



Australian Institute of Traffic Planning and Management Ltd

Board Charter

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REVISION STATUS								
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Definition

Director: The term Director refers to Member Elected and Board Appointed Directors as described in the AITPM Constitution.

1. Overview

The purpose of this Charter is to specify the objectives, responsibilities, and governance framework for the operation of the Board of the Australian Institute of Traffic Planning and Management Ltd (AITPM).

This Charter sets out the roles and responsibilities of the Board, which responsibilities are delegated to committees of the Board or to management, the framework for the operation of the Board as well as the membership of the Board.

The Charter should be read in conjunction with the Constitution and relevant Governance Policies. If there is any conflict between this Charter and the Constitution, the Constitution prevails.

2. Role and Responsibilities of the Board

2.1 Objective

The Board is responsible for pursuing the objectives of the Institute as defined in the Constitution, to promote beneficial traffic and transport outcomes for the community and to provide leadership for Members and the profession.

2.2 Role

The role of the Board is to demonstrate leadership, define the Institute's purpose, establish overall strategic objectives, approve the Institute's statement of values and code of conduct, and oversight of management and the operations of the Company. The Board derives its authority to act from the Institute's constitution. The Board must pursue the objectives of the Institute and ensure that the company's activities comply with the Institute's Constitution and with legal and regulatory requirements.

2.3 Strategy

The Board is responsible for:

- i. demonstrating leadership;
- ii. overseeing the development, approval and periodic review of the vision and key priorities and ensuring consistency with the Institute's objectives;
- iii. overseeing the development and approval of the Institute's strategic plan;
- iv. approving the Institute's statement of values and Code of Conduct to ensure the desired culture within the Institute and with its dealings with its stakeholders and members;

- v. ensuring the Institute complies with its responsibilities under the Corporations Act, the Institute’s Constitution, and all other relevant laws applicable to a company limited by guarantee;
- vi. monitoring and overseeing management’s implementation of the Institute’s strategic objectives, instilling the Institute’s values and its performance generally.
- vii. identifying and acting on any impediments, structural or otherwise, that are impeding achievement of the strategic plan; and
- viii. approving the Institute’s annual budget.

2.4 Oversight of Management

The Board is responsible for:

- (a) the recruitment and appointment and, if appropriate, the removal of the Chief Executive Officer (**CEO**);
- (b) providing support and guidance to the CEO to assist them in carrying out their duty of managing the operations of the Institute;
- (c) supporting the CEO in engaging the Branches, with the interface to the Branches through the CEO and;
- (d) documenting performance measures and an appraisal process to support the periodic review of the performance of the CEO, and associated systems of reward and recognition.

2.5 Members

The Board is responsible for seeking to promote effective engagement with Members and provide them with appropriate information and facilities to allow them to exercise their rights as Members effectively. This includes:

- (a) giving ready access to information about the Institute and its governance, including on its website;
- (b) communicating openly, including by electronic means;
- (c) facilitating meetings of Members in accordance with the Constitution and in compliance with the Corporations Act 2001;
- (d) ensuring a system of accountability to Members, including as a minimum, a Chair/Directors report to the AGM and regular communications to Members within one month of each formal Board meeting;
- (e) assessing the effectiveness and compliance with the Board Code of Conduct and any Members’ Code of Professional Conduct that has been cited and deemed applicable with the Board; and
- (f) identifying, managing, and mitigating where possible all conflicts of interest.

2.6 Ethics and Responsible Decision-Making

The Board is responsible for:

- (a) promoting ethical and responsible decision-making and charging management with the responsibility for creating a culture in the Institute of ethical and responsible behaviour, including:
 - (i) acting in the best interests of the Institute;
 - (ii) acting with high standards of personal integrity;
 - (iii) complying with applicable laws, regulations, codes, and policies; and
 - (iv) not knowingly participating in any illegal or unethical activity;
- (b) establishing, monitoring and promoting a Code of Conduct and related policies to guide the Directors, management, and employees in practices necessary to maintain confidence in the Institute's integrity (including encouraging the reporting of unlawful or unethical behaviour and protecting whistleblowers who report violations in good faith);
- (c) approving the Institute's Whistleblower Policy;
- (d) ensuring that a process is in place so that it is informed of any material incidents reported under the Whistleblower Policy;
- (e) monitoring the effectiveness of the Institute's governance practices and accountability for contraventions;
- (f) establishing, monitoring and promoting a diversity, equity and inclusion policy to outline the Institute's commitment to diversity, equity and inclusion in the workplace and setting out a framework to achieve the Institute's goals in this regard; and
- (g) ensuring that a process is in place so that the Board or a Committee of the Board is informed of any material breaches of policy including anti-bribery and corruption or fraud.

