

Approved: 21 October 2020

1. Introduction

- (a) This Charter is subservient to the Constitution and the Corporations Act 2001, to the extent of any inconsistency.
- (b) Motorsport Australia is governed under the Corporations Act 2001 and other associated Corporate Law and the Constitution.
- (c) Motorsport Australia is the Australian National Sporting Authority delegated by the FIA, the governing body for world motorsport and the federation of the world's leading motoring organisations.
- (d) This Charter seeks to ensure that the Board's corporate governance obligations are maintained at a high standard of accountability.
- (e) To be read in conjunction with attachment 1 – Directors Code of Conduct.

2. Definitions

Capitalised terms used in this Charter have the following meanings unless stated otherwise:

- (a) **Board** means the Board of Motorsport Australia;
- (b) **Charter** means this Board Charter;
- (c) **CEO** means the Chief Executive Officer of Motorsport Australia;
- (d) **Constitution** means the Constitution of Motorsport Australia;
- (e) **Director** means a non-executive director of Motorsport Australia;
- (f) **FIA** means Fédération Internationale de l'Automobile;
- (g) **Motorsport Australia** means the Confederation of Australian Motor Sport Ltd. trading as Motorsport Australia.

3. Role of the Board

- (a) The primary function of the Board, in accordance with the Constitution, is to manage the business of Motorsport Australia and in particular to be responsible for the authority in Australia which has been delegated to it by the FIA, and to ensure the effective administration and control of motorsport in Australia.
- (b) The Board is responsible for providing corporate and strategic governance to Motorsport Australia, which is essentially services the needs of its members and stakeholders and concurrently regulates motorsport activity across a spectrum ranging from recreational, club and amateur competition to professional motorsport activity with its associated commercial complexities.
- (c) The Directors are required to understand the needs of Motorsport Australia and their legal responsibilities as Directors. If appointed because of special skills

(for example financial, legal), Directors are expected to contribute those skills to the Board and Motorsport Australia. Refer to appendices for the Director position description and associated roles.

- (d) The key functions of the Board are to monitor the performance of the management of Motorsport Australia, adopt an annual budget, ensure that internal control systems are in place, and monitor the progress and results associated with these functions.
- (e) The role of a Board and its Directors is to give direction to Motorsport Australia and to accept initial responsibility for its management. It is not the Director's role to take part in the day-to-day management of the organisation.

4. Duties of Directors

- (a) The Directors will at all times act in accordance with the legal requirements outlined in the Corporations Act 2001, including but not limited to:
 - (i) act in good faith in the best interests of the organisation;
 - (ii) act as an independent member of the Board, not a representative of another person or body;
 - (iii) bring an independent mind to decisions;
 - (iv) exercise care and diligence, including taking steps to ensure each is properly informed and has a proper understanding of the position of Motorsport Australia financially and in relation to work, health and safety;
 - (v) not gain an advantage for themselves or someone else;
 - (vi) ensure that the organisation does not operate while insolvent.
- (b) Notwithstanding the fact that the majority of Directors are elected by State Councils of Motorsport Australia, those Directors are not, and must not regard themselves as representatives of the State Council which elects them. Refer to appendices for the Director position description and associated roles.

5. Board Code of Ethics

The Directors consider there are certain fundamental ethical values that underpin their role as Directors of Motorsport Australia as members of its Board and its Committees. Directors will therefore:

- (a) act with integrity and good faith;
- (b) be honest and open with each other at all times;
- (c) treat each other with professionalism, courtesy and respect allowing reasonable opportunity for others to put forward their views;
- (d) not improperly influence other Board members or management;

- (e) declare to the Chair and the Board material interests including any conflicts of interest, both actual, potential or perceived;
- (f) work co-operatively among themselves and with management in the best interests of Motorsport Australia;
- (g) recognise the separate roles and responsibilities of the Board and management, including any concurrent or exclusive delegations;
- (h) develop an understanding of the role and functions of Motorsport Australia;
- (i) be diligent and continuously strive to improve the Board's operation;
- (j) observe the spirit as well as the letter of the laws under which Motorsport Australia operates;
- (k) not improperly use information;
- (l) not allow personal interests or the interests of associated persons to conflict with the interests of Motorsport Australia;
- (m) avoid any behaviour that is likely to reflect badly on the Board or Motorsport Australia;
- (n) make reasonable enquiries in order to ensure that Motorsport Australia is operating efficiently and towards its objectives, devoting sufficient time to Motorsport Australia and fully preparing for Board meetings.

6. Matters Requiring Board Action

- (a) A variety of matters require Board consideration, oversight and action and are not within the authority delegated to the CEO. Specifically, the following are the Board's responsibility:
 - (i) the appointment of the CEO;
 - (ii) the review of the performance of the CEO;
 - (iii) the replacement of the CEO when necessary;
 - (iv) the remuneration of, and subject to Clause (e) below, delegation of authority to the CEO and general approval of policies relating to the CEO's sub-delegation;
 - (v) subject to Clause (e) below, adoption of annual business plans and budgets and approval of longer-term strategic plans for Motorsport Australia;
 - (vi) subject to Clause (e) below, oversight and review of corporate strategy, performance and legal compliance throughout the organisation for all of its activities; including consideration of regular reports from management on the financial and operational performance of the organisation against agreed performance targets;

