

FINAL Stormwater Australia Board Charter- V1.1

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1. Purpose

This charter sets out the role, responsibilities, structure and processes of the Board of directors of Stormwater Industry Association Ltd (Company) and which responsibilities are delegated to Board Committees or to management, as well as the membership and operation of the board.

2. Responsibilities

The purpose and function, and major aims and activities of Stormwater Australia are set out in Paragraph 3 of the Constitution of the company.

The Board is responsible for

- 2.1. Giving effect to the purpose and function, and major aims and activities set out in Paragraph 3 of the Constitution
- 2.2. Approving Stormwater Australia's strategy, business plans and policies
- 2.3. Monitoring the Stormwater Australia's strategic direction and portfolio of activities, and the associated risks
- 2.4. Reviewing, approving and monitoring the Stormwater Australia's risk management systems, including internal compliance and control mechanisms
- 2.5. Approving the annual report and financial statements and any other published reporting, upon recommendation from the Finance, Audit and Risk Committee, and in accordance with the Constitution, Corporations Act, and any other applicable regulations
- 2.6. Approving and monitoring the progress of major expenditure, financial management and income raising initiatives
- 2.7. Approving the member fees and funding arrangements
- 2.8. Overseeing Stormwater Australia's accounting and corporate reporting systems and appointing, re-appointing or removing the Company's external auditors and approving the auditor's remuneration, upon recommendation from the Audit and Risk Committee
- 2.9. Approving and monitoring the effectiveness of the company's system of corporate governance, including formation of Board committees and the terms of applicable governing charters
- 2.10. Monitoring and guiding the culture, reputation and standards of conduct of the company
- 2.11. Approving the Company's Code of Conduct and other Stormwater Australia level policies, and monitoring their effectiveness
- 2.12. Determining the size, composition and structure of the Board, and the process for evaluating its performance

- 2.13. Appointing and removing any consultants and employees, and approving the remuneration of and overseeing the performance review of any consultants and employees;
- 2.14. Approving and reviewing Board and Company succession plans;
- 2.15. Monitoring Stormwater Australia's performance in delivering its strategic plans;
- 2.16. Approving and monitoring the systems and policies to ensure integrity of budgets, financial statements and other reporting;
- 2.17. Overseeing and approving strategies for Stormwater Australia to maintain a strong balance sheet;
- 2.18. Overseeing the management of the Stormwater Australia's interactions and communications with members and the broader community;
- 2.19. Reviewing the division of functions and responsibilities between the Board, operational roles and associated support services and volunteers; and
- 2.20. Such other activities as the Board determines are necessary and desirable and consistent with the Constitution.

3. The Role of Management

- 3.1. The day to day operations of SW are managed by the volunteer activities of its Board, committees and members, by service providers and the support of a Finance Officer.
- 3.2. The Board delegates to the Executive Officer as a non-executive Director all powers to manage the day-to-day business of the Stormwater Australia, subject to those powers reserved to the Board in clause 2 and any specific delegations of authority approved by the Board.
- 3.3. In the absence of an Executive Officer as a non-executive Director or Finance Officer, the Board will need to ensure the day-to-day duties are met through delegation to its Committees to progress through volunteer based Working Groups.
- 3.4. The key responsibilities of the Executive Officer* non-executive Director are to:
 - (a) manage and administer the day-to-day operations of Stormwater Australia in accordance with the strategy, business plans and policies approved by the Board;
 - (b) develop strategies for the Company, its initiatives and management, and make recommendations to the Board on such strategies;
 - (c) develop the Stormwater Australia's annual budget and conduct the Stormwater Australia's activities within the approved annual budget;

- (d) develop strategies for Stormwater Australia to maintain a sound balance sheet;
- (e) develop and maintain the Stormwater Australia's risk management systems, including internal compliance and control mechanisms;
- (g) assign responsibilities clearly to member volunteers and paid suppliers, and supervise and report on their performance to the Board;
- (h) recommend to the Board significant operational changes, and major expenditure, which are beyond delegated thresholds

*In the absence of an Executive Officer the Finance, Audit and Risk Committee will adopt Executive Officer Responsibilities.

