



B R I S B A N E

R A C I N G C L U B

BRISBANE RACING CLUB LIMITED

**BOARD OF DIRECTORS'
CHARTER AND CODE OF CONDUCT**

As at 1 October 2020

PART 1 - INTERPRETATION

1.1 In this Charter:

"Act"	means the Corporations Act 2001;
"AICD"	means Australian Institute of Company Directors
"Board"	means the Board of Directors of the BRC;
"Business"	means the business of the BRC;
"CEO"	means the Chief Executive Officer of the BRC;
"CFO"	means the Chief Financial Officer of the BRC;
"Chairman"	means the Chairman of the Board;
"Constitution"	means the constitution which records the rules of the BRC;
"Directors"	means each Director of the BRC;
"RQL"	means Racing Queensland Limited;
"BRC Goals"	means the goals of the BRC as set out in Part 2;
"Management"	means the management personnel of the BRC;
"Management Limitations"	means the limitations on the actions of Management as set out in clause 4.3;
"Members"	means Members of the BRC, Honorary Members, and Life Members pursuant to the Constitution of BRC;
"BRC"	means the Brisbane Racing Club Limited;
"Racing"	means the industry of Thoroughbred Racing;
"Board Secretary"	means the person normally exercising the functions of a Board Secretary;
"Club"	means the BRC.

PART 2 - BRC GOALS

- 2.1 The purpose of the BRC is:
 - 2.1.1 To promote and safely host race meetings for the recreation, amusement and enjoyment of Members of the Company and such other persons interested in or connected with thoroughbred horse racing;
 - 2.1.2 To promote thoroughbred racing at Eagle Farm Racecourse and the Doomben Racecourse and at any other racecourse owned or operated by the company from time to time;
 - 2.1.3 To work, promote and develop both Eagle Farm Racecourse and Doomben Racecourse as premier racing facilities;
 - 2.1.4 To work, promote and develop both Eagle Farm Racecourse and Doomben Racecourse as events centres and/or commercial entities.
 - 2.1.5 To develop and exploit diversified non racing business models, that deliver annual non racing revenues, to sustain the clubs core racing and member obligations and expectations.

PART 3 - BOARD GOVERNANCE PROCESS

3.1 Role of the Board

- 3.1.1 The role of the Board is to effectively represent, and promote the interests of, Members and the industry with a view to adding long-term value to Racing at Doomben and Eagle Farm.
- 3.1.2 Having regard to its role the Board will direct, and supervise the Management of the Business and affairs of the BRC including:
 - 3.1.2.1 Ensuring that the BRC Goals are clearly established, and that strategies are in place for achieving them (such strategies being expected to originate, in the first instance, from Management);
 - 3.1.2.2 Establishing policies for sustaining and strengthening the performance of the BRC business model including ensuring that Management is proactively seeking to build The Club through diversity, innovation, technology and the development of the Club's resources;
 - 3.1.2.3 Monitoring the performance of Management;
 - 3.1.2.4 Appointing the CEO, setting the terms of the CEO's employment contract and, where necessary, terminating the CEO's employment with the BRC;
 - 3.1.2.5 Deciding on whatever steps are necessary to protect the BRC's financial position and the ability to meet Club debts and other obligations when they fall due, and ensuring that such steps are taken;

- 3.1.2.6 Ensuring that BRC's financial statements are true and fair and otherwise conform with law;
 - 3.1.2.7 Ensuring that BRC acts ethically and adheres to high standards of corporate behavior; and
 - 3.1.2.8 Ensuring that the BRC has appropriate risk management/regulatory compliance policies in place.
- 3.1.3 In the normal course of events, day-to-day management of BRC will be in the hands of Management.
- 3.1.4 The Board will satisfy itself that the BRC is achieving the BRC Goals.

