

The Western Australian Swimming Association Inc. (Swimming WA)

Board of Governance Charter

30th April 2017

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I. Introduction

The Board of the Western Australian Swimming Association Inc. (SWA) “Board” has the ultimate responsibility to its Members for the strategy and performance of the Association in general. The Board is dedicated to fulfilling these duties in a professional manner, and with the utmost integrity and objectivity. As such, the Board actively pursues best practice governance processes.

Good governance Policies and Procedures are crucial for ensuring that the Association is governed in accordance with the SWA Constitution and in the best interest of the Association as a whole. With this point in mind, the Board has decided to articulate and formalise the corporate governance framework within which the Board operates.

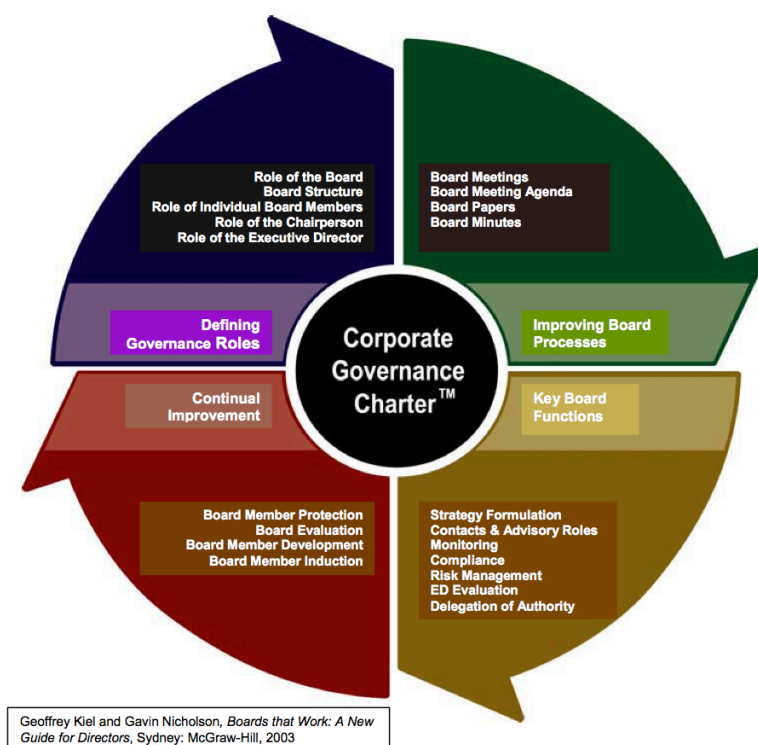
This document outlines the SWA Board’s Corporate Governance Policy in the form of a **Board Charter**, which is a written Policy document defining the respective roles, responsibilities and authorities of the Board, both individually and collectively, and of Senior Management in setting the direction, management and control of the Association. As such, it establishes the guidelines within which the Directors and Officers are to operate as they carry out their respective roles. It does not in any way constitute legal advice or act as a substitute for legal advice.

The purpose of this SWA Board Charter is to document the Policies upon which the Board has decided to meet its legal and other responsibilities. The Charter is structured in accordance with the Association’s view of a Corporate Governance Charter.

The Association’s Board Charter has four (4) main sections:

- Part A – Defining Governance Roles;
- Part B – Board Processes;
- Part C – Key Board Functions; and
- Part D – Continuing Improvement.

Figure I – SWA Board Charter Governance



While it is acknowledged that good governance is an important component of a successful Association, it is also recognised that it is contingent upon the context in which it is practiced. Therefore, corporate governance needs to be

an ongoing process, and as a result this SWA Board Charter is a “living document”. The Board Charter will be regularly reviewed and updated to reflect changes in the legal framework, within which the Association operates, and amendments and developments in the Board Policies and Procedures. It is the responsibility of the Board to ensure that the Chief Executive Officer collaborates with the Board regarding any changes and updates, that the Board Charter is kept current and is reviewed and amended on an annually basis. Nothing in this Charter Conflicts with the Associations Constitution. If such a Conflict occurs, the Constitution shall prevail. Any reference to gender in this Charter should be interpreted as applicable to both males and females.

Part A – Defining Governance Roles

2. The Role of the SWA Board

The SWA Board is ultimately responsible for all matters relating to the leadership of the Association.

The SWA Board's role is to govern the Association rather than manage it. In governing the Association, the Board must act in the best interests of the Association as a whole. It is the role of the Chief Executive Officer (CEO) to manage the day-to-day administration of Association in accordance with the directions and delegations of the Board and the responsibility of the Board to oversee the activities of the Administration in carrying out these delegated duties. Thus, except when dealing with specific management delegations of individual Board Members, it is misleading to refer to the management functions of the Board.

The SWA Board has the final responsibility for the successful operations of the Association. In general, it is responsible for, and has the authority to determine, all matters relating to policies, practices, management and operations of the Association. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Association. In carrying out its governance role, the main task of the Board is to drive the performance and strategic direction of the Association. The Board must also ensure that the Association complies with all its contractual, statutory and any other legal obligations, including the requirement of any regulatory body.

