



Board Charter and Governance

1. Purpose of this Charter

The purpose of this Charter is to specify how AMSA is governed so as to promote AMSA and protect the interests of its Members and other stakeholders.

The Board is responsible for the governance of AMSA. This Charter sets out the role and responsibilities of the Board, which responsibilities are delegated to Committees of the Board or to management, as well as the membership and the operation of the Board.

2. Role and responsibilities of the Board

2.1 Role of the Board

The role of the Board is to provide overall strategic guidance for AMSA and effective oversight of management. The Board ensures that the activities of AMSA comply with its Constitution from which the Board derives its authority to act and with legal and regulatory requirements.

2.1 Responsibilities

The Board is responsible for:

- 2.1.1 Approving the strategic direction and plans for the Men's Shed Movement;
- 2.1.2 Oversight of AMSA, including its control and accountability systems;
- 2.1.3 Appointing and removing the chief executive officer ('CEO');
- 2.1.4 Ratifying the appointment and the removal of senior executives directly reporting to the CEO and the AMSA Secretary;
- 2.1.5 Approving the establishment of relationships and sponsorship agreements with aligned organisations that support the goals and objectives of the Men's Shed Movement;

- 2.1.6 Providing input into and final approval of management's development of corporate strategy, project plans and performance objectives;
- 2.1.7 Actively promoting ethical and responsible decision-making, including establishing, maintaining and monitoring compliance of appropriate codes of conduct and other significant corporate policies and all legal requirements in regard to anti-discrimination and employment legislation;
- 2.1.8 Reviewing, ratifying and monitoring systems of risk management and internal compliance and control and legal compliance;
- 2.1.9 Monitoring senior executives' performance and implementation of strategy, and ensuring appropriate resources are available;
- 2.1.10 Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures;
- 2.1.11 Approving and monitoring financial and other reporting;
- 2.1.12 Actively promoting adoption of effective Workplace Health and Safety policies and practices by AMSA Men's Shed Members and that systems of continuous improvement are in place;
- 2.1.13 Requiring that notifiable incidents and critical safety incidents occurring in individual Sheds are reported to authorities and monitored to ensure that 'safety alerts' are acted upon through Sheds;
- 2.1.14 Delegating to the CEO and the executive officers the day to day management of the National Office of AMSA other than those functions it reserves to itself and approve a schedule of delegations to guide decision making in all areas.

3 Role and responsibilities of Chairman and the Secretary

3.1 Chairman

The Chairman of the Board is elected by the Board from amongst the directors in office. The Chairman is considered the captain of the team and should use skills and leadership abilities to ensure that the Board is an effective and observes sound governance principles.

The Chairman is responsible for:

- 3.1.1 Leading the Board in reviewing and discussing Board matters
 - 3.1.2 Chairing Board meetings and Members' meetings
 - 3.1.3 Ensuring the efficient organisation and conduct of the Board's function
 - 3.1.4 Briefing all directors in relation to issues arising at Board meetings;
 - 3.1.5 Facilitating effective contribution by all directors and monitoring Board performance;
 - 3.1.6 Overseeing that membership of the Board is skilled and appropriate for AMSA's needs;
 - 3.1.7 Promoting constructive relations between Board members and between the Board and management;
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- 3.1.8 Ensuring that Directors meet at least annually to consider, among other things, the CEO's and senior executives' performances;
- 3.1.9 Reviewing corporate governance matters with the AMSA secretary and reporting on those matters to the Board;and
- 3.1.10 Establishing and overseeing the implementation of policies and systems for Board performance review and renewal.

3.2 Company Secretary

The AMSA Secretary is generally responsible for carrying out the administrative and statutory requirements of the Board by:

- 3.2.1 Organising Board meetings and director attendance
- 3.2.2 Monitoring compliance with Board policy, procedures and by-laws
- 3.2.3 Coordinating the completion and despatch of the Board agenda and briefing materials
- 3.2.4 Preparing minutes of meetings and resolutions of the Board and taking these to the chairman for approval and circulation
- 3.2.5 Circulating minutes from committee meetings to the Board
- 3.2.6 Ensuring AMSA complies with its requirements under the Corporations Act regarding registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission
- 3.2.7 Ensuring that all contracts and or agreements comply with the law and are not detrimental to AMSA interests
- 3.2.8 Maintain a register of all agreements, insurances, contracts and other matters which must be renewed or maintained on a periodic basis and provide to the board on a quarterly basis a schedule reporting those which had been renewed and those which are due for renewal together with a recommendation as to action for renewal or discontinuance.

