

Appendix

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List of generic questions for you as a director to ask yourself¹

1. What is the underlying purpose or mission of this company?
2. Have I read the company's constitution? Can I explain the key points to colleagues or stakeholders?
3. What is the legal structure of this company? What does that mean for the way in which it is run?
4. Who are this company's stakeholders? Which of those are the five most important stakeholder groups?
5. Which regulators am I and the company principally responsible to?
6. What general compliance burdens does this company have? How might these change within the next five years? Which additional compliance burdens might I have?
7. Does the board and management fully understand the concept of corporate governance and its importance to the company? How is this understanding translated into board discussions, actions and priorities?
8. What governance mechanisms does the company have in place to oversee its performance and protect its assets, including its reputation?
9. What are the most important governance risks for this company?
10. What further governance mechanisms might this company need?
11. What responsibilities has the board delegated to management in this company? What responsibilities has the board retained for itself?
12. How does this board monitor its delegations to management? How does the board assess management's performance with regard to these delegations?
13. What do I understand to be the role of the board? Is this clearly understood in the board and by management?
14. How does the board assess its own performance?

¹ Jane Walton FAICD prepared these questions for Australian Institute of Company Directors.

15. Does the board have a transparent process for the assessment of individual directors with regard to their contribution to the board?
16. Does the board have a clear policy for recording and managing conflicts of interests of directors? Do I have a clear understanding of what constitutes a conflict of interest or a conflict of duty?
17. What do I understand to mean by the term 'independent' as in an 'independent director'? Do the directors on this board have such a clear understanding?
18. Are the executive directors, or representative directors (if any) fully aware of their obligations with regard to decision-making on the board?
19. If applicable, is there a clear policy of the trading of the company's shares by directors? Is this policy properly enforced?
20. Does the board have regular discussions on its compliance obligations?
21. Does the board ever discuss ethical issues?
22. Does the board provide ethical leadership to the company?
23. What values are important to the company's business success?
24. Does the company have a code of ethics or values? Has this code been appropriately implemented? Is it used by the board and by the staff in decision-making?
25. Does the board have a clear understanding of what constitutes Environmental, Social and Governance (ESG) responsibilities within the organisation?
26. Has the board discussed the company's emissions and energy usage and the risk consequences for the business?
27. Is the board aware of its responsibility to register the company under the National Greenhouse and Energy Reporting System?