Corporate Governance is, “the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations.” It encompasses the mechanisms by which Associations or companies, and those in control, are held to account. Corporate Governance influences how the objectives of the Association are set and achieved, how risk is monitored and assessed, and how performance is optimised. Effective governance structures encourage Associations or companies to create value, through entrepreneurialism, innovation, development and exploration, and provide accountability and control systems commensurate with the risks involved.

As a guiding tool in the endeavour to govern the Association to a professional and ethical outcome, the SWA Board has chosen to adopt the Australian Securities Exchange (ASX) Corporate Governance Principles. These Principles and associated recommendations may be viewed at Annexure A. The most current principles that may change from time to time can be accessed at:

http://www.asx.com.au/documents/about/cg_principles_recommendations_with_2010_amendments.pdf

Without intending to limit this general role of the SWA Board, the principal functions and responsibilities of the Board include the following:

- a) Providing leadership to the Association by:
 - i. Guiding the development of an appropriate culture and values in the Association through the establishment and review of Codes of Conduct, Rules and Procedures to enforce ethical behaviour and provide guidance on appropriate swimming issues;
 - ii. Always acting in a manner consistent with the Association's culture and Code of Conduct.
- b) Overseeing the development and implementation of an appropriate strategy by:
 - i. Working with the Administration Team to ensure that an appropriate strategic direction and array of goals are in place;
 - ii. Regularly reviewing and amending or updating the Associations strategic direction and goals;
 - iii. Ensuring that the appropriate internal controls are implemented and reviewed regularly;
 - iv. Overseeing planning activities including the development and approval of Strategic Plans, Annual Reports, SWA Board calendar, annual budgets and long term Association budgets including operating budgets, capital expenditure and cash flow;
 - v. Reviewing the progress and performance of the Association in meeting these plans and Association objectives, including reporting the outcomes of such reviews on an annual basis.
- c) Ensuring accountability to the Members primarily through adopting an effective Stakeholder communications strategy, encouraging effective participation at General Meetings and, through the Chair, being the key interface

between the Association and its Stakeholders;

- d) Overseeing the control and accountability systems that ensure the Association is progressing toward the goals set by the SWA Board and in line with the Association's purpose, the agreed Strategic Plan, legislative requirements and community expectations;
- e) Ensuring robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- f) Being responsible for the Association's Management and Personnel including:
 - i. Directly managing the performance of the CEO including;
 - ii. Appointing and remunerating the CEO;
 - iii. Providing advice and counsel to the CEO including formal reviews and feedback on his or her performance;
- g) Ratifying the appointment, the terms and conditions of the appointment, development of the CEO;
- h) Ensuring that an appropriate succession plan for the CEO is in place; and
- i) Ensuring that appropriate human resource systems (including OH&S systems) are in place to ensure the well-being and effective contribution of all employees;
- j) Ensuring the SWA Board Membership and structure is suitable to the current circumstances of the Association, having in place effective succession planning procedures and evaluating performance where possible.
- k) Delegating appropriate powers to the CEO via Governance Policy Manual to ensure the effective day-to-day management of the business and monitoring the exercise of these powers; and
- l) Making all decisions outside the scope of these delegated powers including:
 - i. Approving the details of all items of expenditure in excess of \$10,000;
 - ii. Approving all operational expenditures more than 10% outside the approved budget;
 - iii. Approving all mergers, acquisitions or property disposals in excess of \$50,000;
 - iv. Approve any transfer of moneys between Association financial operating and investment accounts; of more than and
 - v. Approving and monitoring the progress of major capital expenditure, capital management and \$50,000 acquisitions and divestitures.

3. Board Structure

3.1 Number of Members

The number of SWA Board of Management members shall be in accordance with the Constitution of the Association, Section 23, as amended from time to time.

3.2 Appointment of SWA Board Members

The appointment of SWA Board Members shall be in accordance with the Constitution of the Association, Section 24, as amended from time to time.

A casual vacancy shall be filled in accordance with the Constitution of the Association, Section 25, as amended from time to time. When considering the filling of a casual vacancy, the SWA Board should take into account the prospective candidate/s performance, as well as the candidate's capacity to enhance the skills and experience mix required by the Board. The Board has the authority to appoint a candidate to a casual vacancy, but so that the total number does not at any time exceed the maximum number specified by the Constitution.

3.3 Duration of Appointment

The duration of appointment to the Board shall be in accordance with the Association's Constitution, Section 23, as amended from time to time.

4. The Role of Individual SWA Directors

As members of the peak decision-making body in the Association, the Members of the SWA Board share ultimate responsibility for the Association's overall success. Therefore, Members of the Board have an individual responsibility to ensure that the Board is undertaking its responsibilities as set out in its Statement of Board Functions.

It shall be acknowledged by all SWA Board Members that no one (1) Board Member has any more ostensible power/authority than any other Board Member. As decided and voted on by the Board, a Board Member may be elected as the Chair of the Board. Board Members must ensure that the Board is providing:

- a) Leadership to the Association, particularly in the area of ethics;
- b) A clear and appropriate strategic direction;
- c) Accountability to key Stakeholders, particularly Members;
- d) Oversight of SWA Policies;
- e) Oversight of all control and accountability systems including all financial operations and solvency, risk management and compliance;
- f) An effective Administrative Team and appropriate personnel policies; and Timely and effective decisions on matters reserved to it.

