

CBAA Board Charter

Introduction

The constitution of the Community Broadcasting Association of Australia ("CBAA") provides that the '...control, management and conduct of the Company shall be vested in the directors who may exercise all such powers of the Company as are not by the Corporations Act, the ACNC Act, the ACNC Regulation or by this Constitution required to be exercised in any other matter."

This board charter sets out the functions, key responsibilities, and main operating mechanisms of the board to clarify board and management accountabilities for CBAA's strategic direction and performance.

Objectives, strategies, and risks

1. To set the objectives and overall direction of CBAA.
2. To review and approve the strategy and any business plans, for the achievement of the objectives.
3. To review and approve the annual budget.
4. To establish and review performance indicators, control mechanisms and related benchmarks that will allow the board to satisfy itself that CBAA is being managed properly.
5. To monitor the performance of CBAA against its financial and other objectives and benchmarks, and to review the implementation of the approved strategies.
6. To satisfy itself that the risks facing CBAA have been identified, assessed and that the material risks are being managed appropriately.

Interaction with the Community Broadcasting Association of Australia's Controlled, Associated and Managed Entities

7. To approve the CBAA Controlled, Associated and Managed Entity Policy which sets out how the CBAA manages its relationship with controlled and associated entities with a view to maximising their effectiveness and promoting good governance and sound risk management.
8. To approve all Group policies, procedures and guidelines of the CBAA including:
 - a. The Group Risk Management Policy
 - b. The Group Whistle-blower Policy
 - c. The Group Conflict of Interest Policy
 - d. The Group Accounting Policy
9. To monitor compliance with CBAA Controlled, Associated and Managed Entity Policy and Group Policies, and for this purpose, establish performance indicators, benchmarks and reporting procedures, and receive appropriate reports.

Appointments and Delegations

10. To appoint and remove the Chief Executive Officer and company secretary, to approve their job descriptions, review their performance and arrange appropriate remuneration.
11. To review and approve the organisation chart and the succession plan.

12. To establish, as deemed necessary, any committees reporting to the board, approve written charters for them, provide guidance to the committees and appoint their members.
13. The day-to-day operations of CBAA, including all matters not included in this charter or any committee charters, are delegated to the Chief Executive Officer.

Board policies

14. To approve and adopt the following charters, policies, delegations, codes, and protocols:
 - a. This board charter.
 - b. The charters of any committees established by the board.
 - c. The delegation of authority and responsibility to the Chief Executive Officer.
 - d. The delegation of authority and responsibility to the chair.
 - e. The code of conduct for CBAA.
 - f. The board protocol.
 - g. The policies related to compliance with the law and community standards.
 - h. The stakeholder communications policy.
 - i. The CBAA Policies and Principles Overview.
 - j. Such other policies as the board may determine.
15. To review, and adapt to changing circumstances, the documents listed above and to satisfy itself that they are consistent with the law and with any changes to the overall direction and strategy of CBAA.
16. To monitor compliance with the charters, delegations, policies, codes, and protocols, and for this purpose, establish performance indicators, benchmarks and reporting procedures, and receive appropriate reports.

Financial matters and reports

17. To review any statement of the Chief Executive Officer on CBAA's financial reports and to approve the annual accounts and statutory reports.
18. To approve the directors' report and the directors' declaration.
19. To review and approve the reports of the Chief Executive Officer on risk management and internal compliance.
20. To review and approve any acquisitions and divestitures.
21. To review and approve capital and other expenditures above the levels that board has delegated to management.
22. To review and approve any proposals concerning the purchase, sale or lease of land or buildings.
23. To approve the making of any donations or sponsorships.

Board composition and effectiveness

24. The constitution of CBAA provides that there shall be not less than seven, nor more than nine, directors.
25. To review the board's composition annually and to consider the independence of each director and the balance of perspectives and skills needed to maximise the effectiveness of the board and its committees.
26. To approve the content of the letters of appointment to the board.
27. To arrange for the effectiveness of members of the board to be enhanced by induction training for all new members, and by further training of its members as the board deems necessary.
28. To review the performance of the board annually and to agree appropriate changes to its systems and procedures.