The AMSA Secretary attends all meetings of the Board as required. The AMSA Secretary is accountable to the Board through the Chairman on all corporate governance matters.

4 Delegations of authority

4.1 Delegation to committees

Under AMSA's Constitution, the Board may establish and delegate responsibility to Board Committees to consider certain issues in further detail and then report back to and advise the Board.

Committees established by the Board will have a 'Terms of Reference' setting out the authority, responsibilities, membership and operation of the Committee approved by the Board before becoming operational.

Committees established by the Board will observe the AMSA Constitution and By-Laws

Committees established by the Board will regularly review elements of By-Laws, governance and operations, including the 'Terms of Reference' of their Committee and propose changes for approval by the Board.

Each Committee shall consist of at least two Directors with expertise in the particular or related area. The Board shall appoint one of the Directors on the Committee to be the Chairman. Committees will maintain minutes of their meetings. The Chairman of each Committee will report back on Committee meetings to the Board at the next full Board meeting.

The Board may appoint non-Board members to a Committee who have expertise, skills and relevant experience to a Committee.

Other Directors are entitled to attend Committee meetings and receive Committee papers.

Committees are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The Chairman of a Committee wishing to obtain advice shall firstly consult with the Chairman of the Board before engaging any specialist advice.

The Chairman of a Committee may seek assistance from the CEO who may nominate a member of staff to assist and advise the Committee.

The Board has established the following Committees to cover the subject matters outlined:

- a) Board Audit and Risk Committee
- b) Board Nomination, Remuneration and Succession Committee
- c) Membership Committee.

4.2 Delegation to CEO and management

The Board has delegated to the CEO the authority to manage the day to day affairs of AMSA and the authority to control the affairs of AMSA in relation to all matters other than those responsibilities reserved to itself in this charter.

4.3 Powers of the Chief Executive Officer

The Chief Executive Officer may authorise the publication of:

- 4.3.1 Management guidelines in respect of AMSA employees and volunteers;
- 4.3.2 Procedures to be followed by AMSA employees and volunteers and management guidelines of recommended procedures to be followed by AMSA Men's Shed Members.

In the event of any inconsistency between management guidelines and management procedures issued pursuant to the above and the Constitution or Bylaws and the provisions of the Corporations Act, the provisions of the Constitution, the Bylaws and the Corporations Act will prevail.

The Board may impose further specific limits on CEO delegations. These delegations of authority will be maintained by AMSA Secretary and will be reviewed by the Board as appropriate from time to time.

The CEO has authority to sub-delegate to the senior management team.

5 Membership of the Board

5.1 Composition and size

The AMSA Board is comprised of six (6) Directors from each of the 6 Regions elected by the Members from that Region and up to five (5) appointed specialist Directors (**Appointed Directors**). For the purpose of election of State-based Directors the ACT is included as part of New South Wales and the Northern Territory is included with and part of South Australia. Specialist Directors will be recruited to fill identified skill requirements of the Board.

Each of the Elected Directors must retire at the second Annual General Meeting after their election and may stand for re-election. Appointed Directors are appointed for a 3 year term. No Director can hold office for more than 6 consecutive years. No employee of AMSA, including the CEO, can be the Chairman or a Director on the Board of AMSA, although they may be Directors of controlled entities of AMSA.

The Chairman shall be appointed for a term of 3 years or such other period as the Directors think fit provided that the Chairman may not serve for more than six consecutive years.

The number of Directors and the composition of the Board must at all times be appropriate to AMSA to achieve efficient decision making and adequately discharge its responsibilities and duties.

The Board will seek to appoint Directors with an appropriate range of skills, experience and expertise and an understanding of and competence to deal with current and emerging issues of AMSA's operations.

AMSA's Board Succession Plan shall be designed to maintain an appropriate balance of skills, experience and expertise on the Board and ensure that corporate knowledge is retained.

5.2 Appointment and election of Directors

Any AMSA Men's Shed Member that has been a financial member for a minimum of 12 months is eligible to nominate a Shedder from their Men's Shed to stand for election to the Board of AMSA.

Each Shed can only make one nomination and that person must have been a financial member of the Member Shed for a minimum of 12 months. Each nomination must be seconded by another AMSA Men's Shed Member.

The process of selection and appointment of Appointed Directors to the Board is that when a vacancy arises, a Board Committee will identify

candidates with appropriate skills, experience and expertise. Candidates with the skills, experience and expertise that best complement the Board's effectiveness will be recommended to the Board. Skills-based Directors will be recruited through AMSA's employment policies and will be nationally advertised through an external employment consultant.