4.1 SWA Board Members Code of Conduct

As a Member of the SWA Board, a SWA Board Member is expected to comply with the Code of Conduct meet the following standards of Conduct:

- a) The Member should act honestly, in good faith and in the best interests of the Association as a whole;
- b) The Member should have a duty to use care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- c) The Member should use the powers of office for a proper purpose, in the best interest of the Association as a whole;
- d) The member should recognise that the primary responsibility is to the Association as a whole but may, where appropriate, have regard for the interests of all Stakeholders of the Association;
- e) The Member should not make improper use of information acquired as a Board or Committee Member;
- f) The Member should not take improper advantage of the position of a Board or Committee Member;
- g) The Member should properly manage any Conflict with the Interests of the Association;
- h) The Member has an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Chief Executive Officer;
- i) Confidential information received by the Member in the course of the exercise of directorial duties remains the property of the Association from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Association, or the person from whom the information is provided, or is required by law;
- j) The Member shall not engage in conduct likely to discredit upon the Association; and
- k) The SWA Board Member 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.

4.2 Expectations of SWA Board Members in Board Process

To maintain Association Membership confidence in the integrity of the SWA Board Members, it is essential that members of the Board are seen to exhibit the highest ethical standards in carrying out their duties. Board Members must pursue, and must be seen to pursue, the best interest of the Association and its Members. Board Members must perform their duties impartially, with professionalism, objectivity and integrity.

As the SWA Board must work together as a collective, Board Members will establish a set of standards for Board Meetings. At the Association, it is expected that Board Members shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board. Within the Board deliberations and processes, a Director should meet these standards:

a) General:

- i. Shall at all times act in the best interests of SWA as a whole;
- ii. Shall act honestly and in good faith at all times in the interest of SWA and its Members, ensuring that all Members, particularly those who are recipients of services, are treated fairly according to their rights;
- iii. Shall carry out their duties in a lawful manner and ensure that SWA carries out its business in accordance with the law and its own Constitution;
- iv. Shall establish SWA's purpose and key values by which SWA should work;
- v. Shall not do anything that in any way denigrates SWA or harms its public image;
- vi. Regularly review the SWA Board's and individuals performance;
- vii. Provide developmental activities for Directors to ensure the SWA Board receives current best practice methodology.

b) Meeting

- i. Shall avoid Conflicts of Interests. Where such Conflicts do arise, the SWA Board Director must act within the terms of the Board's Policy on the matter;
- ii. Shall be diligent, attend SWA Board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making;
- iii. Shall interact with the SWA Board of Directors and Swimming WA in a positive and constructive manner;
- iv. Shall be loyal and supportive to the SWA Board, abiding by Board decisions once reached;
- v. Shall periodically to monitor the performance of the CEO and SWA as a whole. To do this the SWA Board will ensure that appropriate monitoring and reporting systems are in place and that these are maintained and utilised to provide accurate and timely information to the Board;
- vi. Shall ensure that the independent views of Directors are given due consideration.

c) Finance:

- i. Shall act in accordance with their fiduciary duties, complying with the spirit as well as the letter of the law;
- ii. Shall ensure that SWA Members are provided with an accurate and balanced view of SWA's performance including both financial and service provision;
- iii. Shall make clear the requirements for reporting, both formal and informal by the CEO and SWA Board of Directors;
- iv. Shall ensure that SWA assets are protected via a suitable Risk Management Strategy.

d) Confidentiality

- i. Shall observe the confidentiality of non-public information acquired by them in their role as a SWA Board Director;
- ii. Shall ensure that the SWA President, the CEO, or their nominees are the only people to speak to the media on behalf of SWA.

e) Relationship with CEO

- i. Clearly delineate the role and responsibilities of the SWA Board and the CEO;
- ii. Shall provide clear key results that are to be achieved by the SWA CEO with appropriate reporting processes and within agreed timeframes;
- iii. Shall use Key Results Areas as the basis for the evaluation of the SWA CEO's performance, and will apply a strict discipline of measuring performance against these objective criteria only;
- iv. Shall set, ahead of a performance appraisal, the basic values and expectations on which the judgement of effectiveness will be based;
- v. Shall support the SWA CEO in the Management of the sport by only communicating with Staff either through him/her or with his/her endorsement.

SWA Board Members are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, and fully canvas all aspects of any issue confronting the Association, and cast their vote on any resolution according to their own judgment.

Outside the boardroom, SWA Board Members will support the letter and spirit of the Board decisions in discussions with all stakeholders including any special interest groups, customers, staff, suppliers and any other parties.

4.3 Conflicts of Interest and Related Party Transactions

4.3.1 Conflicts of Interest

SWA Board Members must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Board Member and the interests of the Association. Whether an interest is material or not will vary depending on individual circumstances. Board Members are expected to know when a matter is material and accordingly would declare any material Conflict. On appointment, Board Members have an opportunity to declare any such Interests and they should be entered into the Association's Conflicts of Interest Register each month.