3.2 Values of the Board and Personal Code of Conduct

- 3.2.1 Directors will adhere to and champion the following values both in respect of the industry and the BRC:
- 3.2.1.1 Teamwork, leadership, collaboration, participation and the pursuit of excellence
 - 3.2.1.2 Collective responsibility
 - 3.2.1.3 Integrity and honesty
 - 3.2.1.4 Respect, courtesy and humility
- 3.2.2 Directors will adopt a personal code of conduct to:
- 3.2.2.1 act ethically, with honesty and integrity, in the best interests of BRC at all times;
 - 3.2.2.2 take individual responsibility to contribute actively to all aspects of the board's role
 - 3.2.2.3 attend a minimum of 75% of board meetings and maintain relevant professional development qualifications
 - 3.2.2.4 make decisions fairly, impartially and promptly, considering all available information, legislation, policies and procedures
 - 3.2.2.5 treat colleagues with respect, courtesy, honesty and fairness, and have proper regard for their interests, rights, safety and welfare
 - 3.2.2.6 not harass, bully or discriminate against colleagues, members of the public and/or employees and contribute to a harmonious, safe and productive board environment/culture through professional workplace relationships
 - 3.2.2.7 not make improper use of their position as board members to gain advantage for themselves or for any other person

- 3.2.2.8 agree to become a member of the AICD, to undertake the AICD Company Directors course and complete the course assessment in order to qualify as a graduate of the AICD, and complete the annual DPD units necessary to maintain GAICD status.

3.3 The Board's Relationship with Members

- 3.3.1 The Board will use its best endeavors to familiarise itself with issues of concern to Members.
- 3.3.2 Where a Member raises a material issue with a Director, the Director will immediately refer that matter to Management for consideration. In such circumstances the Director will refrain from stating his or her personal position until such time as Management has had the opportunity to brief the Director and/or the Board in full regarding the circumstances relating to that particular issue.
- 3.3.3 Directors will not express personal opinions on material matters raised by Members where the matter has been the subject of a Board decision or it is probable that it will be.
- 3.3.4 The Board will regularly evaluate economic, political, social and legal issues and any other relevant external matters that may influence or affect the development of the Industry or the interests of Members and, if thought appropriate, will take outside expert advice on these matters.

3.4 Board Procedures

- 3.4.1 The conduct of Directors will be consistent with their duties and responsibilities to the Industry and the BRC, and indirectly, to the Members. The Board will be disciplined in carrying out its role, with emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the Board on its activities.
- 3.4.2 Directors will use their best endeavors to attend Board and Committee meetings and to prepare thoroughly. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities at all times and act in the best interests of the Industry and to bring the benefit of their particular knowledge, skills and abilities to the Board table. Directors unable to attend a meeting will advise the Chairman at the earliest date possible and confirm that in writing to the CEO or Board Secretary.
- 3.4.3 Board discussions will be open and constructive, recognising that genuinely held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements or express direction of the Board, the Directors will permit the Chairman or the CEO to decide the manner and timing of the publication of its decisions and/or discussions.
- 3.4.4 The Board has sole authority over its agenda and exercises this through the Chairman. Any Director may, through the Chairman, request the addition of an item to the agenda. and such requests are not to be unreasonably denied. The agenda will be set by the Chairman in consultation with the CEO or Board Secretary.