- (vii) review of management’s performance, not limited to the matters listed in Clause (e) (vi);
- (viii) approval of all Financial Statements including Directors' Reports;
- (ix) approval of the Annual Report and any other significant report which the CEO or Chair consider need Board approval;
- (x) subject to Clause 7 below, approval, oversight, and review of:
 - (A) audit and compliance functions and their performance;
 - (B) internal control and corporate governance functions and their performance;
 - (C) remuneration policies and performance;
 - (D) the organisation’s risk management and compliance framework; and
 - (E) new debt, beyond specific delegations, debt refinancing and repayments.
- (xi) elect the President/Chair and the Appointed Directors;
- (xii) approve the National Competition Rules (NCR) to govern the sport;
- (xiii) appoint the FIA Delegate and Deputy Delegate every two (2) years;
- (xiv) nominate to the FIA, members to represent Motorsport Australia on FIA Commissions;
- (xv) appoint and remove as necessary, Directors or members of associated entities;
- (xvi) act as the “Competitions Committee” of the Motorsport Australia as defined in the International Sporting Code of the FIA;
- (xvii) other matters which by law or under legislation must be dealt with by the Board.

7. General Principles Concerning Management

- (a) The Board should not itself manage the organisation as this is delegated to the CEO. However, the Board must put in place policies, procedures and structures so that it is able to discharge its role of bearing ultimate responsibility.
- (b) The Board must set the framework within which Motorsport Australia operates and, to an appropriate degree, oversee and supervise its operations.
- (c) As well as having the ultimate responsibility for the operations of Motorsport Australia, the Board must be aware of and have due respect to the obligations of the organisation as a matter of general law or as a result of particular obligations imposed under relevant legislation including the Corporations Act and relating to work health and safety.

- (d) The formal delegation of management authority is to the CEO, who will be the primary source of information to the Board.
 - (i) Subject to the oversight of the Board, it is for the CEO, acting within his or her delegated authority, to determine how to conduct the management of the organisation.
 - (ii) The Board must;
 - (A) be satisfied with management's plans for carrying on and developing its activities;
 - (B) ensure that management will seek authority to undertake material changes to those agreed plans;
 - (C) place limits on the extent to which management can commit resources or dispose of assets or raise funds without specific approval;
 - (D) ensure that it is kept well informed of progress and events which might significantly affect the organisation;
 - (E) monitor, so far as it reasonably can, the performance of those senior members of management on whom it is relying for the proper management of the business and its key component parts; and
 - (F) be aware of any significant risks to employees, Motorsport Australia's standing, financial status and assets and endorse management's action plans to mitigate such risks.

8. Role of the Chair

An effective Chair creates the conditions for the Board and individual Directors to carry out their duties and functions effectively (refer to appendix 2). The role of the Chair is to:

- (a) behave in a professional manner at all times;
- (b) provide coherent leadership of the Board to engender a cohesive and effective team;
- (c) establish an effective working relationship with the CEO;
- (d) promote effective relationships and open communication, both internal and external to the boardroom between Directors, management and the State Councils;
- (e) address the development needs of the Board as a whole with a view to enhancing its overall effectiveness including identifying and meeting the development needs of individual Directors;
- (f) promote a high standard of governance and be reasonably satisfied that Directors take proper account, and adhere to, statutory and other compliance and probity requirements;

- (g) provide a clear structure for the effective running of Board meetings and conduct meetings of the Board so as to facilitate the full participation of Directors;
- (h) manage appropriately any declared or perceived conflicts of interest and/or potential conflicts of interest;
- (i) represent the Board to external parties as an official spokesperson for the Board;
- (j) inform the members directly about issues and events that are of a sufficiently serious nature to require such notice.

9. Independent Professional Advice

- (a) If, in furtherance of a Director's duties to the organisation, the Director obtains independent professional advice, Motorsport Australia will meet the reasonable costs of such advice provided that:
 - (i) the Chair of the Board gave prior approval to the obtaining of the advice;
or
 - (ii) if the Chair was unavailable or refused to give such approval, the Board gave prior approval to the obtaining of the advice.
- (b) The advice must be made available to all Directors.

10. Induction and Training

- (a) The Board must provide an induction process for new Directors.
- (b) All Directors are required to display appropriate skills and knowledge of governance, Directors' roles and responsibilities.
- (c) Motorsport Australia requires Directors to update and enhance their skills and knowledge in accordance with the requirements of the Constitution

11. Access to Company Information

Directors have direct access to members of Motorsport Australia's management and to company information in the possession of management where such access is relevant to their responsibilities as Directors. Directors who contact members of management must notify the CEO of the contact. All Directors have direct access to the Company Secretary.

12. Insurance and Indemnity

Deeds should be entered into between Directors severally and Motorsport Australia, recording arrangements on indemnification, insurance and access to company documents and independent legal advice at the organisation's expense.

13. Board Performance

- (a) The Board will undertake an annual performance evaluation that:
 - (i) reviews the performance of the Board against the requirements of this Charter;
 - (ii) reviews the performance of the Board Committees against the requirements of their respective Charters; and
 - (iii) reviews the individual performances of the Chair, the CEO, the Directors and the FIA Delegate.
- (b) The general management and oversight of this process of review, together with development of appropriate Board member performance assessment measures, is the responsibility of the Chair.