SWA Board Members should update this disclosure by notifying the Chair or the CEO at the SWA Board meeting or in writing as soon as they become aware of any Conflicts. Board Members are also expected to indicate to the Chairman any actual or potential Conflict of Interest situation as soon as it arises. To ensure Board Members have an opportunity to disclose new Conflict of Interests, the first Agenda item for each Board Meeting will be the disclosure of any Conflicts of Interest. Any amendments to disclosures are to be tabled at this time and entered into the Association's Conflicts of Interest Register.

The SWA Board may request a Board Member to take reasonable steps to remove the Conflict of Interest. If a Board Member cannot or is unwilling to remove a Conflict of Interest that involves a material personal interest to that Board Member or a Member of his or her family then that Board Member must absent himself or herself from the room when discussions and voting occur on matters to which the Conflict relates.

4.3.2 Related Party Transactions

Related party transactions include any financial transaction between a SWA Board Member or Officer and the Association and will be reported in writing to each Board Meeting. In general, it will be a requirement that to assist the Board in showing that a financial benefit, such as awarding a contract to a company in which a Board Member is a partner, is given arm's length terms, the process outlined below (Potential Related Party Transactions) will be followed. The Board has also resolved that where a related party makes applications to a Board Member of the Association, then the Board Member shall exclude himself/ herself from the approval process.

Related party for this process means:

- a) A spouse or de facto spouse of the SWA Board Member; or
- b) A parent, son or daughter of the SWA Board Member or their spouse or de facto spouse; or

- c) An entity over which the SWA Board Member or a related party defined in (a) or (b) has a controlling interest.

The CEO will maintain a Register of Related Parties Transactions as well as the Conflicts of Interest Register.

5. The Role of the Chair

The Chair's role is a key one within the Association. The Chair is considered the "lead" SWA Board Member and utilises his/ her experience, skills and leadership abilities to facilitate the governance processes. There are two (2) main aspects to the Chair's role. They are the Chair's role within the boardroom and the Chair's role outside the boardroom.

5.1 Inside the Boardroom

The Role of the Chair is to:

- a) Establish the Agenda for SWA Board Meetings in consultation with the CEO;
- b) Chair SWA Board Meetings. If the Chair is not present within fifteen (15) minutes after the time appointed for the holding of the meeting, a Board Member chosen by a majority of Board Members shall assume the role;
- c) Be clear on what the SWA Board has to achieve, both in the long and short term;
- d) Provide guidance to other SWA Board Members about what is expected of them;
- e) Ensure that Board Meetings are effective in that:
 - i. The right matters are considered during the meeting (for example, strategic and important issues);
 - ii. Matters are considered carefully and thoroughly;
 - iii. All SWA Board Members are given the opportunity to effectively contribute; and
 - iv. The SWA Board comes to clear decisions and resolutions are noted.
- f) Brief all SWA Board Members in relation to issues arising at Board Meetings. Where the Chair has access to better information that may impact on the debate within a Board Meeting, it shall be the obligation of the Chairman to inform the Board Members of such information;
- g) Ensure that the decisions of the SWA Board are implemented properly and promptly;
- h) Ensure that the SWA Board behaves in accordance with its Code of Conduct; and
- i) Commence the annual process of SWA Board and CEO Evaluations.

5.2 Outside the Boardroom

The Role of the Chair is to:

- a) In conjunction with the CEO, undertake appropriate public relations activities;
- b) Be the spokesperson for the Association at the AGM and in the reporting of performance and profit figures;
- c) Be the major point of contact between the SWA Board and the CEO;
- d) Ensure that the SWA Board Members are kept fully informed and current by the CEO on all matters which may be of interest to the Board Members;
- e) Regularly review with the CEO, and such other SWA Board Members as the Board recommends, progress on important initiatives and significant issues facing the Association;
- f) Provide mentoring for the CEO; and
- g) Initiate and oversee the six (6) monthly CEO evaluation processes.

6. The Role of the Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the attainment of the Association's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the SWA Board.

The CEO is also charged with facilitating the Association's governance Policy and Procedures and holds a primary responsibility for ensuring that the SWA Board processes and procedures run efficiently and effectively. The CEO is accountable to the Board through the Chair, on all governance matters and reports directly to the Chair as the representative of the Board. The CEO is appointed and dismissed by the Board and all Board Members have a right of access to the CEO.

The authority and boundaries of the CEO is outlined in the Swimming WA Governance Policy Manual.

7. SWA Board Committees

- a) The SWA Board has an obligation to work with Member elected Committees and provide guidance on the expectation of the outcomes and reports of such Committees and their contribution to the strategic and operational outcomes of the Association.
- b) Where the SWA Board has a requirement to create a Board Committee, the Board shall define:
 - i. The make-up of the Committee and the potential skills required of its Members;
 - ii. A Term/s of Reference and defined boundaries for the Committee;
 - iii. The specified period in which the Committee will operate and dissolve; and
 - iv. The expectation of when and in what format any report is to be submitted to the Board.
- c) The CEO shall be an ex-officio Member of the SWA Board Committees.