4. Composition, Size and Structure of the Board

- 4.1. Composition: The Board is responsible for determining an appropriate mix of skills, knowledge, experience, expertise and diversity on the Board, necessary to review and approve the strategic direction of Stormwater Australia, and to guide and monitor the management of the Company, upon recommendation from the Nomination Committee.
- 4.2. Size: The number of directors on the Board shall be determined in accordance with the Constitution and the requirements of the Corporations Act.
- 4.3. Structure: The Board shall consist of a majority of non-executive directors who satisfy the criteria for independence in clause 13.
- 4.4. Qualifications: The Nomination Committee is responsible for reviewing Board composition, skills and experience, and making recommendations in relation to Board appointments and re-elections, including preparing a description of the role and capabilities required for a particular Board appointment, identifying suitable candidates to fill Board vacancies as and when they arise, and nominating candidates for the approval of the Board and confirmation by a General Meeting.

5. Tenure

- 5.1. The Board will review biennially its composition and the duration of terms served by directors, upon recommendation from the Nomination Committee. The Nomination Committee is responsible for developing and reviewing the succession plans of the Board (including the role of Chair), with the aim of maintaining an appropriate mix of skills, experience, expertise and diversity on the Board over time.
- 5.2. The Nomination Committee is responsible for identifying existing directors who are due for re-election at Annual General Meetings, in accordance with the Constitution and notifying the Board.
- 5.3. Each non-executive director shall consider the views of other non-executive directors of the Company when deciding whether to stand for re-election.
- 5.4. An executive director shall tender their resignation as director immediately upon cessation of their Director role with the Company.

6. Performance Review

- 6.1. The Board is responsible for undertaking a formal evaluation process to review its performance and that of its committees once every two years. The Nomination Committee is responsible for scheduling these formal reviews.

7. Appointment and Responsibilities of Chair (President)

- 7.1. The Board shall appoint a Chair in accordance with the Constitution. The Chair of the Board shall be the President.
- 7.2. The Chair must be one of the non-executive directors who satisfy the criteria for independence in clause 13.
- 7.3. The role of Chair must not be held by someone who is performing the role of Executive Officer or other paid role within Stormwater Australia's operations.
- 7.4. The Chair must retire from that position in accordance with the Constitution.
- 7.5. The appointment of the Chair shall be formally reviewed at the end of a two year period.
- 7.6. The responsibilities of the Chair are to:
- (a) maintain effective communication between the Board and any employees or consultants;
 - (b) ensure effective communication between the Board and members and stakeholders;
 - (c) lead the Board;
 - (d) ensure the efficient organisation and conduct of the Board's function;
 - (e) brief all directors in relation to issues arising at Board meetings;
 - (f) chair general meetings of the Company; and
 - (g) exercise such specific and express powers as are delegated to the Chair by the Board from time to time.

8. Company Secretary

- 8.1. The Board may choose to appoint a Company Secretary.
- 8.2. Where the board chooses not to appoint a Company Secretary they shall ensure the duties of Company Secretary are performed.
- 8.3. Appointment and removal of the Company Secretary is subject to Board approval.
- 8.4. The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
- 8.5. Each director has a right of access to the Company Secretary at all times.
- 8.6. The role of the Company Secretary is compliance and governance administration, which includes:
- (a) assisting the Board and Board committees on governance matters;
 - (b) monitoring Board and committee policy and procedures;
 - (c) co-ordinating the timely completion and dispatch of Board and committee papers;
 - (d) facilitate Director and Board access to necessary or desirable company information;
 - (e) ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
 - (f) helping to organise and facilitate the induction and professional development of directors.

9. Committees of the Board

- 9.1. The Board may from time to time establish and delegate any powers to a committee of the Board in accordance with its constitution.
- 9.2. The Board is responsible for approving and reviewing the charter terms and membership of each committee established by the Board.
- 9.3. The Board has established the following committees:
- (a) Finance, Audit and Risk Committee;

- (b) Nomination Committee;
- (c) Stakeholder Engagement Committee
- (d) Policy and Governance Committee.

9.4. Each Committee Chair will be responsible for:

9.4.1. Minutes – circulation to all Committee members for review, and

9.4.2. Collation of business papers, including agenda.

9.5. The Chair of the Committee will report to the Board of Directors at the next ordinary Board meeting following each Committee meeting on all matters relevant and major Committee activity, and to special Board meetings when necessary or desirable or requested by the Board.

9.6. All directors shall be entitled to attend meetings of Board committees where there is no material conflict of interest.

10. Board Meetings

10.1. The Board shall meet at least five times per year, and otherwise as often as the directors determine necessary to enable the directors and the Board to fulfil their duties and responsibilities to the Company.

10.2. A director may call a meeting of the directors, and the Company Secretary must, if requested by a director, call a Board meeting.

10.3. The Company Secretary is responsible for preparing and distributing Board meeting papers to directors prior to each meeting.