14. Conduct of Meetings

- (a) Frequency
 - (i) The Board shall meet at least four (4) times per financial year (calendar year);
 - (ii) Meetings, including those additional to the timetable, are called by the CEO as directed by the Board or the Chair; and
 - (iii) Any Director may request the CEO to call a meeting.
- (b) Method of meeting
 - (i) Meetings are either in person or by electronic medium, including teleconference, video conference or combination, as consented to by all the Directors.
- (c) Attendance
 - (i) All Directors are expected to attend all Board meetings unless they are an apology or on an approved leave of absence.
 - (ii) The FIA Delegate will be invited to attend all Board meetings.
 - (iii) The Company Secretary must attend all Board meetings.
 - (iv) The CEO shall attend all Board Meetings.
 - (v) The Minutes will record on each occasion the names of those present and those absent and where a person is present for only part of a meeting, the time when that person was present.
- (d) Chair
 - (i) The President shall act as Chair at all Board meetings which the President attends.

- (ii) If the President is not available within ten (10) minutes after the time appointed for holding the meeting or declines to act for the meeting or part of the meeting, one (1) of the Vice-Presidents shall Chair the meeting or part of it.
- (e) Quorum
 - (i) The number of Directors whose presence is necessary to constitute a quorum is six (6).
 - (ii) The quorum must be present at all times during the meeting.
- (f) Agenda
 - (i) The Chair, supported by the CEO, is responsible for setting the agenda. Any Director may request the Chair to add an item of business to the agenda.
 - (ii) The Agenda for each Board meeting may set a regular session for private discussion by Directors, who may invite any person to attend in whole or in part.
- (g) Papers
 - (i) The Board agenda and supporting agenda papers must be distributed to all Directors at least five (5) days prior to the relevant meeting.
- (h) Decision making
 - (i) Each Director shall be entitled to one (1) vote on each resolution at Board meetings. A resolution must be supported by a majority of votes cast by those present and entitled to vote, provided that no less than four (4) votes are cast in favour. In the case of equal votes cast, the resolution shall fail for the want of a majority. There shall be no casting vote. Abstentions shall not be counted when determining the question but may be recorded.
 - (ii) The Board may pass an Out of Session Resolution without a Board meeting being held if the majority of all the Directors entitled to vote on the out of session resolution sign a document containing a statement that they are in favour of the out of session resolution set out in the document. All Directors must be served with any document to be considered under this clause. Separate documents may be used for signing by Directors if the wording of the out of session resolution and statement is identical in each copy. The out of session resolution is passed when the last Director in favour signs and shall be noted at the following scheduled Board meeting.
 - (iii) If email resolutions are required, the relevant resolution shall be passed via an Out of Session Resolution. The resolution shall be noted at the following scheduled Board meeting.
- (i) Minutes

- (i) Minutes of meetings of the Board and resolutions of the Board must be prepared by the Minute Secretary. Minutes will then be circulated to all Directors and the FIA Delegate and confirmed at the next subsequent meeting of the Board.
 - (ii) Where votes are taken by the Board, votes and abstentions will be included in the Minutes.
 - (iii) The Minutes are the official record of proceedings and resolutions of the meeting.
 - (iv) Upon the confirmation of the Minutes, the Chair will sign a copy as a true and correct record and the Minutes will be filed in the Minute Book Register.
 - (v) Minutes of meetings of the Board are to be distributed to the Directors, the FIA Delegate, the CEO, and the Company Secretary. The minutes are confidential and are not to be distributed to any other party without the approval of the Board.
 - (vi) A summary of decisions made by the Board and that are not deemed confidential or personal in nature will be provided to each member after each meeting via a 'Board brief' or such other means as soon as possible after each Board meeting.
- (j) Secretary
- (i) The Board must appoint a Secretary, either one of their number, or another person who is not necessarily the Company Secretary, to act as Minute Secretary of the Board and attend meetings of the Board as required.

15. Confidentiality

Every person, the Directors, CEO, Company Secretary, auditors, solicitors, all officers, agents and staff of the company shall be bound to observe strict secrecy.

16. Committees and Commissions

- (a) The Board may delegate any of its powers consistent with the Constitution to a Commission or Committee consisting of such of their number as well as other advisers and consultants as they think fit.
- (b) Such Commissions and Committees are bound to report and make recommendations to the Board of Directors (refer to appendix 5). The Board is not bound to follow such recommendations but is bound to consider any such recommendation.
- (c) Currently, the standing Committees of the Board are:
 - (i) Finance & Audit Committee

- (ii) Honours & Awards Committee
- (iii) Standing Nominations Committee
- (iv) Risk Committee

17. Declarations – Conflicts, Pecuniary Interests

- (a) As referred to in clause 5 (e) herein, a Director shall not gain an advantage or benefit, whether of a financial, reputational or other nature, for themselves, a business or an entity (including other members or clubs) or someone else they are associated with including family and personal acquaintances, as a result of their position as a Director. Situations which may involve a conflict of interest include:
 - (i) entering into a contract with Motorsport Australia;
 - (ii) making a personal profit as a result of the position of Director;
 - (iii) holding shares or having a sporting or commercial interest in another company or entity which contracts with Motorsport Australia, may benefit from a decision of Motorsport Australia, or is an organisation purporting to offer the same or similar services as Motorsport Australia;
 - (iv) working for an organisation purporting to offer the same or similar services as Motorsport Australia;
 - (v) competing or officiating (as defined by NCR 64) at a motorsport or related event not sanctioned by Motorsport Australia;
 - (vi) officiating (as defined by NCR 64) at a Motor Sport or related event sanctioned by Motorsport Australia;
 - (vii) operating as a Clerk of Course or Secretary of a Meeting of an event promoted by third parties;
 - (viii) acting as an office bearer at an affiliate club;
 - (ix) acting as a voting member of any Motorsport Australia State Council, State Council Executive, Commission, Committee or Panel, save for a Standing Committee of the Motorsport Australia Board.
- (b) A Director must declare any actual, perceived or potential conflicts of interest or pecuniary interest which may exist or reasonably be seen to exist, at the commencement of all Board and/or Committee meetings or at a point during a Board and/or Committee meeting where discussion of a matter that may give rise to an actual or potential conflict commences, which must be recorded in the Minutes of each Board and/or Committee meeting.
- (c) The Director must absent themselves from all discussion and the consideration of any matter to which the declaration relates.
- (d) In some situations, the Board may request that the Director remove the conflict of interest, in which case the Director shall comply with the request within seven