2.7 Oversight of Financial Management and Capital Management

The Board is responsible for:

- (a) providing direction to the Finance Audit and Risk Committee on financial oversight;
- (b) recognising and rectifying any shortfall in its financial knowledge and capacity to oversee the financial aspects of the business via annual Skills Matrix assessments;
- (c) reviewing and monitoring annual financial reports, having regard to, among other things, the information the Directors know about the

Institute;

- (d) monitoring financial results on an ongoing basis;
- (e) overseeing the external financial auditor appointment and annual renewal process (if applicable) in accordance with the Constitution;
- (f) approving decisions affecting the capital of the Institute, including capital structure or restructure and major financing arrangements; and
- (g) ensuring appropriate financial policies and procedures are in place to safeguard the cash and finances of the Institute.

2.8 Compliance and Risk Management

The Board is responsible for:

- (a) identifying, analysing, and monitoring material risks for the Institute on an ongoing basis;
- (b) setting risk appetite guidance within which the Board expects management to operate (including the nature and extent of risks that can be taken to meet objectives) and monitoring the operations within that guidance;
- (c) satisfying itself that the Institute has in place an appropriate risk management framework (for both financial and non-financial risks);
- (d) providing oversight and monitoring a system of internal compliance, risk management and control, and systems of legal compliance;
- (e) ensuring relevant insurance cover is in place and reviewing the adequacy of that cover annually;
- (f) meeting reporting requirements of the Corporations Act 2001 (Cth) by approving and signing the audited financial statements within 4 months after the end of the Institutes' financial year;

3. Role and responsibilities of the Chair and Company Secretary

3.1 The Chair and Deputy Chair

The Chair, Deputy Chair and Company Secretary are appointed by the Board. The Board shall appoint the Chair and Deputy Chair by vote in accordance with the Constitution the first meeting of the Board following the AGM in accordance with the following process;

1. Following the election by Members, the Company Secretary shall request nominations from individual Directors who would like to be considered for

the role of Chair or Deputy Chair.,

2. Directors may nominate for more than one vacancy but be appointed to only one. Candidates shall submit a short statement in support of their nominations;
3. The nominations and supporting statements shall be forwarded via email to all other Directors together with voting options;
4. The teleconference meeting shall be chaired by either the past Chair or Deputy Chair who is still a Board Director and not a candidate, or the Company Secretary;
5. Should there be only one eligible candidate for a vacant position, then the Board will be asked to ratify the appointment of the candidate.

The **Chair** is the official representative and spokesperson for the Board. The responsibilities include:

- (a) chairing Board and Members meetings;
- (b) ensuring the efficient organisation and conduct of the Board's function;
- (c) seeking to ensure that directors are briefed on Board matters and leading the Board in reviewing and discussing Board matters;
- (d) lead the Board and facilitate effective contribution by all directors;
- (e) seeking to promote constructive and respectful relations between Board members and between the Board and management;
- (f) establish an effective working relationship with the CEO and facilitate good working relationship between the Board, CEO and management;
- (g) monitoring the role of the Company Secretary;
- (h) ensuring the efficient organisation and conduct of the Board's function as a whole;

The **Deputy Chair** will provide support to the Chair and in the absence of the chair, will assume responsibilities as appropriate.

3.2 Company Secretary

The Company Secretary is appointed by the Board and is accountable to the Board.

The Company Secretary shall be available to all Directors and Board Committees.

In addition to legislative responsibilities, the compliance with the Constitution, and matters specifically delegated, the Company Secretary acts as the chief administrative officer for the company and facilitates the relationship between the Board and the CEO.

The Company Secretary's responsibilities include:

- (a) facilitating Board and Committee meetings and Director attendance, draft notices of meetings and resolutions for approval, and coordinating the dispatch of Board and Committee papers;
- (b) monitoring compliance with Board policies and procedures;
- (c) coordinating the completion and dispatch of the Board agenda and briefing materials;
- (d) capturing the business of Board and Committee meetings in the minutes;
- (e) advising the Board and Committees on corporate governance matters and best practice;
- (f) provide advice and when required organise and facilitate the induction of new Directors;
- (g) provide advice on compliance with requirements under the Corporations Act 2001 (Cth) regarding its registered office, annual returns, and notices to be lodged with ASIC; and
- (h) liaise with regulatory authorities as required.