10.4. A quorum for a Board meeting shall be determined in accordance with the Constitution.

10.5. The Chair is responsible for the conduct of all Board meetings, including briefing all directors in relation to the issues arising at Board meetings. The Chair has a casting vote, subject to the terms of the Constitution.

10.6. Draft minutes of each Board meeting shall be prepared by the Company Secretary promptly following the meeting for review by the Chair.

10.7 The Company Secretary must maintain a complete set of board papers. Individual directors may also retain their own board papers at a secure location.

10.8 The Board will adopt a rolling 12 month board calendar which includes all scheduled board and committee meetings, as well as major corporate and board activities such as the AGM.

10.9 At any time when there is no Company Secretary appointed, the Board shall ensure that the Chair or Secretary of the Board shall meet the obligations prescribed in 10.2, 10.3, 10.6 and 10.7.

11. Ethical Standards and Legal Duties

11.1. Each director shall abide by the terms of the Stormwater Australia's Code of Conduct, and are expected to uphold the ethical standards and behaviour described in the Code.

11.2. The Board will operate in a manner reflecting the obligations, values and agreed behaviours of Stormwater Australia, the Constitution, the Corporations Act and all other applicable laws and regulations

12. Conflicts of interest

12.1. Each director has a fiduciary and statutory duty not to place themselves in a position which gives rise to, or is perceived to give rise to, a real or substantial possibility of conflict, whether it be a conflict of interest or conflict of duties. In accordance with the Stormwater Australia's Conflicts of Interest Policy, each director is required:

- (a) to ensure that the Board is notified (whether by formal standing notice or notification to the Company Secretary or Board immediately on becoming aware) of any such conflicts of interest; and

12.2. if any matter is or likely to be brought before the Board which could give rise to such a material conflict of interest, then the director:

- a. shall disclose this to the Board;
- b. shall continue to receive Board papers or other information which relates to the matter which is the subject of the conflict of interest, unless the director requests, that he or she shall not receive any or all of those documents;
- c. may choose to withdraw from any part of a Board or Board Committee meeting for the duration of any discussion; and
- d. may choose to not vote on the matter,.

12.3. Where a Director declares a material conflict of interest, or potential material conflict, it shall be recorded in a register maintained by the Chair.

13. External Directorships

- 13.1. A director should continually evaluate their workloads and the number of boards of companies (and any committees of those boards) on which the director serves, to ensure that each company can be given the time and attention to detail required to properly exercise the director's powers and discharge the director's duties to that company, in addition to any review by the Nomination Committee of the time commitments required by the non-executive directors and whether these time commitments are being met.
- 13.2. A director shall notify the Chair prior to accepting an invitation to become a director of any company. Prior to accepting such an invitation, the director must consider:
- (a) the views and recommendations of the Chair with respect to the director acting simultaneously as a director of the Company and as a director of an external entity; and
 - (b) best practice standards on multiple directorships.

14. Director Protection

- 14.1 A complete set of board papers shall be held by the Company Secretary on behalf of each director (individually) for a period of at least seven years. Directors are entitled to access the papers for the period when they were a Director on request, even if they have ceased to be Directors.
- 14.2 Stormwater Australia shall keep current an appropriate Directors and Officers insurance policy, and all Directors shall be provided with full details.
- 14.3 All Directors shall be provided with an individual Deed of Indemnity and Access.

15. Independent advice

- 15.1. The Board collectively, and each director individually, may obtain independent professional advice at Stormwater Australia's expense, as considered necessary to assist in fulfilling their relevant duties and responsibilities.
- 15.2. Individual directors who wish to obtain independent professional advice should seek the approval of the Chair (acting reasonably), and will be entitled to reimbursement of all

reasonable costs in obtaining such advice. In the case of a request made by the Chair, approval is required by the Chair of the Finance, Audit and Risk Committee.

16. Access to members and key stakeholders

- 16.1. Where Directors engage with members and key stakeholder in their capacity as Directors, they should advise the Chair in accordance with the Stakeholder Engagement Policy.

17. Confidentiality

- 17.1 Confidentiality will be in accordance with standard Stormwater Australia confidentiality agreements.

18. Review and Access

- 18.1 The Board will every three years review the Charter to ensure that it meets best practice standards and meets the needs of the Company and the Board.
- 18.2 The Charter is available on Stormwater Australia's website and/ or copy will be made available on request.

Authorisation & Review			
<u>Version</u>	<u>Approved by</u>	<u>Date Approved</u>	<u>Next Review</u>
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