days or such other period as the Board may allow. By way of example only, where a Director proposes to officiate or compete in an event the Board may request that the Director refrains from doing so.

- (e) Where a Director has an ongoing conflict of interest, the Director must consider resignation from the Board. However, this should be conducted in an orderly manner and resignation should not occur where this will result in serious detriment to the organisation.
- (f) Individual Directors, aware of a real or potential conflict of interest of another Director, have a responsibility to bring this to the notice of the Board.

18. Execution of Document

- (a) Except where the seal is required to be fixed by another law, the Board must execute a document or deed under of the Corporations Act 2001, by authorising the signing of the document or deed by hand or electronic signature in one of the following ways:
 - (i) by two (2) Directors signing; or
 - (ii) by one (1) Director and the CEO signing; or
 - (iii) by one (1) Director and the Company Secretary signing.
- (b) Motorsport Australia may execute a document without using a common seal if the document is signed by:
 - (i) by two (2) Directors signing; or
 - (ii) by one (1) Director and the CEO signing; or
 - (iii) by one (1) Director and the Company Secretary signing.

19. Staff Attendance at Board Meetings

- (a) With the exception of the CEO and the Company Secretary, staff are not required to attend Board meetings, except those required for regular input or as invited to report on matters arising, or to be available for consultation.
- (b) The Board respects the value of staff member's time and other commitments and therefore does not expect staff to be available without prior arrangement or at least reasonable notice.

20. Changes to this Charter

- (a) No changes to this Charter shall be made without the approval of the Board.
- (b) The Charter will be reviewed to incorporate any relevant changes to the Constitution.

21. Related Rules, Policies or Procedures

- (a) Board Code of Conduct
- (b) Motorsport Australia Constitution

22. General

- (a) The Policy Manager is the Legal Counsel to whom any questions in relation to this Policy should be directed.
- (b) This Policy will be reviewed at least every 2 years if not sooner.

Policy Review Date	July 2013
Policy Review Date	23 September 2016
Policy Review Date	May 2020
Policy Review Date	September 2020

Approved: 4 June 2020

APPENDIX 1 – To be read in conjunction with the Board Charter

1. Objective of Policy

- (a) The objective of this Policy is to promote high standards of conduct and ethical behaviour and establish a clear standard of behaviour for Directors of Motorsport Australia.
- (b) This Code of Conduct is subservient to the Motorsport Australia Board Charter, Constitution and the Corporations Act 2001, to the extent of any inconsistency.

2. Scope of Policy

This Policy applies to the Directors of Motorsport Australia.

3. Definitions

Capitalised terms used in this Policy have the following meanings unless stated otherwise:

- (a) **Board** means the Board of Motorsport Australia;
- (b) **Code** means this Code of Conduct;
- (c) **Director** means a non-executive director of Motorsport Australia;
- (d) **Motorsport Australia** means the Confederation of Australian Motor Sport Ltd. trading as Motorsport Australia.

4. Principles

Director's duties are predominantly derived from legislation. The principles with which Directors must comply are as follows:

- (a) A Director must act honestly, in good faith and in the best interests of Motorsport Australia as a whole.
- (b) A Director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- (c) A Director must use the powers of office for a proper purpose, that being in the best interests of Motorsport Australia as a whole.
- (d) A Director must recognise that their primary responsibility is Motorsport Australia but should, where appropriate, have regard for the interests of all stakeholders of the organisation.
- (e) A Director must not make improper use of information acquired as a Director.
- (f) A Director must not take improper advantage of the position of Director.

- (i) A Director must not allow personal interests, or the interests of any associated person, to conflict with the interests of Motorsport Australia.
- (g) A Director 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 Board.
- (i) Confidential information received by a Director in the course of the exercise of Directorial duties remains the property of Motorsport Australia and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Board, or the person from whom the information is provided, or is required by law, even after the Director ceases to be a Director or officer of Motorsport Australia (see also Clause 5 (f)).
- (ii) A Director must not engage in conduct likely to bring discredit upon Motorsport Australia.
- (iii) A Director 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.

5. Guidelines for the Interpretation of Principles

The following guidelines are intended to assist Directors in complying with requirements of the Corporations Act 2001 and the core principles of this Code. They are not meant to be exhaustive and may be added to over time to address issues of importance as they arise.

