

### 1. Duties

- 1.1. The Canberra Racing Club is an incorporated association under the Associations Incorporations Act 1991 (ACT). Board Directors have legal duties and responsibilities as directors of a company, including under the common law and the Associations Incorporations Act 1991 (ACT). These duties and responsibilities include the following:
  - 1.1.1. to act in good faith in the best interests of the Club and for a proper purpose;
  - 1.1.2. to exercise their powers and discharge their duties with the degree of care and diligence required of a director of a corporation such as the Club;
  - 1.1.3. not to improperly use their position to gain an advantage for themselves or someone else or cause detriment to the Club;
  - 1.1.4. not to improperly use information acquired because they are, or have been, a director of the Club to gain an advantage for themselves or someone else or cause detriment to the Club;
  - 1.1.5. to disclose material personal interests in matters relating to the affairs of the Club and to avoid conflicts of interest, including by absenting themselves from discussion of, and abstaining from voting on, such matters if required.
- 1.2. The duty to act in the best interest of the Club is primarily owed to the Club as a whole and not to any individual member of the Club or any other person or group. However, a Board Director may, where appropriate, have regard to the interests of other stakeholders in the Club.
- 1.3. Board Directors will carefully and diligently attend to the performance of their duties and the exercise of their powers as Board Directors.
- 1.4. Board Directors will use their skills and experience to the best advantage of the Club.
- 1.5. Board Directors will use their best efforts to ensure that the Club is properly managed and constantly improved to best meet its objectives.
- 1.6. Board Directors will, if possible, attend all Board meetings and Board appointed committee meetings of which they are members. Where attendance is not possible, appropriate steps should be taken to inform the Chair of the Board Director's intended absence and the reason for it. Board Directors should seek a leave of absence from the Board if the Board Director does, or intends to, not attend three or more consecutive Board Meetings.
- 1.7. It is preferable for all Board meetings to be held as a physical presence meeting, though external factors, the improvement of telepresence technology and the individual circumstances of Board Directors may mean it is appropriate for attendance at Board meetings to be by telepresence from time to time. Board meetings may be conducted online or by teleconference, or physically with some Board Directors attending online or by teleconference, with the approval of the Chair and a majority of Board Directors. In this respect:

# Canberra Racing Club

## Board Code of Conduct

- 1.7.1. Wherever reasonably possible, agreement should be obtained for attendance at Board meetings to be entirely or partially online or by teleconference at the prior Board meeting;
  - 1.7.2. Attendees by videoconference or teleconference should be located in a private location so the deliberations of the Board may be kept confidential;
  - 1.7.3. Where attendance is by videoconference, Board members should keep their cameras on and remain in view;
  - 1.7.4. Attendees must not record or take photos or screenshots of Board meetings;
  - 1.7.5. Attendees should mute their microphone when not speaking or intending to speak;
  - 1.7.6. Other protocols for telepresence attendance at Board meetings may be agreed by the Board from time to time.
- 1.8. Board Directors should use their best endeavours to attend Club race meetings, functions and events where possible, acknowledging that the Club often races during business hours, and acknowledging that Members are unpaid volunteers with outside work, family and other commitments.
  - 1.9. Board Directors will be independent in their judgments and actions, and will not act in the interests only of any sectional interest.
  - 1.10. Board Directors will at all times support and promote the philosophy that a strong Race Club structure is essential in the public interest and in the interests of the Thoroughbred Racing Industry as a whole.
  - 1.11. Board Directors will at all times support the letter and the spirit of Board decisions in their communications and dealings with other parties even if the individual Board Directors did not vote in favour of the issue in the relevant Board meeting. Board solidarity in a public forum is required in the interests of the reputation of the Club.

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## 2. Interests of the Club and Club Members

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- 2.1. Board Directors will perform their duties and exercise their powers in the best interests of the Club and its members.
- 2.2. Board Directors will perform their role objectively and impartially to ensure equity and fairness to anyone who may be affected by the decisions of the Board.
- 2.3. Board Directors will ensure that they do not act in any manner that may reasonably be expected to have adverse implications or consequences for the Club or its members.

