions about BA's strategy, as well as matters involving amounts over specified limits (which varies depending upon the nature of the transaction).

The Board has authority for succession planning for the CEO.

The Board reserves to itself all matters that may have the potential to have a material impact on the reputation and operation of BA.

### **Delegation to Management**

All matters not specifically reserved for the Board and necessary for the day-to-day management of BA are delegated to management. Executive management can sub-delegate authority but not responsibility, in accordance with the Delegations Policy.

## **Role of Chair**

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- The Chair presides over Board and General Meetings of BA. The Chair has the task of making sure the Board is well-informed and effective; that the members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views necessary for the proper operation of the Board and the organisation.
- The Chair is responsible for ensuring that the meetings are conducted competently in a collegiate manner and is expected to provide effective leadership in formulating the strategic direction for BA.
- The Chair must ensure that General meetings are conducted efficiently and that members have adequate opportunity to air their views and obtain answers to their queries.
- Among the Chair's other responsibilities are:
  - leadership of the Board;
  - to see that new Board members are well briefed and have access to information on all aspects of BA's operations;
  - to encourage active engagement and participation by all members of the Board;
  - to promote the highest standards of corporate governance;
  - to schedule regular and effective evaluations of the Board's performance;
  - to set the Board's agenda;
  - to ensure clear structure for the effective running of the Board Committees;
  - to act as the primary counsellor to the CEO;
  - to represent the views of the Board to the public, governments etc on appropriate occasions; and
  - the promotion of constructive and respectful relations between Board members and between the Board and Management.

## **Media Protocol**

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The CEO has primary responsibility for handling all media communications. This includes initiating and managing an effective communication plan for the organisation as well as responding to media enquiries. The CEO may involve members of the Board from time to time as appropriate.

Where the CEO is not able to meet these obligations the Chair will take responsibility.

Unless pre-approved by the CEO or Chair, Board directors must not comment publicly on BA or related matters.

## **Directors' Code of Conduct**

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Although Directors are individually elected by members or by appointment under the Constitution, upon accepting the office of Director, each becomes bound by the overriding fiduciary duty to act in good faith and in the best interests of the company as a whole.

In discharging the duties and responsibilities of being a Director of BA, each individual must operate within the framework and structure of a collective Board.

The BA's Directors' Code of Conduct is not intended to be exhaustive, nor derogate any obligations imposed by law.

This Directors' Code of Conduct sets the ethical and behavioural standards expected of all Directors of BA:

- A Director must act honestly, in good faith and in the best interests of the company as a whole.
- A Director has a duty to use care and diligence in fulfilling their functions and exercising the powers attached to that office.
- A Director must recognise that the primary responsibility is to the company as a whole, but should, where appropriate, have regard for the interests of all stakeholders of the company.
- A Director must not make improper use of information acquired as a Director of the company.
- A Director must not take improper advantage of the position of Director.
- A Director should properly manage any conflict with the interests of the company.
- A Director has an obligation to be independent in judgement and actions, and must take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
- Confidential information received by a Director in the course of the exercise of directorial duties remains the property of the company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Board, or is required by law.
- A Director must not disclose the content of discussions at Board meetings or committee meetings outside appropriate and responsible circles within the organisation with a legitimate interest, unless that disclosure has been authorised by the company, or is required by law.
- Where a decision is not unanimous, a dissenting Director may not disclose the fact that he/she dissented. The fact that a Director dissents on certain decisions will not in itself be sufficient to remove all liability from that director, should the decision lead to litigation.
- A Director should not engage in conduct likely to discredit the company or be detrimental to the interests of the company.
- A Director has an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code

## **Reporting**

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- Proceedings of all meetings are minuted and signed by the chair of the meeting and CEO.
- Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.
- Resolutions are first put to the Board in draft form (as a "Board Paper") and, once passed, may be recorded in a Resolutions Register.

## **Review of Charter**

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The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

## **Publication of the Charter**

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Key features of the charter will be outlined in BA's Annual Report.

A copy of the charter is available at: [www.australia.basketball](http://www.australia.basketball)