Meetings of the board and CBAA

29. The board shall meet at least 6 times per year. Additional meetings shall be convened as necessary.
30. The board may meet by electronic means.
31. The board shall invite appropriate members of management to attend its meetings.
32. The non-executive directors shall meet periodically in the absence of management.
33. The board shall adopt an annual agenda to facilitate the discharge of its responsibilities, and this will form the basis of its individual meeting agendas.
34. The board shall approve arrangements for any annual general meeting and any other meetings of members.

Board protocol

The directors of the Community Broadcasting Association of Australia (“CBA”) agree to adopt, and be bound by, the letter and spirit of this protocol. They agree that any director who breaches the protocol will offer their resignation and if they fail to do so, the other directors will withdraw their support from them at the next election.

1. Recognition of responsibility and common purpose

- a. The directors understand and accept that CBA is incorporated as a company and that, under the law, they have clear duties and responsibilities:
 - to act in good faith in the best interests of CBA and for a proper purpose;
 - to exercise their powers and discharge their duties with care and diligence; and
 - these duties are owed to CBA as a whole. No duty is owed to any individual member or group of members.

- b. The members of CBA have, through the constitution, delegated powers to the board as a whole to be exercised as a board. They have not delegated any powers to any individual member. It follows that decisions must be made collectively, and members are bound by the board's decisions.

It also follows that, unless individual directors receive specific delegations from the board, they must refrain from participating in the day-to-day management of CBA, making representations or agreements on its behalf, or influencing management as individuals. The responsibilities of the board and of management are dealt with in the board charter.

- c. In the interests of the harmony and effectiveness of the board, and CBA as a whole, the directors agree that they will conduct themselves with good will and in a harmonious manner. The importance of good teamwork is recognised and acknowledged.

2. What is expected of directors?

- a. The directors recognise their duty of loyalty to CBA and to the board and agree that outside the boardroom they will support the letter and the spirit of board decisions when in contact with other parties.
- b. Each director has a legal duty not to use information obtained as a director for the benefit of themselves or any person or persons linked to them. The board agrees that information obtained as a result of board membership should not be released except as decided by the board as a whole—board agendas, papers, minutes and discussions are confidential to the board.
- c. No director should act in a way likely to bring discredit on CBA.
- d. Directors have a right and a duty to consider properly all matters brought to the board. It follows that their attendance at board meetings is important and that apologies should be tendered only in unavoidable circumstances. Proper consideration of board papers and other relevant information before each meeting is also important.
- e. Directors have a right and a duty to raise matters of serious concern at board meetings. To properly discuss such matters it is important that management and other directors

be given time to consider them. It is good practice for a director with a serious concern to mention it to the chair in time for the matter to be added to the agenda.

- f. Directors are expected to be frank and open in board meetings and to question, request information and raise issues. Open and constructive debate is important, and an atmosphere of respectful disagreement is valuable. Directors recognise that where disagreements occur, every effort should be made to resolve the issue and to avoid dissention, Directors have a right to resign, but if they choose to remain on the board they are bound by the collective decisions of the board and may be legally liable for them.
- g. New directors are expected to complete a program of induction training.
- h. All directors are expected to keep themselves up to date with the affairs of CBAA and the board.
- i. Each director has a legal obligation to declare any material conflict of interest as soon as they become aware of it and to withdraw from the discussion and decision of any matter on which he or she has a material conflict—unless the directors who do not have a conflict have resolved that the director should stay. Perceptions of conflicts, even when they are not materials may damage the reputation of CBAA and the directors agree to notify the chair of any actual or potential conflicts or perception of a conflict, as soon as they are aware of it (if possible before the beginning of the meeting at which the issue is likely to be raised) and to withdraw from any discussions relating to it, unless invited to remain.
- j. The effectiveness of the board depends in part on the operation of its committees. The directors understand that committee work can impose a considerable burden and agree to share it as equitably as possible.