### 3. Due Diligence

- 3.1. Board Directors will ensure that they are fully informed about the activities and affairs of the Club and the Thoroughbred Racing Industry generally, including relevant statutory and regulatory requirements, and the physical, political and social environment in which ACT thoroughbred racing is conducted.
- 3.2. Board Directors have a right to obtain from management all information necessary for them to properly discharge their duties and to have that information provided in a timely fashion. Board Directors must make sure they ask for clarification of, or further information on any matter that they do not fully understand, including, without limitation, in the course of review of the Club financial reports and statements. Information overload is not an excuse for failing to read, understand, and focus on material provided to Board Directors, especially material relating to the approval of financial statements.
- 3.3. However, Board Directors recognise that questions and requests to management involving a substantial amount of work may disrupt management. Accordingly the Board Directors agree that if a question to management cannot be answered without special work it will be put in writing and copies sent to the Chair and the Chief Executive Officer for approval. The CEO must be copied in on all requests of management to allow for proper communication and allocation of resources. If information overload is a problem for Board Directors, Board Directors must cause management to decrease the volume of information or increase the amount of time available to absorb it.
- 3.4. Board Directors may, in connection with the performance of their duties and functions as Board Directors, seek independent professional advice. If it is appropriate for the Board to seek independent advice on their duties as Board Directors generally, that advice may be sought at the Club's expense, on the condition that the advice is provided to and for the benefit of all Board Directors. In these circumstances prior written approval of the Chair is required, which will not be unreasonably withheld if the proposed expense is within the Club's approved budget. The Chair may elect to refer the matter to the Board where the proposed expense is within the Club's approved budget, and must refer the matter to the for approval if the proposed expense would exceed the Club's approved budget. A copy of the advice is to be provided to all Board Directors and the Club.
- 3.5. The Board may specify the way in which Board papers are to be set out and the amount of time prior to meetings that they require in order to consider them.
- 3.6. Board Directors should not vote in favour of or against a motion unless they have had sufficient time and information to consider the matter properly and to be in a position to make an informed decision.

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## 4. Confidentiality and Public Comment

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- 4.1. Board agendas, papers, minutes and discussions are confidential to the Club.
- 4.2. Board Directors will maintain the confidentiality of matters discussed at Board Directors and of information acquired by virtue of their position as a Director. Board Directors will not disclose confidential information concerning the Club or its business or affairs to any person, and must not, without the consent of the Chair, put themselves in a position where they are obliged to disclose any such confidential information. This obligation continues to apply after a Board Director's resignation or retirement.
- 4.3. The right to comment to the media on the business or affairs of the Club and to present the Club's views on matters related to thoroughbred racing is restricted to the Chair and Chief Executive Officer or officer delegated by the Chair or Chief Executive Officer. Board Directors will refrain from any public comment regarding the considerations and determinations of the Board, unless authorised by the Board to do so.
- 4.4. Board Directors acknowledge that there are specific exceptions under law to these confidentiality obligations, such as when a person is legally required to give evidence in Court or by a regulatory body. If a Board Director becomes aware that they will or may be required by law to disclose confidential information, that Board Director must immediately inform the Chair of the relevant circumstances.

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## 5. Improper Use of Information

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- 5.1. Board Directors will not make improper use of information acquired by virtue of their position as a Board Director. Improper use of information means use of the information for a purpose other than the purpose for which the information was made available to the Board Director. This prohibition applies irrespective of whether the Board Director would gain directly or indirectly a personal advantage or advantage to any associated person or might cause detriment to the Club.

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## 6. Relevant Interests

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- 6.1. The Club has adopted a *Relevant Interests Policy*. The *Relevant Interests Policy* provides a framework for identifying and managing relevant interests that may conflict with the interests of the Club for:
  - 6.1.1. current and prospective members of the Canberra Racing Club Board, and
  - 6.1.2. employees of Canberra Racing Club.

- 6.2. The purpose of the *Relevant Interests Policy* is to provide for effective management of risks arising from relevant interests by:
  - 6.2.1. providing guidance for members and employees on when disclosure of a relevant interest is required;
  - 6.2.2. setting out the processes by which a relevant interest should be disclosed and managed; and
  - 6.2.3. ensuring that those representing and acting on behalf of the Club can act in the best interests of the Club when conducting Club business, and that decisions regarding the affairs of the Club are seen to be impartial and defensible.
- 6.3. Board Directors must comply with the *Relevant Interests Policy*.

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## 7. Maintenance and Promotion of Public Confidence

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- 7.1. Board Directors will not engage in conduct likely to bring discredit upon the Club or otherwise diminish the confidence of the public generally, in the fairness, integrity or professionalism of the Club.
- 7.2. Board Directors will not make any public comment or statement that is critical of, or otherwise calls into question, any decision made by the Board or any racing official under the Rules of Racing, except with the prior approval of the Chair or Chief Executive Officer.
- 7.3. Board Directors will report to the Chair any actions by others which may adversely affect, either directly or indirectly, any member or public confidence in the integrity of the Club or ACT Thoroughbred Racing generally.