When the Board considers that a suitable candidate has been found, that person may be appointed by the Board to fill a casual vacancy in accordance with AMSA's Constitution, but must stand for election by members at the next Annual General Meeting.

Appointed Directors will be appointed by a letter of appointment setting out the terms and conditions of their appointment.

All Directors will be expected to participate in any induction or orientation programs upon their appointment or election and any continuing education or training arranged for them.

Directors must retire from office in accordance with the Constitution. Retiring Directors may be eligible for re-election.

Before calling for nominations for an Elected Director position, the Chairman of the Board may assess the performance of any Elected Director standing for re-election and the Board may determine their recommendation to members on the re-election of the Director (in the absence of the Director involved).

The Board (excluding the Chairman) will conduct the review of the Chairman.

In accordance with section 150(1) of the Corporations Act, to satisfy the requirement to not have the word "Limited" in its legal name, AMSA is prohibited from paying fees to the Directors.

5.3 Independence

All Directors should bring an independent judgment to bear on all Board decisions.

A Director is considered independent by AMSA—if the Director is a non-executive Director who is not a member of management and is free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment or could reasonably be perceived to do so.

A Director will not be independent if that Director:

- 5.3.1 Is employed or has previously been employed in an executive capacity by AMSA or another group member and there has not been a period of at least three years between ceasing that employment and serving on the Board; or
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- 5.3.2 Within the last three years, has been a principal of a material professional adviser or material consultant to AMSA, or an employee materially associated with the service provided; or
- 5.3.3 Has a material contractual relationship with AMSA, unless the Board is satisfied on reasonable grounds that the Director is independent despite the existence of such relationship.

The Board will regularly assess the independence of each Director in light of the interests disclosed by them. Each Director must provide the Board with all relevant information to enable this to occur. The outcome of this assessment will be reflected in the corporate governance section of AMSA's Annual Report. Any change to a Director's independent status will be disclosed to the stakeholders in a timely fashion.

6 Director's Code of Conduct

Directors must at all times act in accordance with legal and statutory requirements, and discharge all their duties as directors.

6.1 Purpose

In accordance with AMSA's charitable registration with the ACNC, the responsible persons of a charity (being in the case of AMSA, the Directors) owe duties and responsibilities to AMSA which are particular to registered charities.

In accordance with ACNC Governance Standard 5: Duties of Responsible Persons, Directors will ensure that in fulfilling their duties to AMSA they:

- 6.1.1 act with reasonable care and diligence;
- 6.1.2 act honestly and fairly in the best interests of AMSA and for its charitable purposes;
- 6.1.3 do not misuse information gained as a Director;
- 6.1.4 do not take improper advantage of their position as a Director;
- 6.1.5 do not allow confidential information received in the course of the exercise of their directorial duties to be disclosed, unless that disclosure has been authorised by AMSA or the person from whom the information is provided, or is required by law;
- 6.1.6 do not allow personal interests, or the interests of their associates to conflict with those interests of AMSA and properly manage any actual or perceived conflict with the interests of AMSA;
- 6.1.7 ensure that AMSA's financial affairs are managed responsibly; and
- 6.1.8 do not allow AMSA to operate whilst insolvent.

Directors should take steps to familiarise themselves with the duties expected of them as a responsible person of a charity. Further information about the duties of those who manage charities can be found on the ACNC's website or in the ACNC's Guide: Governance for Good (the ACNC's guide for charity board members) which is provided to Directors by AMSA upon their appointment.

6.2 Additional obligations

In addition to the duties imposed on responsible persons by the ACNC, Directors must act in accordance with the following standards of conduct in fulfilling their role on the Board of AMSA:

(a) **Ethics and integrity**

Directors must act ethically and with a high level of integrity at all times and must not engage in conduct likely to bring discredit upon AMSA.

(b) **Use of skills and qualifications**

Directors must give of their expertise generously to AMSA.

(c) **Personal and professional behaviour**

Directors should conduct themselves professionally at all times and should treat members of the community fairly, sensitively, consistently and with respect.

(d) **Decision making**

Directors must demonstrate commercial reasonableness in their decisions and make appropriate enquiries to ensure AMSA is operating efficiently and legally to achieve its goals.

(e) **Conduct diligent and unbiased analysis**

Directors must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that they believe, to be in the best interests of AMSA as a whole and in furtherance of AMSA's charitable purposes.

(f) **Opportunity to be heard**

Directors must be provided with an opportunity to put their views on issues before the Board or a committee on which the Director sits. Directors should be able to engage in vigorous debate on matters of principle and in doing so treat each other with courtesy and observe the other rules in this Code.

