

(Insert company name)

**Board Handbook
for Directors**

Note: This template has been developed as a guide for developing a Board handbook for Directors. Further assistance can be provided by the Special Purpose Vehicle Unit, within the Department of Infrastructure and Planning.

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1 Introduction

The Board handbook should reflect the Board's commitment to the Australian Stock Exchange Corporate Governance Council's *Principles of Corporate Governance and Recommendations* (ASX Principles).

2 Board structure to add value

Provide an overview of the structure and role of the Board and how the appointment and vacation of Directors is managed.

2.1 Number of Directors

2.2 Appointment of Directors

2.3 Skills Required on the Board

2.4 Vacation of Office

3 Management and oversight

3.1 Role of individual directors

Outline the Directors' individual responsibilities and obligations in addition to the role and responsibilities of the Board as a whole. This should cover regulatory and Special Purpose Vehicle (SPV) policies and procedures.

3.2 The role of the Chairman

Outline the role of the Chairman. This should include the Chairman's role both inside and outside the Boardroom.

3.3 The role of the Company Secretary

Outline the role of the Company Secretary. The Company Secretary is responsible for the SPV's corporate governance. The Company Secretary is also responsible for providing assistance to the Board (including minute taking), governance administration and oversight of legal compliance.

3.4 The role of the Chief Executive Officer

Outline the role of the Chief Executive Officer. This should include information on: leadership; establishing senior management teams; strategic planning; Board reporting/advice; public relations; and day-to-day management of the company.

4 Ethical and responsible decision making

4.1 Code of Conduct and Directors duties

The Board should adopt a Directors' Code of Conduct and Conflict of Interest. The high level principles should be stated here, with reference to procedures for disclosure of standing interests and material personal interests, as well as how the Board will deal with such interests. Guiding principles for codes of conduct are provided in 1_16_GP Code of Conduct/Ethics.

4.2 Delegations of authority

It is essential that delegations throughout the SPV are clearly understood and enable the efficient management of the organisation. Consideration should be given to financial commitment, dual

signatories, Board approval, committee approval and creating a fraud-free environment. Guiding principles for delegations are provided in 1_11_GP Delegations.

5 Operation of the Board

5.1 Board obligations

The Board has numerous obligations under legislation (*Corporations Act 2001*) and the SPV's constitution. Enter specific obligations and explain how these will be met.

5.2 Board meetings

Provide information on the following: meeting frequency; location; time; attendees; Board papers; agendas; and minutes.

5.3 Committees

It is essential that new Directors are aware of the sub-committees of the Board. This section should detail what committees exist as well as their purpose, objectives and membership.

5.4 Monitoring

A Board is responsible for monitoring the performance of the SPV. The mechanism for assessment and monitoring should be detailed here. It could take the form of key performance indicators linked to business strategies.

5.5 Compliance

Boards, and specifically Directors, are held accountable for legislative and financial compliance. Document here the controls, processes or plans in place to reduce the risk of breaches of law.

5.6 Director indemnity and protection

There should be clear processes for Directors to access SPV information. Document the agreed protocols.

6 Recognising and managing risk

A key strategic role of the Board is recognising and managing the SPV's risks. Document the principles, objectives and controls.

7 Board and Director Performance

7.1 Board evaluation

High performing Boards commit to regular self evaluation. Detail the method and frequency of the evaluation.

7.2 Director remuneration

In accordance with ASX Principles remuneration should be fair and reasonable. Detail what principles are applied, with reference to processes for benchmarking and approval responsibility.

7.3 Director appointment

Director appointments should be conducted in accordance with the constitution and the shareholder agreement. Information sheets for constitutions and shareholder agreements are provided in 1_1_IS Constitution and 1_3_IS Shareholder Agreement respectively.

7.4 Director development

To ensure all Directors can add value to the Board, outline how their professional development will be enhanced e.g. training opportunities.

8 Director induction

It is essential that new Directors undergo a full induction process on appointment. In this section refer to the induction process, accountabilities, reference material and any other mentoring or partnering that will be provided.