- (a) Duties to Motorsport Australia
 - (i) Each Director should endeavour to ensure that the functions of the Board have been specified clearly, are properly understood and are competently discharged in the best interests of Motorsport Australia.
 - (ii) A Director's obligations are to Motorsport Australia and the Board which are greater and take precedence over his/her obligations to the State Council which elected him/her.
 - (iii) It is imperative that no Director acts in such a way that may compromise a fellow Director's ability to meet their responsibilities.
 - (iv) A Director should endeavour to ensure that the management of Motorsport Australia is competent and is devoting its best endeavours in the interests of the organisation.
 - (v) In evaluating the interests of Motorsport Australia, a Director should consider the interests of the members and other stakeholders.
- (b) Duties to Members
 - (i) Each Director should endeavour to ensure that Motorsport Australia is financially viable, properly managed and constantly improved so as to protect and enhance the interests of the members and stakeholders.

- (ii) A Director should seek to ensure that all members are treated fairly.
 - (iii) A Director should consider whether any benefit to be received by the Director or associated person is of sufficient magnitude that the approval of members should be sought, even though not required by law. In the event of any uncertainty, the Director should seek the guidance from the Chair or Legal Counsel of Motorsport Australia.
 - (iv) A Director who is elected to the Board by a State Council, should recognise the particular sensitivity of the position. Fiduciary duty requires the Director to make a contribution in the interests of Motorsport Australia and the members as a whole and not only in the interest of the nominators. A Director so elected is not a representative of the respective State Council.
 - (v) Where obligations to other people or bodies preclude an independent position on an issue, the Director should disclose the position and consider whether to be absent or refrain from participating in the Board's consideration of the issue (see also Clause 5 (e) (ii)). Before taking the decision to be absent, a Director should consider whether that absence would deprive the Board of essential background or experience. The matter should be disclosed and resolved by the Board.
- (c) Duties to Other Stakeholders
- (i) Motorsport Australia and its Directors must comply with the legal framework governing their operations and must be conscious of the impact of their business on society. Without limiting in any way the nature of the issues with which the Director must be concerned in the running of the business, particular attention should be paid to the environment, matters of occupational health and safety, industrial relations, equal opportunities for employees, the impact of competition and consumer protection rules, and other legislative initiatives that may arise from time to time. Although the Director owes a primary duty to the members of Motorsport Australia, the responsibilities imposed on companies and the Director under various Acts of parliament require the Director to evaluate actions in a broader social context.
- (d) Due Diligence
- (i) A Director should attend all Board meetings, but where attendance at meetings is not possible they must inform the Chair that they will be an apology and indicate the length of any absence.
 - (ii) A Director must acquire knowledge about the business of Motorsport Australia, the statutory and regulatory requirements affecting Directors in the discharge of their duties to the organisation, and be aware of the physical, political and social environment in which it operates.
 - (iii) In order to be effective, a Director should insist upon access to all relevant information to be considered by the Board. This information should be

made available in sufficient time to allow proper consideration of all relevant issues. In the extreme circumstances where information is not provided the Director should make an appropriate protest about the failure on the part of the organisation to provide the information and if necessary abstain from voting on the particular matter on the basis that there has not been the time necessary to consider the matter properly. Any abstention and the reasons for it should be included in the minutes. It may also be appropriate to vote against the motion or move for deferment until proper information is available.

- (iv) A Director should endeavour to ensure that systems are established with the organisation to provide the Board, on a regular and timely basis, with necessary data to enable them to make a reasoned judgment in order to discharge their duties of care and diligence.
 - (v) A Director should endeavour to ensure that relations between the Board, the audit committee and the auditors are open, unimpeded and constructive. Similarly, the auditors should have direct and unimpeded access to the Director. A Director should be satisfied that the scope of the audit is adequate and that it is carried out thoroughly and with the full cooperation of management and the auditors.
 - (vi) A Director shall endeavour to ensure Motorsport Australia complies with the law and strives for the highest standards of business and ethical conduct.
 - (vii) From time to time, a Director may need expert advice (whether it be legal, financial or some other professional advice and whether it relates to fiduciary or other duties) in order to discharge duties properly. The Director should ensure, to the extent possible, that any advice obtained is independent of Motorsport Australia. In that regard wherever necessary, the services of advisers external to those advising Motorsport Australia may need to be sought. In case of doubt, separate independent advice should always be sought by the Directors on matters that may impact their position in the organisation.
- (e) Conflicts of Interest
- (i) A Director must not take improper advantage of their position as Director to gain, directly or indirectly, a personal advantage or an advantage for any associated person or, which might cause detriment to Motorsport Australia.
 - (ii) The personal interests of a Director, and those of family, associated persons or a single State Council, must not be allowed to prevail over those of Motorsport Australia.
 - (iii) A Director should seek to avoid conflicts of interest wherever possible. Full disclosure of the conflict, or potential conflict, must be made to the Board. In considering the issues, account should be taken of the

significance of the potential conflict for Motorsport Australia and the possible consequences if it is not handled properly. Where a conflict does arise, a Director must consider whether to refrain from participating in the debate and/or voting on the matter, whether to be absent from discussion of the matter, whether to arrange that the relevant Board papers are not sent, or, in an extreme case, whether to resign from the Board, or the Board may ask the Director to leave the meeting. Where a Director chooses to be absent from the meeting, consideration should be given as to whether expertise that would be contributed by the Director is otherwise available. In the case of a continuing material conflict of interest, a Director should consider resigning from the Board.