(g) **Non-disclosure**

Directors must not disclose the content of discussions at Board meetings or Board Committee meetings outside appropriate and responsible circles within AMSA with a legitimate interest in the subject of the disclosure, unless that disclosure has been authorised by AMSA, or is required by law. Disclosure to the Members of the AMSA (as listed in Section 5 of the AMSA Constitution) is permitted.

(h) **Relevant legislation**

Directors must familiarise themselves with AMSA's Constitution, the ACNC Act, the Corporations Act and the specific documents provided by AMSA upon their appointment.

6.3 Adoption of Code of Conduct

Each Director agrees to comply with this Code of Conduct by accepting office as a director of AMSA. A signed copy of this Charter must be returned to AMSA prior to or as soon as practicable after the Director's acceptance of office.

7 Board process

7.1 Meetings

All Board meetings will be conducted in accordance with AMSA's Constitution and the Corporations Act. Board meetings and agendas are fundamental to good governance. The meetings are critical as they are the main opportunity for the Directors to obtain and exchange information with each other and make decisions. The agenda is important as it shapes the information flow and subsequent decisions at the meeting.

Directors are committed to collective decision making but have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the Directors. Individual Directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings.

Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed or the Board agrees to the matters being disclosed.

All Directors are generally expected to prepare adequately, attend and participate at each Board meeting. All Directors should actively consider the sufficiency of the contents of the Board papers that have been provided for their consideration. The Board should assess the information that it receives and the timing of its distribution to ensure the Board has sufficient time to examine the material provided to it for approval.

If any of the Board Committees have met since the last Board meeting, the minutes of such Board Committee meeting should be attached to the Board papers for noting by the Board. If there are any matters or recommendations which a Board Committee wishes the Board to consider these should be contained in a Report for consideration by the Board.

The Board may request or invite management or external consultants to attend Board meetings, where necessary or desirable.

The Board may conduct meetings by telephone or video conference.

7.2 Minutes

At a minimum, the minutes of Board meetings will include:

- 7.2.1 Name and kind of meeting;
- 7.2.2 Date, place and time that the meeting began and ended;
- 7.2.3 Names of the Chairman and AMSA Secretary;
- 7.2.4 Names of voting members attending, and whether a quorum was present. The AMSA Secretary may circulate a sign-in sheet and attach it to the minutes;
- 7.2.5 Names of observers (if any) and the name of the Director by who they were appointed;
- 7.2.6 Names of guests and their subject matter;
- 7.2.7 Whether minutes from the previous meeting were approved, or corrected;
- 7.2.8 Motions made. The AMSA Secretary must record the exact wording of the motion, who made the motion and the result of the vote, (though not the number of votes for and against);
- 7.2.9 Reports. The name of the report, the name of the person presenting it, and any action taken on the report will be recorded. If the report was in writing, it will be attached. An oral report will be summarised briefly; and
- 7.2.10 Other actions, assignments and deadlines, resolutions and recommendations will be briefly recorded.

Minutes are not official until they are read and approved by a formal vote at the next Board Meeting. The Chair asks for corrections and additions to the Minutes and then calls for the vote. The Chair must sign the minutes once they have been approved by the Board.

If confidential issues are being discussed, the Board may vote to go into executive session which restricts participation in the meeting. Only meeting participants read and approve these minutes and they are to be kept separate to regular meeting minutes.

The AMSA Secretary is responsible for ensuring minutes are retained in the company register for a minimum of seven (7) years before archiving.

The complete set of Board papers of AMSA is held by the AMSA Secretary on behalf of each Director (individually) for a period of at least seven (7) years from the time that member ceases to serve on the Board. In accordance with the Corporations Act, in the event of any legal action,

investigation or enquiry by a regulatory authority, each Director is entitled to access the papers and any other relevant records of AMSA for the period during which they were a Director even if they have ceased to be a Director. This right continues for seven (7) years after that person ceased to be a Director.

7.3 Independent professional advice

Following consultation with the Chairman, Directors may seek independent professional advice relating to the discharge of their duties as a director at AMSA's expense. Generally, this advice will be available to all Directors.

7.4 Access to management

The Directors only have access to management following consultation with the Chairman and CEO.

8 Review and publication of Charter

The Board is responsible for reviewing this Charter, governance arrangements and the division of functions and responsibilities in AMSA from time to time. The Charter and governance arrangements may be amended by resolution of the Board.

The Charter is available on AMSA's website.