- 3.4.5 The Board will normally hold meetings In each month and will hold additional meetings as the occasion requires. At each normal meeting the BRC's interest's register will be updated as necessary and the Board will consider inter alia:
 - 3.4.5.1 A report from the CEO;
 - 3.4.5.2 A report from the CFO;
 - 3.4.5.3 specific proposals for capital expenditure;
 - 3.4.5.4 major issues and opportunities for the Industry and the BRC
- 3.4.6 In addition the Board will at intervals of not more than one year:
 - 3.4.6.1 review the BRC Goals;
 - 3.4.6.2 review the strategies for achieving the BRC Goals;
 - 3.4.6.3 approve the annual budget;
 - 3.4.6.4 approve the annual financial statements and reports to Members;
 - 3.4.6.5 approve the annual report;
 - 3.4.6.6 review BRC's audit requirements;
 - 3.4.6.7 review the performance of, necessity for and composition of Board committees;
 - 3.4.6.8 undertake Board and individual Director evaluations;
 - 3.4.6.9 review the CEO's performance and remuneration;
 - 3.4.6.10 review remuneration policies and practices in general including superannuation and incentive schemes for management;
 - 3.4.6.11 review risk assessment policies and controls including insurance covers and compliance with legal and regulatory requirements;
 - 3.4.6.12 review BRC's code of conduct and ethical standards;
 - 3.4.6.13 settle the following year's work plan.
- 3.4.7 Subject to clause 3.8 below. Directors are entitled to have access, at all reasonable times, to all relevant Club information and Management.
- 3.4.8 In making policy the Board will not reach specific decisions unless it has considered the more general principles upon which they are founded, and in reaching other specific decisions the Board will consider the policies against which the decisions are made.

3.5 Chairman

- 3.5.1 The Board will appoint from among the Directors a Chairman
- 3.5.2 The Chairman is responsible for representing the Board to Members and the media. The Chairman is the only Director with the authority to speak to the media on BRC matters unless the Chairman has specifically delegated that authority to another Director on a particular issue or matter.
- 3.5.3 The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board as set out in this Part 3.
- 3.5.4 The Chairman is responsible for maintaining a regular dialogue with the CEO over all operational matters and will consult with the remainder of the Board promptly over any matter that gives him or her cause for major concern.
- 3.5.5 The Chairman will act as facilitator at meetings of the Board to ensure no Director dominates discussion, that appropriate discussion takes place and that relevant opinion among Directors is forthcoming. The Chairman will ensure that discussions result in logical and understandable outcomes.
- 3.5.6 In absence of the Chairman, the Deputy Chairman will act as the Board's Chairman and take on the above listed responsibilities.

3.6 Board Committees

- 3.6.1 Board committees will be formed only when it is efficient or necessary to facilitate efficient decision-making.
- 3.6.2 Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise.
- 3.6.3 Board committees will not speak or act for the Board except when explicitly authorized to do so by the Chairman. The authority conferred on a Board committee will not derogate from the duties of all Directors or the CEO.
- 3.6.4 All board committees charters and membership to those committees will be reviewed and confirmed at the first available board meeting post the AGM each year.

3.7 Interaction with BRC Staff

- 3.7.1 As a matter of principle. Directors should channel their enquiries of Management and other BRC staff through the CEO.
- 3.7.2 In practice continuous pursuit of such a principle is not generally achievable. Accordingly Directors may from time to time interact directly with Management and other BRC staff but if any major issues, significant concerns or criticisms arise, these should be immediately referred to the CEO and not directly pursued by the Director with individual members of Management or other BRC staff.

3.8 Provision of Business or Professional Services by Directors

3.8.1 Because a conflict of interest (actual or perceived) may be created, Directors, or their affiliates, should not, generally, provide business or professional services of an ongoing nature to the BRC.

3.8.2 Notwithstanding the general rule, the BRC is at liberty to:

3.8.2.1 for the purpose of a special assignment, engage the services of any Director having special expertise in the particular field; or

3.8.2.2 engage the services of another member of the Director's organisation;

3.8.2.3 so long as the terms of engagement are competitive, are clearly recorded and full disclosure is made to the Board and wherever practical the Board's approval is attained before the engagement.

3.9 Conflicts of Interest

3.9.1 Notwithstanding clause 3.8, Directors will:

3.9.1.1 disclose any personal or business interests which may give rise to actual or perceived conflicts of interest

3.9.1.2 ensure personal or financial interests do not conflict with their ability to perform official duties in an impartial manner

3.9.1.3 not allow personal or financial interests, or the interests of any associated person, to conflict with the interests of BRC

3.9.1.4 manage and declare any conflict between their personal and public duty

3.9.1.5 where conflicts of interest do arise, ensure they are managed in the public interest

3.10 Other Board Appointments

3.10.1 Any Director is, while holding office, at liberty to accept other Board appointments so long as the appointment is not in conflict with the BRC and does not detrimentally affect the Director's performance as a BRC Director.