4. Delegations of Authority

4.1 Committees

The Board has delegated to the CEO the authority to manage the day-to-day operations of AITPM. The ultimate responsibility for the oversight of the operations of the Company rests with the Board. To assist with the execution of its responsibilities, the Board has the authority to establish and determine the powers and functions of the Committees of the Board. Each Board Committee, when and if established, will have an approved Terms of Reference, setting out its responsibilities.

The Committees operate in accordance with their terms of reference approved by the Board. The Committees do not have decision-making authority, except in certain circumstances where the Board determines. The Board will review the composition and effectiveness of the Committees on an annual basis. The Board may also establish temporary project Committees from time to time to consider

other matters of special importance.

4.1.1 The Board must establish a Nominations Committee to:

- a) Develop and periodically review the Director eligibility and Board composition policy and make recommendations to the Board;
- b) determine the eligibility of persons nominated for election or being considered for appointment as Director;
- c) manage the nominations process;
- d) assess and recommend candidates to the Board, for the Board to then assess and recommend to voting members, for elected director positions;
- e) assess and recommend candidates to the Board for Board Appointed Director positions.

The Committees operate in accordance with their Committee Terms of Reference approved by the Board.

All Directors are entitled to attend Committee meetings as a guest (without voting rights) and receive Committee papers. Committees will maintain minutes of their meetings. The Chairs of each Committee will provide a report on Committee meetings to the Board at the next full Board meeting, this may typically be by way of presenting the Committee minutes.

4.2 Delegation to CEO and Management

Delegations of Authority will be maintained as a policy document. This will be reviewed annually for currency and relevance to business operations by the Finance Audit and Risk Committee before recommending changes to the Board.

5. Board of Directors

5.1 Director Attendance

Directors are expected to attend all Board meetings to ensure that they fulfil their duties and obligations accordingly. Directors may be required to travel to attend Board meetings or functions held in other locations from time to time.

Directors are also expected to:

- (a) participate in at least one Board Committee;
- (b) attend Board strategy workshops as arranged;
- (c) attend AITPM industry events;

- (d) participate in regular Board and individual performance evaluations;
- (e) undertake professional development related to the role of a director;
- (f) attend the annual general meeting; and
- (g) engage in other board-related activities as might reasonably be required.

5.2 Board Skills Matrix

The Institute seeks to have directors with an appropriate range of skills, knowledge, experience, independence and diversity, and an understanding of and competency in strategic considerations including current and emerging issues. The Board will develop and maintain the Board skills matrix setting out the skills and diversity of the current directors to identify opportunities for change and utilise as a recruitment tool in appointing Directors should a necessary 'skills gap' be identified by the Board.

The Board Skills Matrix will be reviewed on an annual basis to ensure it remains appropriate for AITPM current strategic environment.

5.3 Director Behaviour

The following describes the expectations of a Director to effectively perform their role.

- (a) gain a clear understanding of the role or purpose of the Board as well as the statutory and regulatory requirements of a Director carrying out their duties;
- (b) develop an understanding of the environment in which the Board operates;
- (c) act in good faith and in the best interest of the Institute with care and diligence;
- (d) act for a proper purpose as determined by the Constitution;
- (e) maintain confidentiality of Board decisions, materials, and discussions;
- (f) act in accordance with statutory and common law duties;
- (g) be independent in judgement and action;
- (h) disclose and appropriately manage conflicts of interest;
- (i) be willing to undertake appropriate levels of Director training;

6. Board Process

6.1 Board Induction

All new Directors appointed to the Board will be provided with a letter of appointment outlining the appointment terms and roles and responsibilities as an elected Director or a Board appointed Director. Suitable induction will be provided to individual directors upon their appointment and will include a copy of governance policies and relevant charters.

6.2 Meetings

All Board meetings will be conducted in accordance with the Institute's Constitution and the Corporations Act. An annual schedule of meetings and other events and activities will be developed annually.

7. Board Performance Evaluation

The Board recognises the importance of regular review of its effectiveness and performance. The Board shall undertake a formal review of its performance, policies and practices at least once every two years. The Board will review and evaluate:

- (a) its own performance, including against the requirements of this Charter;
- (b) the performance of its Committees;
- (c) the performance of individual Directors
- (d) the assessment of outcomes in relation to the Institute's strategic direction and
objectives;
- (e) assessment of how the expectations of varying stakeholders have been considered.

8. Review of Charter

The Board is responsible for reviewing this Charter and determine its appropriateness to the needs of the Company on an annual basis. The Charter may be amended by resolution of the Board.