Part B – SWA Board Process

8. Board Meetings

SWA Board Meetings are a fundamental component of governance processes. Each Board Meeting is critical, as it is the main opportunity for Board Members to:

- a) Obtain and exchange information with the Administrative team;
- b) Obtain and exchange information with each other; and
- c) Make decisions.

The SWA Board Meeting Agenda is equally as important because it shapes the information flow and subsequent discussion.

8.1 Meeting Frequency

The SWA Board will meet approximately ten (10) times per year, but no less than nine (9) times per year and, unless otherwise agreed by Board Members. Board Committees will generally meet as determined by the respective Committee. Where Board and Committee Meetings are scheduled for the same month, where possible, Committee Meetings will precede the Board Meeting by at least one (1) week to allow the circulation of the Minutes of the Committee Meeting prior to the Board Meeting.

8.2 Meeting Time and Location

The SWA Board generally meets at the Association's registered office located at the Beatty Park Aquatic Centre, Leederville, WA. Board Meetings usually commence at 6:00pm, but this may vary depending on the Agenda of each individual meeting, the availability of key participants and the location in which the meeting is taking place.

Noting the possible locale of key participants with the SWA Board structure, it shall be acceptable to use electronic media meeting methods (e.g. teleconferencing, video-conferencing) to participate in Board Meetings, provided the remote participant has appropriate connectivity.

8.3 Meeting Cycle

To assist the smooth running of SWA Board processes, the Board has adopted an indicative monthly cycle as follows. The indicative cycle gives Board Members seven (7) days to review the Agenda and the Board Papers to save valuable time at Meetings by being prepared for discussion and allowing them to seek clarification or further information in advance on ambiguous items.

Under normal circumstance, Board Meetings shall follow the following monthly cycle:

Item	Day
Draft Agenda prepared by the CEO and EA	-12
CEO updates Actions arising from the previous Meeting	-7
CEO reviews the proposed Agenda with the Chairman	-7
SWA Board Papers and Agenda are finalised	-7
SWA Board Papers are printed/ copied	-7
All SWA Board Papers are circulated to Board Meeting attendees	-7
SWA Board Meeting	0
Draft Minutes sent to the CEO by EA for amendments	3 to 5
Draft Minutes sent to Board Members	6 to 10

All days indicated are calculated in relation to the SWA Board Meeting day (day zero).

Please note that this is an indicative cycle only. The actual timing of events in the lead up to and follow up from SWA Board Meetings will be dependent upon the circumstances surrounding each individual meeting.

8.4 Conduct of Meeting

The Chair shall determine the degree of formality required at each meeting while maintaining the decorum of such meetings. As such, the Chairman will:

- a) Ensure that all SWA Members are “heard”;
- b) Retain sufficient control to ensure that the authority of the Chair is recognised and that all communications is through the Chair. This may require a degree of formality to be introduced if this is necessary to advance discussion;
- c) Take care that the decisions are properly understood and well recorded;
- d) Allocated a time limit (example of 15 minutes for an important issue) to each Agenda item to ensure that discussion and debate is assigned to the most important issues on a precedence basis. This action shall be take to ensure that appropriate discussion and debate time is assigned to each Agenda item or issue;
- e) Ensure that where discussion and debate on topics exceeds the allocated time limit, that the Agenda item or issue is held over to the next Board meeting for continued discussion; and
- f) Ensure that decisions and debates are completed with a formal resolution and recording the conclusions reached. All motions that result in a resolution should be read-back to confirm that the motion as put is grammatically correct with regards intent and outcome.

8.5 Quorum and Voting at Meetings

In order for a decision of the SWA Board to be valid, a quorum of Board Members must be present. In accordance with the Association’s Constitution a quorum is any four (4) Board Members present. Remote attendance via teleconference and or videoconference shall be acceptable for the purposes of delivering a Board Meeting quorum.

Questions arising at the SWA Board Meetings are to be decided by a majority of votes of Board Members who are present.

8.6 Emergency Decision Making – Written Resolutions

As provided by the Constitution, a written Resolution or Circular Resolution may be passed on the basis that all current SWA Board Members sign it. For the purposes of written resolutions, the receipt of electronic email with the name, date and time of the sending Board Member shall be construed to meet the requirement for written Resolution. However, electronic email shall only be passed on a 100% majority to the written Resolution or Circular Resolution. That is, should a SWA Board Member fail to respond within the specified timeframe to the Circular Resolution, it will be considered a “no” vote.

8.7 Information between Meetings

The SWA Board shall decide the boundaries of additional information sent out by the CEO between meetings, other than Agenda, and should normally only cover such information of substance that directly impacts the integrity and good governance of the Association.

9. SWA Board Meeting Agenda

9.1 Agenda Content

An Agenda will be prepared for each SWA Board Meeting. The Agenda should make it clear what subjects are to be discussed, aspects of these subjects are to be discussed, why it is being discussed and what the Board hopes to achieve from the discussion.

