

| POLICY | Governance |
|------------------|-------------------------------------------------------------------------------------------|
| TITLE: | Matters Reserved for the Board |
| AREA: | Governance |
| RESPONSIBILITY | Board of Directors, CEO |
| RELATED POLICIES | Board 'For Decision' Paper Policy Delegations Policy Financial Delegations Schedule |
| DRAFTED BY: | Chief Executive Officer |
| DATE APPROVED: | 17 th June 2018 |
| APPROVED BY: | Paddle Australia |
| NEXT REVIEW: | June 2020 |

CONTENTS

| | |
|----------------------------------------------|---|
| 1. GENERAL INFORMATION | 3 |
| 1.1 Objective | 3 |
| 1.2 Board Role | 3 |
| 2. DECISION MAKING PROCESS | 3 |
| 2.1 Strategic and Operational Planning | 3 |
| 2.2 Finance | 3 |
| 2.3 Culture and Human Resources..... | 4 |
| 2.4 Legal and Regulatory | 4 |
| 2.5 Governance..... | 4 |
| 2.6 Policies..... | 5 |
| 2.7 Other Business Issues..... | 6 |
| 3. REVIEW..... | 6 |

1. GENERAL INFORMATION

1.1 OBJECTIVE

The objective of this Policy is to clearly define matters that are to be referred to the Board. By clarifying the matters reserved for decision by the Board, the operational matters that are delegated to the CEO and management for decision are also clarified.

1.2 BOARD ROLE

The Board's primary role is to protect and enhance the value of Paddle Australia for the benefit of its members and its mission. The Board is responsible for the overall governance of the organisation, and the leadership and supervision of the organisation's affairs. The Board delegates authority within the terms of the Delegation Policy.

2. DECISION MAKING PROCESS

If a matter is listed below, management prepares a separate 'For Decision' paper for the Board with a recommendation for decision.

If a matter is not listed below and is, therefore, delegated to management, management may seek input from the Board prior to decision. The CEO also keeps the Board informed on matters within delegation by including important issues in the CEO Report to the Board.

The principal functions responsibilities reserved for the Board are:

2.1 STRATEGIC AND OPERATIONAL PLANNING

- Approve the Mission (Purpose) of Paddle Australia.
- Approve the Rolling 4-year Strategic Plan (RSP), agree on KPIs, benchmarks and targets, monitor performance and annually review and update the RSP of Paddle Australia.
- Approve the direction and overall strategies in High Performance, Sports Services and Participation.
- Ensure there is sufficient stakeholder engagement and buy-in to the vision and strategic plan.
- Approve the Annual Operational Plan that aligns with the RSP.
- Approve the overall organisational structure including the management reporting directly to the CEO.
- Approve any activities outside the ordinary course of business.

2.2 FINANCE

- Approve operational and capital expenditure budgets that align with the RSP and Operational Plans.
- Approve the Delegations Policy, the Financial Delegations Schedule, and capital expenditure, asset sales and other matters as required under this Policy except restricted delegation to be provided to the CEO for:

- Unbudgeted purchases ≤ \$10,000.
- The approval of the purchase, sale or lease of real estate where the total contract value ≤ \$10,000.
- The sale/disposal of minor assets with a written down value ≤ \$5,000.
- Approve and review financial reporting arrangements.
- Approve contingent liabilities with a projected impact of 10% or more on the Statement of Financial Position (Balance Sheet).
- Approve the taking of a loan, granting of a loan and the granting of any securities.
- Approve the annual financial statements including the CEO's management representation letter.
- Monitor the medium to long term financial viability of the organisation.

2.3 CULTURE AND HUMAN RESOURCES

- Approve the Values (Culture) of Paddle Australia.
- Manage the selection, appointment, remuneration, performance management and dismissal of the CEO.
- Annually review the performance of the CEO based on mutually agreed objectives and key performance indicators.
- Review adequacy of organisational performance management systems.
- Ratify the appointment of direct reports to the CEO and input to their performance management and remuneration.
- Review and approve key stakeholder engagement plans.

2.4 LEGAL AND REGULATORY

- Monitor the organisation's compliance with regulatory and legal obligations.
- Approve any actions relating to potential legal action by, or against, Paddle Australia.
- Approve the engagement and disengagement of any legal advisers for non-litigation matters to Paddle Australia. This is a restricted delegation to be provided to management for operational matters ≤ \$10,000.
- Approve the granting or revoking of a power of attorney.
- Approve authority to sign regulatory or official documents on behalf of Paddle Australia.
- Review the effectiveness of integrity processes and monitor conduct against agreed values, risk appetite and accepted standards of behaviour.

2.5 GOVERNANCE

- Elect the President and Vice President in accordance with the Constitution.
- Fill casual vacancies and Appointed Board member positions on the Board in accordance with the Constitution.
- Create and disband Board Committees under terms of reference defining role composition, delegations and reporting to the Board.
- Regularly review the composition, powers and functions of any Board Committees.

- Regularly evaluate the performance of the Board, the Chair, individual Board members and Board Committees.
- Make recommendations to the General Meeting on matters where the General Meeting has authority in accordance with the Constitution:
 - The appointment of auditors;
 - The election of board members;
 - Changes to the Constitution (Rules); and
 - Receipt of the financial statements.
- Ratify the appointment of the Company Secretary from time to time.

2.6 POLICIES

- Agree the organisational policies that require Board approval compared with those policies and practices that will be approved and reviewed at management level. Policies that are Board endorsed and subject to review and approval by the Board include:
 - Board Role and Function Policy
 - Matter Reserved for the Board
 - Board 'For Decision' Papers Policy
 - Board Code of Conduct
 - Board Member and Staff Relations Policy
 - Delegations Policy
 - Financial Delegations Schedule
 - Human Resources Policy
 - Diversity Policy
 - Board Continuity and Renewal Policy
 - Ethics and Integrity Policy
 - Member Protection Policy
 - Disciplinary Policy
 - Anti-Doping Policy
 - Team Selection Principals and Process
- Approve a Risk Management Policy and agree the risks that will be reported to, and monitored by, the Board and, the frequency of that reporting.
- Review and approve a Board risk appetite statement including risk posture, tolerances and targets.
- Annual review for the insurances in place covering all risks and especially those identified in the Risk Management Schedule.
- Review all Governance and Board endorsed policies either annually or as specified in the policy concerned.
- Approve a clearly articulated and effective grievance procedure and monitor claims.
- Handle whistle-blower complaints against the CEO by a staff member or key stakeholder.

2.7 OTHER BUSINESS ISSUES

- Approve the acquiring, selling or licensing of any intellectual property owned or controlled by Paddle Australia.
- Approve the 'Brand' of Paddle Australia and the principles of use of the Brand by third parties.
- Approve of the commencement or ceasing of any new business activities including any mergers and acquisitions, the founding and selling of subsidiaries and the establishment and dissolution of joint ventures.
- Review and approve all important announcements (significant public impact) on corporate matters or policy.

3. REVIEW

The Board reviews this Matters Reserved for the Board Policy every two years and updates where necessary.