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## 8. Applications to the Board

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- 8.1. Unless they receive the prior official approval of the Board, Board Directors will not initiate, support, oppose or otherwise be a party to any application or submission to the Board in respect of any matter, other than:
  - 8.1.1. in relation to that Board Director's position as a Board Director;
  - 8.1.2. arising solely from or in respect to the Board Director's status as a member of the Club, being a matter that the Board Director has in common with the other members of the Club.

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## 9. Disclosure of Interests and Gifts

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- 9.1. Each Director will, no later than the first meeting of the Board after the Board Director is elected or appointed, provide the Chair with a complete listing of the Board Directors interests in any business that may have dealings with the Club. The listing will include indirect interests such as those of the Board Director's immediate family, and interests held by companies, trusts and partnerships in which the Board Directors or the Board Director's family has an interest.
- 9.2. The list referred to in clause 9.1 will be kept in a confidential register maintained by the Chief Executive. It is the duty of each Board Director to immediately provide the Chief Executive Officer with notice of any change to the Board Director's interests. The Chair will regularly remind Board Directors to do so.

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## 10. Issues Management and General Conduct

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- 10.1. Board Directors should raise any matters of serious concern at Board meetings. In order that such matters can be discussed properly it is important that management and other Board Directors be given time to consider them, and it is good practice for a Board Director with a serious concern to advise the Chair in time for the matter to be added to the agenda.
- 10.2. Board Directors should be frank and open in Board meetings and be ready to question, request information, and raise issues.
- 10.3. In the interests of the effectiveness of the Board, and the Club as a whole, the Board Directors agree that they will conduct themselves in Board meetings, at Club functions and events, and in communications between themselves and with Club staff, with good will and professionalism, and in a courteous, and harmonious manner. The importance of good teamwork is recognised and acknowledged.
- 10.4. Board Directors recognise that the effectiveness of the Board will be enhanced if contributions to Board discussions are kept brief and relevant, and if each builds on the previous contributions of others. Board Directors must support the Chair in maintaining order and making Board discussions effective.
- 10.5. If any matter is required by this Code of Conduct to be referred to the Chair and the Chair is unavailable, or it is inappropriate for the Chair to become involved in that matter, the Board Director should refer the matter to the Vice-Chair.

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## 11. Decisions and Dissent

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- 11.1. Decisions of the Board must be made collectively in accordance with the Constitution and Club Rules and applicable laws.
- 11.2. Board Directors recognise that the responsibilities to their colleagues and the Club require that, where disagreement occurs, every effort must be made to resolve the issue and avoid dissension.
- 11.3. Nevertheless, there may be times when a Board Director feels so strongly about a matter of principle that the Board Director is unable to acquiesce in a proposed decision of the Board. In such cases the Board Director should consider taking some or all of the following steps:
  - 11.3.1. making the extent of the dissent and its possible consequences clear to the Board as a means of seeking to influence the decision;
  - 11.3.2. asking for additional legal, accounting or other professional advice;
  - 11.3.3. asking that the decision be postponed to the next meeting to allow time for further consideration and informed discussion. Once a policy or decision is made by the Board, loyalty to the Club requires a Board Director to support that policy or decision even if the Board Director did not (and perhaps still does not) personally support the policy or decision.
- 11.4. Dissenting Board Directors have a right to resign, but understand that if they choose to remain on the Board they are bound by the collective decisions of the Board and may be legally liable for them.
- 11.5. Board Directors do not have the right to ignore or attempt to frustrate decisions of the Board, nor to pursue a private agenda, when they do not agree with the majority decision.

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## 12. Improper or Undue Influence

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- 12.1. Board Directors must take care not to use their position on the Board to influence any other member or management or staff of the Club in the performance of their duties or functions for the purpose of obtaining any advantage for themselves or any other person whether the advantage is direct or indirect. Board Directors must ensure contact with staff is:
  - 12.1.1. through the Chief Executive Officer; or
  - 12.1.2. in accordance with clause 3.2 of this Code of Conduct; or
  - 12.1.3. is otherwise in accordance with specific resolution of the Board.