- (iv) Save for nominal gifts or entertainment up to the value of \$100, a Director shall not accept any gifts or entertainment provided by a third party which have been or which may be perceived to have been offered or received due to that Director's position as a Director. In the event a Director is unsure as to whether a gift may be accepted, the Director shall seek the advice of the Board prior to acceptance.
- (f) Use and Confidentiality of Information
 - (i) A Director must not make improper use of information acquired by virtue of their position as a Director. This prohibition applies irrespective of whether the Director would gain directly or indirectly a personal advantage or an advantage for any associated person or might cause detriment to Motorsport Australia.
 - (ii) A Director will consider all information which is commercially sensitive, of value to Motorsport Australia in the sense that disclosure may cause damage to Motorsport Australia's reputation or position, or plans which Motorsport Australia may not want revealed to other parties as confidential information.
 - (iii) Nothing in this Code prevents a Director from informing the members of the major decisions which the Board has made and reporting on the reasons for those decisions, making disclosures required by law or regulation, and making disclosures authorised by the Board.
 - (iv) A Director must uphold their duties, including but not limited to the duty of confidentiality despite any pressures placed upon them by others.
 - (v) A Director who resigns on a point of principle should consider whether the reasons for resignation should be disclosed to members. In deciding whether or not to make public the reasons for resigning and composing any resignation statement, a Director should have regard to the following:
 - (A) The duty not to disclose confidential information so as to damage Motorsport Australia;
 - (B) The duty to act in the interests of Motorsport Australia.

(g) Professional Integrity

- (i) Directors should always act with professional integrity. Where a Director disagrees with a proposition or a view from either another Director, Management or other advisor, the disagreement should be expressed professionally, with due courtesy.
- (ii) Directors may choose to abstain on an issue, or vote against any resolution and, further, may request such action be recorded in the minutes.
- (iii) All decisions, properly made, are the final decision of the Board and should be supported and endorsed by Directors regardless of individual views. If a Director is unable to support any properly made decision, they should consider resigning from the Board.

6. Implications for Non-Adherence

Any breach of this Policy may result in appropriate action being taken in accordance with the Constitution. Disciplinary action may include but not be limited to suspension of duties or obligations or termination of position with the Motorsport Australia Group.

7. Related Rules, Policies or Procedures

- (a) Board Charter
- (b) Motorsport Australia Constitution
- (c) Corporations Act 2001

8. General

- (a) The Policy Manager is the Motorsport Australia Legal Counsel to whom any questions in relation to this Policy should be directed.
- (b) This Policy will be reviewed every 2 years if not sooner.

Policy Creation Date	August 2009
Policy Review Date	July 2013
Policy Review Date	May 2020
Policy Review Date	

Appendix 2

Non-Executive Director Position Description – September 2020

Position Title	Non-Executive Director	Department	Board
Reports to	President	Status	Voluntary

1. Our Purpose

To lead, promote, regulate, educate, develop and grow safe, fair, enjoyable and socially responsible motorsport in Australia.

2. Our Vision

More people enjoying more motorsport, in more places, more often.

3. Our Values

- a. **Respect** – We value each other, our differences, opinions, and all involved in our sport.
- b. **Excellence** – We embrace change and strive to be the best we can be.
- c. **Accountability** – We do what we say we will do.
- d. **Pride** – We lead by example and take pride in our sport and our organisation.

4. Motorsport Australia Overview

- a. Motorsport Australia is a not-for-profit member-based organisation focused on the development, regulation and administration of motorsport across Australia.
- b. Previously known as the Confederation of Australia Motor Sport, Motorsport Australia changed its trading name on 1 January 2020 to better reflect its standing as the peak body for four-wheeled motorsport in Australia.
- c. Motorsport Australia has a proud history and has been the custodian of four-wheeled motorsport in Australia since 1953. The organisation is the National Sporting Authority for Australia as delegated by the Fédération Internationale de l'Automobile, the governing body for world motorsport and the federation of the world's leading motoring organisations; a responsibility held since 1958.
- d. Motorsport Australia has a staff of approximately 45 with annual turnover of approximately \$16m. The Board is comprised of 6 Directors elected by each of the State Councils of Motorsport Australia, 3 independent Directors appointed by the Board, and a President elected by the Board.
- e. The 3 independent Directors each serve for periods of 3 years with one retiring each year.

5. Duties and Responsibilities

- 5.1 The Board is elected to govern the management of the affairs of Motorsport Australia, and is the policy determining body for motorsport in Australia.
- 5.2 In addition to contributing to the collective responsibilities and decision making of the Board, the role of individual Board Members includes:
 - a. Abiding by the Motorsport Australia Code of Conduct for Directors;
 - b. Contributing to setting the aims, strategies, and policies of the organisation;
 - c. Ensuring that the Board has the necessary information for effective decision-making;
 - d. Contributing to Board discussions and ensuring that critical issues are discussed;
 - e. Developing and maintaining a productive relationship with the President and other Board Members;
 - f. Assisting in maintaining a good working relationship between the Board, the CEO and Senior Management;
 - g. Undertaking regular training and development and contributing to the ongoing development of the Board as a whole;

- h. Ensuring that the President is kept fully informed of matters that may be of interest or concern to Board Members or Motorsport Australia;
- i. Behaving in a manner consistent with generally accepted procedures for the conduct of Board meetings. This includes acting in a business-like manner and in accordance with relevant legislation, addressing issues in a professional and respectful manner, supporting Board decisions in discussions with all external stakeholders, and maintaining the confidentiality of all Board discussions and documentation;
- j. Reviewing all Board papers prior to any meeting, and seeking further information if required from the President, CEO or CFO prior to the meeting, to assist in conducting a fully informed discussion at the Board meeting in question;
- k. Reviewing and approving the annual budget;
- l. Ensuring an appropriate risk management framework is in place for the organisation;
- m. Monitoring risks relevant to the organisation;
- n. Attending to specific requirements in relation to stakeholders and networking on behalf of the organisation;
- o. Involvement with one or more Board Committees;
- p. Identifying skills required by the Board and potential candidates;
- q. Planning for succession and mentoring potential successors;
- r. Increasing women's involvement in Motorsport Australia activities.