3. Directors' rights

- a. To discharge their duties properly, directors must have a right to identify the information they need and to receive it in a timely way.
- b. Individual directors have a right to obtain information necessary for them to discharge their duties from the CBAA Chief Executive Officer, but it is recognised that questions and requests involving a substantial amount of work may disrupt management. Accordingly, the directors agree that if a question cannot be answered without special work it will be put in writing and a copy sent to the chair and the Chief Executive Officer.
- c. Outside specialist advice at CBAA's expense is advice to the board as a whole. This advice should normally be arranged by the Chief Executive Officer at the request of the board, In exceptional circumstances, if one or more directors wish to obtain special advice, the matter should be raised with the chair who may either exercise a discretion to arrange for the advice to be obtained or may refer the matter to the board. If such advice is obtained, it should be made available to the board as a whole.

4. Directors' benefits

- a. Directors are entitled to expenses and insurance cover as set out in the relevant policy statement. They should ensure that all other material benefits received from CBAA by them their relatives or associates are disclosed to the board. All contracts between directors and CBAA should also be disclosed.

5. Board leadership and the role of the chair

- a. The chair's role is to lead the board and to manage its affairs so that it can effectively discharge its duties under the law and the constitution. Since the board receives its authority collectively, it can act only when it meets and it is the chair's principal role to make those meetings as effective as possible.
- b. The chair is elected by the board and their authority derives by delegation from the board, which must delegate to the chair sufficient powers to manage the board's affairs and lead it in the discharge of its business. The board will not be effective unless the chair is supported in carrying out that role.
- c. The directors recognise that the effectiveness of the board will be enhanced if contributions to board discussions are kept brief and relevant, and if each builds on the previous contributions of others. The chair must attempt to recognise when a consensus is emerging to articulate it and to ensure that decisions are unambiguous. Directors must support the chair in maintaining order and making board discussions run smoothly.
- d. As manager of the board's affairs, the chair must ensure that appropriate matters are brought to its attention and they should therefore set the agenda for its meetings, having regard to the matters that the Chief Executive Officer and the other directors wish to bring to the board's attention. Directors who wish to have matters brought to the board for discussion should ask the chair to place them on the agenda at least 10 days before the scheduled date for the meeting.
- e. The board can be effective only if it reaches clear decisions that are recorded accurately and implemented promptly. As manager of the board's affairs, the chair must have a hands-on role with regard to the minutes and the actions the board's decisions entail.
- f. Draft minutes of board meetings will be sent to the chair for approval within five working days of the end of the board meeting. Following confirmation by the chair, they will be circulated to the other directors. If directors have any major concerns regarding the minutes they should notify the Chief Executive Officer.
- g. The management of CBAA has been delegated by the board to the Chief Executive Officer and the chair has no powers over CBAA's affairs beyond those of any other director. It follows that the chair should act as they believe the board would wish them to act. The chair manages the board and the Chief Executive Officer manages CBAA.

6. CBAA company secretary

- a. The company secretary has an important role in facilitating the proper and effective functioning of the board and in ensuring that board procedures and policies are followed. The chair and the board will look to the secretary for guidance in fulfilling

their responsibilities under the law, the constitution and the ACNC regulations, and on how those responsibilities should be discharged.

- b. All directors should have access to the advice and services of the company secretary and the independence of the office should be recognised and supported. The appointment, and any question of the removal, of company secretary is a matter for the board as a whole.

7. Board composition

- a. Directors recognise that it is in the interests of CBAA that the board includes members with a balance of relevant skills and abilities that may need to be adjusted from time to time to align with the changing needs of CBAA. To assist in strengthening its membership, the board will review the performance of its members regularly and satisfy itself that its composition is appropriate to the needs of CBAA.

8. Review of the protocol

- a. The directors agree that this protocol should reflect the current needs of the board and agree to review it annually as part of the board's annual review of its performance.