The Agenda shall be structured such that Agenda items are placed ahead of others that are of substance and require that the SWA Board know of and discuss the item as a matter of importance within the Board Meeting.

9.2 Agenda Preparation

The CEO, in consultation with the Chairman is responsible for preparing an Agenda for each Board Meeting. However, any Board Member may request items to be added to the Agenda for upcoming meetings. The EA (on behalf of the CEO) circulates the Agenda to all Board Members with the Board Papers at least seven (7) days prior to the meeting.

10. SWA Board Papers

10.1 Preparation and Circulation of Board Papers

The CEO (with assistance from the EA) is responsible for the preparation and circulation of SWA Board Papers. The Board Papers will be circulated to Board Members prior to the Board Meeting. If a Board Paper relates to a matter in which there is a known Conflict of Interest with a particular Board Member, then the relevant Board Paper may be removed by the CEO on the instructions of the Chair, from the set of Board Papers sent to the Board Member. In the case of the Chair having a Conflict of Interest, the Board will appoint another Board Member to make final decisions on the forwarding of Board Papers to the Chair.

10.2 Retention of Board Papers

The CEO maintains a complete set of SWA Board Papers at the Association's main offices. However, individual Board Members may retain their own Board Papers in a secure location.

11. SWA Board Minutes

Minutes are to be a sufficient record of discussion that appropriately details the decision/s and matters discussed at a SWA Board Meeting. Minutes will contain a brief summary and reference to relevant Board Papers tabled plus any official Resolutions adopted by the Board Members. All decision will be recorded in the Minutes by means of a formal resolution. Individual votes of the Board shall not be registered on the Minutes of the Board Meeting on any motion or decision, but rather that the Board resolved to accept or reject the motion or decision.

Final file copies of the Minutes shall reflect all corrections and amendments to the Minutes, as verified and or put by the Board Members prior to the Minutes being accepted as correct. This may, in some circumstance, cause the Minutes to be one (1) meeting in arrears before acceptance by the Board and filing.

Part C – Key SWA Board Functions

12. The SWA Board and Strategy

Each year the SWA Board will approve a formal strategic planning process that articulates the respective roles and levels of involvement of the Board, Administration Team and other Stakeholders and will review the Strategic Plan for the Association.

13. Contacts and Advisory Role

13.1 CEO Advisory Role

It is recognised that a key directional duty is providing a forum for review of the CEO's ideas and challenges. Recognising that the CEO and Board relationship is critical to effective corporate governance, Board Members should provide frank and honest advice to the CEO. It is expected that the Chair will play a key part of this role and will maintain regular contact with the CEO.

All SWA Board Member's advice should be constructive in nature and provided in a positive manner. Where appropriate, Board Members should recommend possible alternative advisers if they do not feel adequately trained to assist

13.2 Protocol for Interaction with Internal and External Parties

13.2.1 Media Contact and Comment

The SWA Board has designated the Chair or the CEO (where appropriate) to speak to the media on matters relating to the Association. In speaking to the media, and to safeguard against the inadvertent disclosure of possibly sensitive information, the Chair or the CEO will not comment on confidential matters and only make comment of matters that have been previously released or information, which the Board has sanctioned for release and public consumption.

There will be times when SWA Board Members may be approached by the media for public comment. On such occasions the Board Member(s) shall comply with the following:

- a) Refer the person to the Chair of the SWA Board or CEO as appropriate for comment;
- b) Refrain from disclosing any information, documents or other forms of data to the person without the prior consent of the Chair of the SWA Board or CEO;
- c) Report the person who contacted the SWA Board Member, the reason (explicit or inferred) for the contact and a summary of any other relevant information as soon as possible to the Chair of the SWA Board or CEO.

13.3 Hospitality and Gifts

While the Association recognises the need from time to time to give or accept customary business courtesies in accordance with ethical business practices, SWA Board Members will not solicit such courtesies and will not accept gifts, services, benefits or hospitality that might influence, or appear to influence, the Board Member's conduct in representing the Association.

13.4 SWA Employee Contact

When there is a requirement to discuss Association business with or give instructions to staff of the Association, the Board Member should communicate through or in the presence of the CEO or Senior Management. To do otherwise, is to undermine the authority of the CEO. It destroys the line of authority, which is essential to the proper day-to-day management of the Association. Moreover, Board Members must remember that they do not individually have the right to direct employees, unless the authority is specifically delegated to one (1) Board Member to handle staff affairs, no individual Board Member should assume the right to interfere.

It is the CEO that has responsibility for staff and it is the responsibility of each Board Member to ensure that the CEO fulfills his/ her duties in relation to staff.

The SWA Board shall not receive complaints from staff. Any complaint from staff shall be represented via the agreed Association Grievance Policy and there shall be no discretionary alternative to this process, unless any complaint is of such a magnitude that warrants the complaint's direct representation to the Chair. In such a circumstance, an agreed protocol shall be developed to manage the complaint that maintains the order of procedural fairness.

13.5 Political Comment

The SWA Board shall refrain from making comment that support or promotes any political party, organisation or entity. The Board shall remain apolitical unless directed by the Association's Membership.