6. Commitment

- a. The Board meets face-to-face at least 4 times per annum with monthly Board meetings conducted by video or teleconference on approximately 6 other occasions during the year.
- b. May involve serving on at least one Board Committee.

7. Special Considerations

- a. Requires occasional interstate travel.
- b. Requires occasional attendance at events which may occur after hours or at weekends.
- c. All reasonable travel and accommodation costs incurred as a Board member are covered by Motorsport Australia.
- d. Directors are required to resign from any official role at a Motorsport Australia affiliated club or entity.
- e. Declarations of interest must be confirmed.
- f. All Directors must have an understanding of the Motorsport Australia Constitution and Commission Standing Orders.

8. Skills and Experience

8.1 Experience or expertise in at least two of the following areas:

- a. Risk and Compliance - Identify key risks to the organisation related to key areas of operations. Ability to monitor risk and compliance and knowledge of legal and regulatory requirements.
- b. Marketing and Communications - Practical and academic qualifications and experience within marketing and or communications. Proactively assesses and identifies marketing and communications opportunities with experience in digital marketing and brand positioning.
- c. Entrepreneurial, creative and strategic thinking - Integrated and critical thinking with the ability to see the 'big picture' and plan for the future. Identifies new ideas and opportunities for innovation to optimise the business.
- d. Commercial networks and engagement - Broad range of business connections and collaborative relationships. Maximises engagement with key stakeholders.

- e. Financial and Audit - Experience in audit functions and accounting and finance to analyse statements, assess financial viability, contribute to financial planning and oversee budgets.
- f. Corporate Governance - Understand and apply current governance criteria to the organisation's activities and decision-making.
- g. Strategy - Ability to identify and critically assess strategic opportunities and threats to the organisation. Develop strategies relevant to the organisation's policies and business objectives and ensure implementation.
- h. Legal - Ability to identify key legal and regulatory issues for the organisation and ensure operations take place within appropriate legal parameters.
- i. Technology - Knowledge of IT Governance including privacy, data management and security.
- j. Human Resource Management - Experience in evaluating the performance of senior management and overseeing strategic human resource management. Experience in industrial relations and organisational change management.
- k. Industry Experience - Knowledge of the operation of the automotive or sports industry.
- l. Motorsport Experience – High level knowledge of the operation of motorsport.
- m. Government Networks and Engagement - Experience with the culture and requirements of government.
- n. Leadership - Make decisions and take necessary actions in the best interests of the organisation and represent the organisation favourably. Analyse issues and contribute at Board level to solutions. Demonstrated and senior management leadership experience.
- o. Ethics and Integrity - Understand their role as Director and continue to self-educate on the roles and responsibilities of directors.
- p. Contribution - Ability to constructively contribute to Board discussions and communicate effectively with management and other directors.
- q. Negotiation - Possess excellent negotiation skills, with the ability to drive stakeholder support for Board decisions.

8.2 Diversity and Qualifications

- a. Diversity – The Board will ensure there is an appropriate level of demographic diversity as well as diversity of skills, experience, thought processing and behavioural styles to adequately represent our stakeholders and membership base.
- b. Governance Training or Membership - AICD or similar membership or training.
- c. Formal qualifications.

Appendix 3

Additional Duties - President

Position Title	President	Job Status	Voluntary
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1. Duties and Responsibilities

In addition to the Duties and Responsibilities of Directors:

- a. The President is responsible for leadership of the Board including:
 - i. Facilitating proper information flow to the Board;
 - ii. Facilitating the effective functioning of the Board, including managing the conduct, frequency and length of Board meetings;
 - iii. Communicating the views of the Board, in conjunction with the CEO, to the organisation's members, broader stakeholders and to the public.
- b. In performing this role, the President's responsibilities also include:
 - i. In consultation with the CEO/company secretary:
 1. Setting the agenda for the matters to be considered by the Board;
 2. Seeking to ensure that the information provided to the Board is relevant, accurate, timely and sufficient to keep the Board appropriately informed of the performance, finances, affairs, opportunities and challenges of the organisation, and of any developments that may have a material impact on it;
 3. Seeking to ensure that communications with stakeholders, regulators and the public are timely accurate and relevant;
 - ii. Facilitating open and constructive communication amongst directors and encouraging their contribution to Board deliberations;
 - iii. Overseeing and facilitating Board, Committee, directors and CEO evaluations, reviews and succession planning;
 - iv. Liaising and engaging with the CEO as the primary contact between the Board and management;
 - v. Liaising with and counselling, as appropriate, directors.
- c. Subject to the terms of the Constitution, the President is appointed by the Board and must be a member of an affiliated member club.
- e. The President should be non-executive and independent, and the roles of the President and the CEO should not be exercised by the same person, except in special circumstances approved of by the Board.

