

Corporate Governance Checklist

Defining Governance Roles

- Has your board had a recent discussion on its role and the role of management?
- Has your board reviewed its composition, skills requirements, and skill gaps in the past year?
- Are you and your fellow directors thoroughly familiar with the legal requirements required of directors under the *Corporations Act 2001* (Cth) and/or other relevant legislation?
- Do you have a code of conduct for directors?
- Has the board recently discussed the role and expectations for the Chair?
- Is there a current position description for the company secretary?
- Have you recently reviewed the detailed position description and delegated authorities of the CEO?
- Does the CEO understand their role and the role of the board?

Key Board Functions

- Is the board's involvement in strategy appropriate?
- Are the financial and non-financial KPIs provided to the board appropriate?
- Are the systems that provide the KPI data accurate and efficient?
- Is there a formal CEO assessment process in place, which at appropriate points, involves the whole board?
- Is there a CEO succession plan in place?
- Do directors provide appropriate advice and mentoring to management, especially the CEO?
- Is an appropriate compliance system in place?
- Is an appropriate risk management system and processes in place?
- Is there a formal delegation of authority policy from the board to management, and at the different levels of management?
- Do directors make appropriate use of their contacts and networks to further the goals of the company?
- Does the board consider the expectations of its members/shareholders and other key stakeholders with respect to improving transparency and accountability towards all stakeholders?
- Are the board's decision-making processes effective?

Improving Board Processes

- Have you recently reviewed what you expect from board meetings?
- Is your agenda effective?
- Is the number, level of detail, format, information, content, and lead-time of board papers satisfactory?
- Do the minutes provide the right amount of detail, especially in light of the 'safe harbour' provisions of the *Corporations Act*?
- Does your board have a calendar, which not only lists forthcoming board and committee meeting dates, but also the key events and specific tasks required of the board?
- Do you have the right number and type of committees?
- Is there a charter or terms of reference for each committee setting out its roles, composition, and any decision-making powers?

Effective Governance

- Do we have an appropriate level of directors' and officers' insurance?
- Can directors obtain the information required for effective monitoring and decision making?
- Is the board's performance evaluated regularly to identify opportunities for improvement?
- Is the performance of individual directors evaluated regularly to identify any skills gaps and opportunities for director development?
- Are the board remuneration guidelines appropriate?
- Do we appoint the best new directors, given the skill gaps on the board?
- Is there a sufficiently frequent rotation of directors, which ensures the new blood regularly joins the board, while ensuring that board memory is retained?
- Does the director induction program sufficiently prepare new directors for their roles and responsibilities?
- Is there a formal director development program in place?

Board Behavioural Dynamics

- Is there a sense of collegiality and team spirit among board members?
- Is there a sense of collegiality and team spirit between the board and senior management?
- Does the board's culture promote trust and candour in the boardroom?
- Do directors treat each other with courtesy and respect?
- Are everyone's views respected during discussions of the board?
- Do the board's behavioural dynamics result in the best decisions?
- Does the board make ethical decisions?