I4. Monitoring

An essential function of the SWA Board is to monitor the performance of the Association in implementing its strategy and overall operational performance. This will be done on an annual basis. The Board will meet annually, usually after the AGM and review its operations and achievements during the year and critically appraise the achievement of corporate objectives, the performance of Senior Management and the Board.

Another function of the SWA Board is to review the present structure and machinery as provided by the Constitution and determine whether the Constitution is reflective of the way the Association and the Board operates. This review should look to innovation that permits the Association to adopt new approaches, practices, technologies that permit the Association to become more efficient.

I5. Compliance

The SWA Board is charged with overseeing, reviewing and ensuring the integrity and effectiveness of the Association's compliance system.

16. Risk Management

Since risk management is a complex and critical component of the Association's governance, the SWA Board will charge the CEO with implementing appropriate risk systems within the Association. Aspects of this process may be delegated. The risk management system should be based on the Australian/New Zealand Standard ISO 31000:2009 "Risk Management Principle and Guidelines" and Handbook 246:2010 "Guidelines for Managing Risk in Sport and Recreation"

Risk management is considered a key governance and management process. It is not an exercise merely to ensure business compliance. Therefore, the primary objectives of the risk management system at the Association are to ensure:

- a) All major sources of potential opportunity for adverse events and harm to the Association (both existing and potential) are identified, analysed and treated appropriately; and
- b) Business decisions are throughout the Association appropriately balancing risk and reward trade off.

Any risk management system should review all major strategies and purchases for their impact on the risk facing the Association and makes appropriate recommendations to the SWA Board. The Board should undertake an annual review of the Association's operations to update its Risk Profile. This normally occurs in conjunction with the strategic planning process.

17. Delegation of Authority

SWA Board Members are responsible for any delegation of their responsibilities with regard to Association operations. As such, they decide as a Board those Association matters are delegated to either specific Board Members or Officers. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual SWA Board Members have no individual authority to participate in the day-to-day management of the Association, including making representations or agreements with member companies, suppliers, customers, employees or other parties or organisations. The exception to this principle occurs where the Board, through resolution, explicitly delegates an authority to the Board Member individually. Additionally, it is recognised that the CEO will carry significant delegated authority by virtue of his/ her management position as outlined in a relevant Board resolution.

17.1 General Delegations

A summary list of delegations and authorities is to be provided. In general, the SWA Board will delegate all powers and authorities required to effectively and efficiently carry out the Association's business. Listed below are the exceptions to these delegations, whereby the Board or appropriate Committee reserves the power as indicated.

17.2 Decision Requiring Board Approval

The following decisions must be referred to the SWA Board for approval:

- a) Acquiring, selling or otherwise disposing of property in excess of 1% of total assets of the Association;
- b) Starting new business activities, terminating existing business activities or initiating major changes to the field of the Association's business activities;
- c) Approving and/ or altering the annual business plan (including financial planning) for the Association or any part of the Association;
- d) Determining the balance sheet strategy for the Association or any part of the Association;
- e) Entering into agreements for recurring, voluntary, or additional social benefits, superannuation agreements or agreements for general wage and salary increases;
- f) Co-signatory to the appointment, prolongation of employment or amendment to conditions of employment of the Association staff;
- g) Approving annual Budget items that provide salary/performance progression of the CEO and/ or staff; and
- h) Granting or evoking a power of attorney or limited authority to sign and/or act on behalf of the Association.

Part D – Continual Improvement

18. SWA Board Member Protection

8.1 Information Seeking Protocol

SWA Members will adhere to the following protocol when seeking information:

- a) Approach the relevant Senior Manager to request the data;
- b) If the data is not forthcoming, approach the CEO;
- c) If the information is still not forthcoming, write a letter to all SWA Board Members and the CEO detailing the information that is required, purpose of the information, and who the Board Member intends to approach in order to obtain the information.

18.2 Access to Professional Advice

A SWA Board Member of the Association is expected to exercise considered and independent judgment on the matters before him/ her. To discharge this expectation a Board Member may, from time to time, need to seek independent, expert opinion on matters before he/ she.

Where a SWA Board Member considers that expert advice is warranted on a matter, the Board Member has the right to present such information to the Board for consideration and/ or approval of the professional advice. However, no Board Members have the individual authority to commit the Association to an obligation for advice from an external expert or organisation. All expert advice so received should be received on behalf of the Board as a whole.