2. Functions and Tasks

- a. Functions and tasks to be performed by an effective President:
 - i. Convenes and chairs Board meetings;
 - ii. Oversees the agenda for Board meetings;
 - iii. Oversees the adequacy, timeliness and appropriateness of information provided to Directors;
 - iv. Oversees the quality, sufficiency and relevance of financial information made available to the Board;
- b. Chairs Board meetings, including:
 - i. Ensuring the business of the meeting is dealt with effectively and efficiently;
 - ii. Encouraging participation in deliberations by all directors so that the benefit of each member's perspectives and contribution can be shared and considered;
 - iii. Maintaining the meeting's focus on strategic and other priority matters;
 - iv. Setting standards of behaviour and engagement at Board meetings and discouraging behaviour inconsistent with those standards;

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- c. Oversees aspects of Board engagement including:
 - i. Developing a culture of respect and inclusion amongst directors and the Executive;
 - ii. Counselling directors and the CEO;
 - iii. Facilitating Board and director evaluations and reviews;
 - iv. Facilitating Director, Board, Board committee (as applicable), CEO and President succession planning and its execution;
 - d. Acts as the Board's representative in communications between the Board and the:
 - i. Members and broader stakeholders;
 - ii. CEO;
 - iii. Management;
 - e. Effectively and fairly represents the organisation, in co-operation with the CEO, in the organisation's communications with its broader stakeholders, respecting the primacy of the CEO's role in this respect;
 - f. Exemplifies the organisation's agreed values and standards of behaviour;
 - g. In alignment with the CEO, is visible at times of crisis where trust and confidence in the ability of the Board and management to respond to the crisis is important.

Appendix 4

Additional Duties – Vice President

Position Title	Vice President (x2)	Status	Voluntary
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1. Duties and Responsibilities

Motorsport Australia has two Vice Presidents to deputise for the President when he or she is absent or otherwise indisposed.

- a. To perform the role and functions of the President in the absence of the President for any reason;
- b. To manage the following matters as and when appropriate and required:
 - i. chair succession planning deliberations;
 - ii. chair meetings, and take such action/s and provide such approvals as may be required when the President is actually, or may potentially be compromised due to perceived or actual conflicts of interest of whatever nature;
- c. At the request of the President, to support the performance of the President's roles and functions.

Appendix 5

Additional Roles – FIA Delegate

Position Title	FIA Delegate	Job Status	Voluntary
Reports to	FIA		

1. Duties and Skillset Requirements

- a. The Motorsport Australia Delegate to the FIA is required to represent the best interests of Motorsport Australia at the world governing body.
- b. The highest standards of ethics, honesty and good conduct are expected and required at all times, considering that the Delegate is seen as the “face” of the ASN at FIA level.
- c. It is preferable if the Delegate, prior to appointment to the role, already has an established (and positive) reputation in international motorsport including with the FIA. He or she should ideally be generally well known internationally in one or more aspects of the sport.
- d. A solid knowledge and understanding of the FIA’s sporting and technical regulations, or the ability to quickly acquire same, is highly desirable
- e. The Delegate must be able to verbally and in written form, persuasively present a case to the global organisation at its highest level, and to be able to influence outcomes through well prepared and articulated argument.
- f. The Delegate must have, or be able to acquire as a priority, a sound and factual-based knowledge of the objectives and operations of Motorsport Australia.
- g. The Delegate must be able to verbally and in written form, present FIA information to the Board and CEO of Motorsport Australia.
- h. The Delegate must be able to devote sufficient time to not only attend the Annual General Assembly but to attend in person, World Motor Sport Council (WMSC) meetings if the Delegate was elected to such a body.
- i. The Delegate should actively promote the training and other services of Motorsport Australia to potential client countries and liaise with the administration in securing these opportunities.

2. Commitment

- a. The Delegate attends Motorsport Australia Board meetings. The Board meets face-to-face at least 4 times per annum with monthly Board meetings conducted by video or teleconference on approximately 6 other occasions during the year.
- b. The Delegate should be able to commit (if elected to the WMSC) up to 5 weeks per annum to the FIA role.
- c. In addition, the Delegate should be prepared to take on other voluntary work for the FIA such as membership of working groups, committees or commissions.

3. Special Considerations

- a. Requires interstate and overseas travel.
- b. Requires occasional attendance at events which may occur after hours or at weekends.
- c. All reasonable travel and accommodation costs incurred are covered by Motorsport Australia or the FIA.

Appendix 6

Additional Director Roles – Committees

Commission/Committee	Composition	Meetings	Responsibilities
Standing Nominations Committee	<p>President</p> <p>3 x Directors</p> <p>Up to 2 Non-Directors</p> <p>Executive Officer (not a Committee member)</p>	At least 3 times per year	<ul style="list-style-type: none"> Board skills assessment and performance Board Policy recommendations Board and CEO appointment recommendations Board succession planning recommendations
Finance and Audit Committee	<p>No more than 5 members</p> <p>At least 2 Directors</p> <p>Executive Officer (not a Committee member)</p>	Quarterly	<ul style="list-style-type: none"> Review financial position Review annual accounts Monitor processes for compliance and adequacy of controls Review auditor's management letter, auditor findings and assess auditor performance Review insurance broker and periodic policy renewals
Risk Committee	<p>Minimum of 3 and maximum of 5 members</p> <p>At least one Director</p> <p>Executive Officer (not a Committee member)</p>	Quarterly	<ul style="list-style-type: none"> Review risk and compliance systems and their effectiveness, adherence to and performance Review and recommend strategies and policies, business continuity, cyber risk, emergency management plans Review the findings of any examinations by regulatory agencies Conduct regular reviews of risk management policies and recommend changes to the Board for approval