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### 13. Interaction with Management and Staff

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- 13.1. Unless individual Board Directors receive specific delegations from the Board in accordance with the Club's Constitution they must refrain from participating in the day-to-day management of the Club, making representations or agreements on its behalf, or influencing an individual Club employee or contractor.
- 13.2. In dealing with the Club's management and staff, a Board Director should not use language, or behave in a manner that offends, harasses or is otherwise unfair or derogatory in nature or could be taken as bullying. Board Directors are expected to demonstrate respect for others by acting in a professional and courteous manner. This includes all forms of interpersonal communications with other Board Directors and Club management and staff, including telephone and email communications.

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### 14. Chair

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- 14.1. The offices of Chair and Vice Chair shall be elected by the Board in accordance with the Club's Constitution and Club Rules.
- 14.2. The key role of the Chair or, in the Chair's absence, the Vice Chair is to:
  - 14.2.1. represent the Board to members;
  - 14.2.2. provide leadership to the Board Directors creating a culture that provides an efficient and effective Board;
  - 14.2.3. ensure the Board receives accurate, timely and clear information on issues before them;
  - 14.2.4. facilitate an effective contribution from each Board Director;
  - 14.2.5. promote and monitor the adherence to the Club's Constitution, Club Rules and the law by way of a governance framework and Board committees;
  - 14.2.6. brief all Board Directors on matters arising at Board meetings;
  - 14.2.7. develop a constructive and trusted relationship between Board Directors, the Board and management
  - 14.2.8. induct new Board members and any new Chief Executive Officer under the Club's induction process
  - 14.2.9. ensure the performance of the Board and its committees are evaluated on an annual basis in accordance with the Club's performance review management programme; and



- 14.2.10. facilitate Board Members regularly being updated on the nature of the business, current issues and the corporate strategy.

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## 15. Board Committees

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- 15.1. Amongst others, the Board may establish Board committees in accordance with the Club Constitution to examine in more detail important issues facing the Club and to prepare concise reports and recommendations to the Board on those matters. The formation of a committee does not imply a fragmentation or a reduction of the Board's responsibilities. As at the initial date of adoption of this Code of Conduct, the following committees had been established:
- 15.1.1. Finance;
  - 15.1.2. Precinct Development; and
  - 15.1.3. Discipline.
- 15.2. The Board may establish a charter or terms of reference for each committee, which sets out its role, responsibilities and composition. The Board should determine the membership of a committee.
- 15.3. Each committee will meet regularly and provide a report to the next full meeting of the Board.
- 15.4. The Board will review the performance of each committee at least annually.

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## 16. Guidelines for the Composition of the Board

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- 16.1. In consideration of appointment of any casual vacancies to the Board or assessing actual or potential candidates for Board elections at the required times, the Board must at all times:
- 16.1.1. take into consideration that there needs to be a balance of skills and broad expertise on the Board; and
  - 16.1.2. periodically review Board membership succession planning and to be proactive in identifying members of the Club who have the skills and expertise required for service on the Board.

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## 17. Board Evaluation

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- 17.1. The Board will regularly review its and the Club's performance by:
- 17.1.1. annually assessing the necessary and desirable expertise of the Board;

- 17.1.2. annually evaluating the Board's performance in meeting the Club's objectives and the Club's performance;
- 17.1.3. reviewing induction processes for new Board members to put them in a position in order for them to effectively discharge their duties;
- 17.1.4. assessing its processes for ensuring Board Directors are properly informed about Club activities and the industry.

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## 18. Enforcement of the Code

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- 18.1. If the Board determines by resolution that there is evidence suggesting that a Board Director has breached this Code of Conduct, that Board Director will be given a reasonable opportunity to provide the Board with an explanation of the relevant conduct and respond to questions from the Board. If the Board by resolution is satisfied, after having heard the Board Director's explanation and responses (or is otherwise satisfied if the Board Director has not accepted the opportunity to provide an explanation), that the Board Director has breached this Code of Conduct:
  - 18.1.1. in extreme cases, the Chair (or Vice Chair if the Chair is the Board Director at issue) may request that the Board Director tender their resignation from the Board; or
  - 18.1.2. the Board may pass a censure motion which may:
    - 18.1.2.1. exclude the Board Director from attending conferences or functions on behalf of the club;
    - 18.1.2.2. exclude the Board Director from taking part in Board committees or other internal roles within the Club; and/or
    - 18.1.2.3. terminate the Board Director's appointment to a Board committee; and/or
  - 18.1.3. convene a general meeting of the Club to consider removal of the Board Director from office in accordance with the Club's Constitution.