18.3 Access to Board Papers

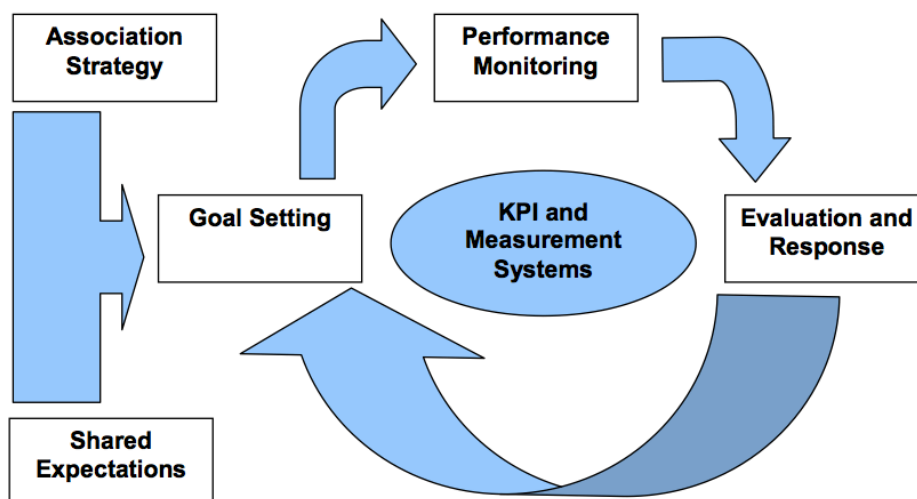
The SWA Board Members have the right to access Board Papers.

19. SWA Board Evaluation

19.1 Evaluation Process

The SWA Board considers the evaluation of its own performance as fundamental to establishing a culture of performance and accountability. The common process that guides evaluation at the Association is set out in Figure two (2) and ensures that those evaluated clearly understand performance expectations prior to the evaluation period.

Figure 2 – Performance and Evaluation Cycle



19.2 SWA Board Evaluation

The SWA Board considers the ongoing development and improvement of its own performance as critical input to effective governance. As a result, the Board will undertake an Annual Evaluation of the Board's performance. The review is based on a number of goals for the Board and individual Board Members that are established at the start of the year. The goals are based on Association requirements and any areas for improvement identified in previous reviews.

19.3 SWA Board Committee Evaluation

At the end of each year, the SWA Board reviews the performance of the Association's Committees and itself against set expectations. Based upon the review, Committees are provided feedback on their performance. The results of the review are a key input into the expectations set by the Board.

19.4 CEO Evaluations

The CEO of the Association is subject to an annual performance review. The review will be conducted at the anniversary of the engagement of the CEO. Any evaluation should establish goals that compliment any transition associated with new Board Members appointed post the AGM (normally held in October each year).

At each performance evaluation, the CEO will establish a set of performance Key Performance Indicator's (KPI's) with the SWA Board. These KPI's are aligned to overall business goals and the Association's requirements of the position. The Board will sign off the agreed KPI's. An informal assessment of progress may be carried out at six (6) month intervals.

All evaluations conducted shall form a part any salary progression criteria for the CEO and may provide the SWA Board guidance on the specific criteria of how any salary progression is attributed (e.g. Consumer Price Index – CPI, etc.).

20. SWA Board Member Development

The Association is committed to continuing development of its SWA Board Members and CEO. In line with this commitment, there is an expectation that all Board members and CEO will commit to at least two (2) days of professional development each year of their tenure on the Board of Management. Specifically, where skills gaps are identified, the Board members will be provided with resources and training to address those skills gap. Board members are also encouraged to undertake self-development where appropriate.

The Association allocates an annual budget of at least \$5,000 to encourage SWA Board members to participate in training and development programmes. Any Board member wishing to undertake either specific directorial training or personal development courses is expected to approach the Board of Management for approval of the proposed course. Development may be in both governance and governance processes.

Personal development training programs will, where appropriate, draw upon existing development and training programs presented/facilitated by stakeholder entities at the State and National level that seeks to correlate with the expectations and requirements of those entities.

As appropriate, the Association will undertake to provide personal development training that is compatible with the induction of new SWA Board Members, as their appointment to the Board occurs from time to time. In other circumstances, the Association will task the CEO to remain abreast of contemporary and appropriate training programmes that might be scheduled for the Board members to attend as a group.

21. SWA Board Member Induction

A new SWA Board Member will undergo an induction process in which they will be given a full briefing on the Association. This will include meeting with key Administrative staff, tour of the premises, an induction package and presentations. Information conveyed to the new Board Member will include:

- a) List and contact details of all SWA Board Directors, CEO and Management;
- b) Minutes of SWA Board meetings of the last three (3) meetings;
- c) SWA Budget;
- d) SWA Board Report from previous month;
- e) SWA Constitution;
- f) SAL Constitution;
- g) SWA Board of Management Policies;
- h) SWA Policy Governance Manual;
- i) SWA Board Director Charter;
- j) Certificate of Currency;
- k) SWA By-Laws;
- l) SWA Policies and Procedures;
- m) SWA Board Director Code of Conduct;
- n) SAL Member Welfare Policy;
- o) SAL Child Welfare Policy;
- p) Any additional items requested by the President or CEO.

Annexure A

Australian Securities Exchange (ASX) Corporate Governance Principles

Principle 1 – Lay solid foundations for management and oversight

Principle 2 - Structure the board to add value

Principle 3 - Promote ethical and responsible decision-making

Principle 4 - Safeguard integrity in financial reporting

Principle 5 - Make timely and balanced disclosure

Principle 6 - Respect the rights of shareholders

Principle 7 - Recognise and manage risk

Principle 8 - Remunerate fairly and responsibly