



ADVANCING BUILT ENVIRONMENT
COST PROFESSIONALS

AIQS BOARD CHARTER

JUNE 2024

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1. INTRODUCTION

The Board of the Australian Institute of Quantity Surveyors (AIQS) is committed to ensuring that principles of good governance are implemented openly and with integrity, pursuing the true spirit of good corporate governance, commensurate with the organisation's needs. The matters set out in this Charter are subject to the Corporations Act 2001 (Cth), other relevant legislative requirements as they arise and the Constitution.

The Board has the responsibilities set out in this Charter and will carry out those responsibilities honestly, fairly and diligently, in accordance with the law, the AIQS Board of Directors & Governance Guidelines, and AIQS's Code of Conduct; and for the benefit of members as well as employees, students, customers, and the community.

AIQS's corporate governance culture – our way of doing business – including leadership by the Board and senior management, is critical to AIQS's continuing success and is intended to set an example to all those dealing with AIQS of the effective operation of good corporate governance.

2. BOARD AND MANAGEMENT RESPONSIBILITIES

The Board is responsible for:

- a) overseeing the management of AIQS
- b) providing strategic direction through approving and periodically reviewing the strategic plan
- c) approving management's policies, strategy, and performance objectives
- d) approving the annual budget including targets for revenue, surplus or deficit, capital expenditure, and cash flows, as proposed by management
- e) approving and monitoring the progress of major capital expenditure, capital management, acquisitions, divestitures, and mergers
- f) appointing and removing the Chief Executive Officer (CEO), and determining the terms and conditions of appointment, including the remuneration package
- g) agreeing performance targets with, and monitoring the performance of, the CEO
- h) appointing and removing the company secretary
- i) approving succession plans for the management team
- j) monitoring management's performance, implementation of strategy, and allocation of resources to achieve the business policies, strategies, objectives and budgets
- k) determining and approving the levels of authority to be given to the CEO in relation to operational expenditures, capital expenditures, contracts and the operation of banking and credit facilities, and authorising any further delegations of those authorities by the chief executive officer to other senior employees of the company
- l) approving (subject to member endorsement) the appointment of the external auditor
- m) approving and monitoring financial and other reporting
- n) admission of honorary fellow, life fellow, fellow, member, affiliate, and student members
- o) reporting to members
- p) monitoring the identification of business risks, reviewing and ratifying systems of risk management, internal compliance and control, legal compliance, and compliance with AIQS's ethical standards and policies, to ensure appropriate compliance frameworks and controls and an appropriate culture of risk management are in place
- q) monitoring compliance with best practice corporate governance requirements.

The following responsibilities may be delegated by the Board to management:

- a) day-to-day management of AIQS in accordance with the strategy approved by the Board, including the following areas:

- (i) financial and capital management and reporting
 - (ii) operations
 - (iii) information technology
 - (iv) marketing
 - (v) customer service
 - (vi) developing relationships with investors, media, analysts, and other industry participants; and
 - (vii) human resources
 - (viii) reporting to the Board on the performance of AIQS.
- b) consulting with the board regarding other senior executive appointments, organisational changes and senior executive remuneration policies and practices
 - c) such other duties as are from time-to-time delegated by the Board.

It is intended that the CEO can take all decisions and actions which further the strategic objectives of AIQS, and which in his or her judgement are reasonable having regard to the matters reserved by the board, and the potential effect on the reputation of AIQS.

The CEO will report systematically in a spirit of openness and trust of the progress being made toward achievement of the strategic objectives of AIQS as determined by the Board.

The Board will, on a regular basis, undertake a review of its responsibilities and the responsibilities of management to ensure that they remain appropriate for the business conducted by AIQS.

3. COMPOSITION OF THE BOARD

The Board is responsible for the following:

- a) determining the number of Directors (subject to the Constitution)
- b) terms and conditions of Directors' appointments
- c) appointment of a President
- d) filling casual vacancies on the Board and managing the succession of Board members.

The Company's Constitution provides:

- a) that the board will comprise of two Directors representing each Chapter elected by ballot of such Chapter as outlined in the Constitution.

4. BOARD MEETINGS

The Board will meet as often as the Directors consider necessary to fulfil their duties and responsibilities and to meet the demands of the business. In normal circumstances the Board is expected to meet at least two times in a year.

A Board meeting may be held by the Board communicating by any technological means consented to by all the Directors. The consent may be a standing one. From time to time the Directors will meet without management present.

A quorum for a meeting of Directors is a majority of the Board, unless otherwise fixed by the Directors. The quorum must be present at all times during the meeting.

5. CONFLICT OF INTEREST

Directors must keep the Board advised, on an ongoing basis, of any interests that could potentially conflict with those of AIQS and shall advise the company secretary of all Directorships held in other companies.

If a potential material conflict of interest arises, the director concerned shall advise the President prior to any Board meeting at which the issue is to be discussed. Any potential conflict of interest must be recorded in the Board minutes.

6. BOARD SUB-COMMITTEES

The Board may establish Board sub-committees to which it may delegate any of its powers, duties and responsibilities. The Board will appoint the members of each committee, and the Chair of each committee.

Terms of Reference or Operating Guidelines will be established for each of these Committees, setting out the composition, duties, and responsibilities of the committee, which will be reviewed every two years.

The Board may establish Advisory committees from time-to-time with no delegated powers. The Board will appoint the members and the Chair of each Advisory committee. Separate Guidelines will be adopted for each Advisory committee which will be reviewed every two years.

7. THE COMPANY SECRETARY

The Company Secretary is accountable to the Board, through the President, on all governance matters, with all Directors having access to the Company Secretary for advice or assistance on governance matters.

The Company Secretary supports the effectiveness of the board by:

- a) monitoring that board policy and procedures are followed; and
- b) coordinating the completion and dispatch of board agendas, briefing papers and minutes.

The Company Secretary is responsible for driving and advising on best practice in governance, championing the compliance framework to safeguard the integrity of the organisation, promoting, and is the sounding board on, high standards of ethical and corporate behaviour and bridging the interests of the board or governing body, management and stakeholders.

8. REVIEW OF BOARD EFFECTIVENESS

The Board members will participate in an annual review of the Board's effectiveness in carrying out its responsibilities.

The President will implement a review system which, subject to consultation with the Board, may include:

- a) a collective review of effectiveness undertaken by the Board
- b) individual performance reviews for Directors
- c) opportunities for Directors to give private feedback to the President on Board effectiveness, or
- d) such other review mechanisms as the Board decides.

The President, in consultation with the Board, will consider whether or not to engage an external facilitator to assist with the above.

9. CHARTER REVIEW

The Board shall review this Charter every two years or as required, after the annual Board performance assessment.

Any modifications to or replacements of this Charter must be approved by the Board.

10. EFFECTIVE DATE

This Policy is effective from 1 June 2024.