

ABSA Board Charter

PURPOSE

1. This Board Charter (“Charter”) sets out the role, responsibilities, structure and processes of the Board of the Australian Business Students’ Association (“ABSA”).

ROLES AND RESPONSIBILITIES

2. The role of the Board is to provide leadership and strategic guidance for ABSA in addition to overseeing management’s implementation of ABSA’s strategic initiatives. The Board is accountable to members for the performance of the organisation. In performing its role, the Board aspires to excellence in governance standards. This requires the Board to work as a team and meet on a regular basis.
3. The key responsibilities of the Board are as follows:
 - a. Approving the strategic direction of ABSA and significant corporate strategic initiatives.
 - b. Approving ABSA’s annual targets and financial statements and monitoring financial performance against forecast and prior periods.
 - c. Considering and approving the ABSA’s overall risk–reward strategy and frameworks for managing all categories of risk, including compliance, financial, reputation and operational risk.
 - d. Approving the ABSA Risk Management Strategy and monitoring the effectiveness of risk management by ABSA, including satisfying itself through appropriate reporting and oversight that appropriate internal control mechanisms are in place and are being implemented in accordance with regulatory requirements.
 - e. Making an annual declaration to the Australian Charities and Not-for-profits Commission (ACNC) on risk management in accordance with regulatory requirements.
 - f. Assessing and determining whether to accept risks beyond the approval discretion provided to management.
 - g. Maintaining an ongoing dialogue with ABSA’s auditors and, where appropriate, principal regulators, to provide reasonable assurance of compliance with all regulatory requirements.
 - h. Considering the social, ethical and environmental impact of ABSA’s activities, setting standards and monitoring compliance with ABSA’s sustainability policies and practices.
 - i. Selecting, appointing, overseeing and terminating the external auditor (including associated recommendations to shareholders for approval).

- j. Selecting, appointing and determining terms of appointment of the Chief Executive Officer (CEO), Deputy CEO, and Chief Financial Officer.
- k. Determining the corporate goals and objectives relevant to the remuneration of the CEO and Executives, and evaluating the performance of the CEO and Executives in light of these objectives.
- l. Reviewing succession plans for the CEO and Executives.
- m. Approving individual remuneration levels for Executives who report directly to the CEO and any other person the Board determines.
- n. Approving the appointment of Executives. The CEO will consult with the Chairman (or where appropriate the relevant Board Committee Chairman) prior to the appointment of positions (and any successors in title) deemed by the Board to have a special advisory relationship to the Board, including:
 - i. Chief Financial Officer;
 - ii. Chief Operating Officer;
 - iii. Chief Risk Officer;
 - iv. Chief Programs Officer;
 - v. Chief Business Development Officer;
 - vi. Chief Technology Officer;
 - vii. Chief Legal Affairs and Compliance Officer;
 - viii. Chief Marketing Officer; and
 - ix. Chief Human Resources Officer.
- o. Considering and approving the ABSA's Remuneration Policy.
- p. Considering and approving the ABSA Board Renewal Policy.
- q. Providing oversight and monitoring of Workplace, Health and Safety (WHS) issues in ABSA and considering appropriate WHS reports and information.

ROLE AND DELEGATION TO MANAGEMENT

- 4. The CEO is responsible for the development of strategic objectives for the business and the achievement of the planned results for ABSA.
- 5. Management of ABSA's day to day operations is undertaken by the CEO, subject to specified delegations of authority approved by the Board.
- 6. Any matters or transactions outside the delegations of authority must be referred to the ABSA Board for approval.

BOARD SIZE AND COMPOSITION

7. The Board is responsible for:
 - a. identifying and evaluating possible future Directors to ABSA;
 - b. appointing Directors to fill casual vacancies on the ABSA Board; and
 - c. making recommendations to ABSA's members for the appointment or removal of Directors.
8. The Board will comprise a majority of independent Non-executive Directors, a majority of whom are ordinarily resident in Australia.
9. The size of the Board will be determined in accordance with ABSA's Constitution.
10. Collectively, the Board members should have a broad range of professional skills, experience and knowledge necessary to guide the business of ABSA.
11. The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors, subject to the limits imposed by ABSA's Constitution and the terms served by existing Non-executive Directors.
12. Non-executive Directors will be engaged through a letter of appointment.

CHAIRMAN

13. The Board will appoint one of its members to be the Chairman in accordance with ABSA's Constitution.
14. The Chairman represents the Board to the members and communicates the Board's position.
15. The Chairman must be an independent Non-executive Director.

COMPANY SECRETARY

16. The Company Secretary is responsible for the co-ordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies and all statutory and other filings.
17. The Board will appoint at least one Company Secretary. Appointment and removal of a Company Secretary will be subject to Board approval.
18. All Directors shall have direct access to the Company Secretary.

BOARD MEETINGS

19. The Chairman is responsible, in consultation with the CEO and the Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction set by the Board.
20. Members of executive management are invited to attend all Board meetings and Executives are available to be contacted by Directors between meetings.
21. The Board will regularly meet without executive management (other than the CEO), including at the conclusion of each meeting.
22. Non-executive Directors will regularly meet without Executive Directors or other management representatives present, including at the conclusion of each meeting.
23. The Chairman and other members of the Board will be available to meet with the ACNC on request.

DIRECTOR INDEPENDENCE

24. The Board has adopted a definition of independence setting out the interests and relationships to be considered by the Board in assessing the independence of each Director.
25. The Board assesses independence of Directors upon appointment and annually through an attestation by each Director.
26. The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairman, or in the Chairman's absence, the Board.

BOARD PERFORMANCE

27. The Board will undertake ongoing assessment and review of performance of the Board and individual Directors annually.

ETHICAL STANDARDS

28. Board members are expected to observe the highest standards of ethical behaviour. There is zero tolerance for any misuse of power and unethical behaviour among Directors.
29. The Board supports and encourages policies within ABSA which require Directors and Committee Members to observe high standards of personal integrity and display honesty in their dealings.

CONFLICTS OF INTEREST

30. Directors are expected to avoid any action, position or interest that conflicts with an interest of ABSA, or gives the appearance of a conflict.
31. A Director that has a material personal interest in a matter that relates to the affairs of ABSA must give the other Directors notice of such interest.
32. The Company Secretary will maintain a register of dealings in securities and declarations of interest by Directors and report them to the Board as necessary.

REVIEW OF CHARTERS

33. This Board Charter will be reviewed every two years or as required.