3.10.2 All appointments to a board must be advised to the Chairman.

3.11 Board and Director's Evaluations

3.11.1 The Board will, each year, critically evaluate its own performance, and its own processes and procedures to ensure they are not unduly complex and are designed to assist the Board in effectively fulfilling its role.

- 3.11.2 On a biennial basis the board will engage an independent expert to review board and director performance and to critically review all governance policies to ensure the BRC meets the standards of a modern diversified business.

3.12 Indemnities and Insurance

- 3.12.1 The BRC will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by law and the Act.

PART 4 - BOARD - MANAGEMENT RELATIONSHIP

4.1 Position of CEO

- 4.1.1 The Board will link the BRC's governance function with the BRC's management functions through the CEO.
- 4.1.2 All Board authority conferred on Management is delegated through the CEO so that authority and accountability is considered to be the authority and accountability of the CEO so far as the Board is concerned. The Board must agree to the levels of sub-delegation immediately below the CEO.
- 4.1.3 The Board will agree with the CEO on achieving specific results directed towards BRC Goals. This will usually take the form of an annual performance contract under which the CEO is authorised to make any decision and take any action within the Management Limitations, directed at achieving the BRC Goals.
- 4.1.4 Between Board meetings the Chairman maintains an informal link between the Board and the CEO, expects to be kept informed by the CEO on all important matters. and is available to the CEO to provide counsel and advice where appropriate.
- 4.1.5 Only decisions of the Board acting as a body are binding on the CEO or any other member of staff. Decisions or instructions of individual Directors, officers or committees are not binding except in those rare instances where the Board has previously given specific authorisation.

4.2 Accountability of CEO to Board

- 4.2.1 The CEO is accountable to the Board for the achievement of the BRC Goals and the CEO is accountable for the observance of the Management Limitations.
- 4.2.2 At each of its normal monthly meetings the Board should expect to receive from or through the CEO:
- 4.2.2.1 the operational and other reports and proposals referred to in clause 3.4.5; and
- 4.2.2.2 such assurances as the Board considers necessary to confirm that Management Limitations are being observed.

4.3 Management Limitations

- 4.3.1 The CEO is expected to act within all specific authorities delegated to him or her by the Board.

- 4.3.2 The CEO is expected to not cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics.
- 4.3.3 In allocating the capital and resources of BRC the CEO will adhere to the BRC Goals.
- 4.3.4 The CEO will not cause or permit any action without taking into account the health, safety, environmental and political consequences and their long-term effect on the Members, BRC and Racing.
- 4.3.5 In managing the financial activities of the BRC the CEO is expected to not cause or permit any action that is likely to result in the BRC becoming financially embarrassed.
- 4.3.6 The assets of BRC, both tangible and intangible, are expected to be adequately maintained and protected, and not unnecessarily placed at risk. In particular, the BRC must be operated with a comprehensive system of internal control, and assets or funds must not be received, processed or disbursed without controls that, as a minimum, are sufficient to meet standards acceptable to the BRC's external auditors. In managing the risks of the BRC, the CEO is expected to not cause or permit anyone to substitute their own risk preferences for those of the Members as a whole.
- 4.3.7 The CEO is expected not to permit employees and other parties working for the BRC to be subjected to treatment or conditions that are undignified, inequitable, unfair or unsafe.
- 4.3.8 The CEO is expected to not cause or permit payments to be made or rewards given unless they are in return for contributions towards the purposes of the BRC and are proportional to the extent that the contribution in question has furthered such purposes.

PART 5 - GENERAL

5.1 Relationship with the Constitution

- 5.1.1 This Charter is intended to support the Constitution and neither replaces or derogates from it. In the event of a conflict between the Constitution and the Charter, the terms of the former will prevail.

Chairman _____

CEO _____

Date _____