

ARV Board Charter

ARV Corporate Policy

1. Statement

The Board Charter for Alpine Resort Victoria defines the respective roles and responsibilities of directors appointed to the Board (both individually and collectively) and the policy and legal environment within which ARV operates.

2. Scope

The role of the Board is to govern the organisation so that ARV fulfils its obligations under the Alpine Resorts (Management) Act 1997 (the ARM Act) and delivers its aims and outcomes while acting ethically and prudently and remaining within the law. This involves ensuring good corporate governance, determining and approving corporate strategy and providing guidance and oversight to senior management.

The Board and management usually act as 'partners', but the Board has ultimate responsibility and must also exercise independent judgement.

3. Requirements

3.1 Board Functions

The function of the ARV Board include:

- Shaping, approving and reviewing strategic and operational plans associated with the resorts.
- Overseeing the development and implementation of policies that ensure compliant and effective operations.
- Overseeing matters associated with organisational risk, safety and financial management
- Approving major commercial ventures, including involvement in any partnership, joint venture, company or legal entity.
- Satisfying itself that the Board is fulfilling its obligations to its shareholder, guests, business operators, community and other stakeholders both as regards its operations and initiatives and the general experience of dealing with ARV.
- Appointing the Chief Executive Officer (CEO) and setting performance goals and monitoring of the CEO performance.
- Satisfying itself that ARVs culture:
 - is culturally safe for Aboriginal peoples.
 - is consistent with ARV's vision and values.
 - is consistent with the Victorian public sector values.
 - facilitates investment and strategic partnership; and
 - encourages positive views and promotes the six Victorian Alpine resorts as all year-round destinations to the wider community.

3.2 Board Evaluation

The Board of ARV must ensure that procedures are in place for an annual Board evaluation (section 81(1)(d)(i) PAA). Independent assessment should occur every two years. The Board should engage an independent governance consultant who is experienced in public sector performance assessment.

Evaluation should include:

- Assessing the performance of individual members (section 81(1)(d)(i) PAA)
- Dealing with poor performance by members (section 81(1)(d)(ii) PAA); and

- Resolving disputes between members (section 81(1)(d)(i) PAA).

3.3 Improving Performance

Board members should be offered appropriate opportunities for improving their Board skills. Where areas of poor performance are identified, Board members should be given the opportunity to improve their Board skills as soon as possible.

3.4 Major Risk

Consistent with section 81(1)(b) of the PAA, if the collective or individual performance of Board member(s) poses a major risk (existing or emerging) to the effective operation of the organisation, the Minister and the Secretary of DEECA should be notified of the risk and of the management systems that are in place to address the risk.

3.5 Board Indemnity

ARV will take out appropriate insurance cover on behalf of Board members for civil damages for breach of duty, negligence or breach of trust but only if the members conduct does not constitute a wilful breach of duty. Insurance should be maintained for each member of the Board for at least seven years after they cease to hold office.

3.6 Standing Committees

The work of the Board shall be supported by Standing Committees of the Board and such ad hoc committees as may from time to time be agreed upon. Section 35 of the ARM Act allows the Board to delegate any of its functions or powers under the ARM Act, the regulations or any other Act or regulations to a Standing committee.

The Standing Committees of the Board are:

- Finance, Audit and Risk Subcommittee
- Asset, Land-use and Environment; and
- People, Culture and Remuneration Subcommittee.

Each Standing Committee shall have a Charter that is approved by the Board. The Board should also appoint the Chairperson and members to the Committee. Section 34(2) of the ARM Act allows for Board committees to comprise Board directors and any other person able to give expert advice to the committee.

The Standing Directions issued under the Financial Management Act 1994 require ARV to establish an Audit committee. It is not uncommon for Boards to combine risk, finance and audit responsibilities into a single Standing Committee.

The Board should review the membership of each Standing Committee, its Chairperson and its Charter at least every second year. The membership, Chairperson and Charter of a Standing Committee may be reviewed outside this frequency were agreed by the Board.

The Board should review the performance of each Standing Committee annually.

3.7 Ad hoc Committees

Each ad hoc Committee of the Board shall have a Terms of Reference that is approved by the Board. The Board should appoint its representatives to the ad hoc Committee.

The Board should review the membership of each ad hoc Committee, its Chairperson and its Terms of Reference annually. The membership, Chairperson and Terms of Reference of an ad hoc Committee may be reviewed outside this frequency where agreed by the Board.

The Board should review the performance of each ad hoc Committee annually.

4. Responsibilities

| Position | Responsibility |
|--------------|---|
| Board Member | <ul style="list-style-type: none">• Attend, be prepared and participate in a constructive manner at Board meetings.• Participate, as far as reasonably possible, in events and functions of the six Victorian Alpine Resorts, where the attendance of Board members is appropriate.• Be prepared to contribute to the functioning of ARV through membership of standing and ad hoc committees of the Board and through membership of selection or other committees as may be required from time to time.• Be prepared to contribute to the promotion and advancement of the six Victorian Alpine Resorts as may be requested.• Maintain the confidentiality of information obtained in the course of one's duties.• Have read and understood the good practice guidelines set down for members of public sector Boards; and• Observe the requirements of the Code of Conduct and any operational protocols adopted for conduct of Board members and meetings. |
| ARV | <ul style="list-style-type: none">• Providing Board members with complete and accurate information in respect of all matters to be considered by the Board or a Committee of the Board and in respect of all of the Board's identified functions, in sufficient time to allow proper consideration.• Providing such legal and financial advice as may be necessary to enable members to discharge their director's duties.• Providing members with access to records of Board proceedings and material placed before the Board and retaining such information for access as may be needed.• Ensuring that all requirements in respect of the Board as set out in the Act, and other applicable legislation and compliance requirements and processes approved by the Board, are met.• Providing such administrative assistance as may be required from time to time including accommodation and / or reimbursement of expenses incurred by Board members in attendance at Board, Committee and other meetings and in attending events and functions at each Resort.• Ensuring that all requirements in respect of the Board as set out in the Act, and other applicable legislation and compliance requirements and processes approved by the Board, are met; and• Maintaining adequate levels of insurance cover to indemnify and keep indemnified each member of the Board and annually confirming this to Board members. |

5. Legislation

The sources of legal responsibility of the ARV Board members include:

- The Alpine Resorts (Management) Act 1997.
- State and Commonwealth legislation.
- The common law, particularly regarding the fiduciary nature of directors' roles; and
- The Integrity Framework, released by DEECA, which incorporates the Director's Code of Conduct issued by the Victorian Public Sector Commission (VPSC) and other matters set out in the Public Administration Act (2004) including the public sector values of:
 - Responsiveness
 - Integrity
 - Impartiality
 - Accountability
 - Respect
 - Leadership
 - Human Rights

Pursuant to the ARM Act, the Board is the governing authority of Falls Creek, Lake Mountain, Mount Baw Baw, Mount Buller, Mount Hotham and Mount Stirling Alpine Resorts.

The objects of Alpine Resorts Victoria are as provided in Section 1B of the ARM Act and the specific functions or responsibilities of the Board in relation to those objects are as laid out in Section 21 of the ARM Act.

While the ARM Act is the principal governing legislation, there are many other Acts which have an important influence on the day-to-day management of the six resorts, and the Board has a legislated responsibility to carry out any other function conferred on the Board by or under the ARM Act or any other Act.

The provisions of the Corporations Act 2001 do not apply directly but much of their effect is generally applicable due to the provisions of other Victorian legislation including the Financial Management Act 1994. Any Board member who becomes a director of a subsidiary or associated entity of ARV should however be directly subject to the Corporations Act and its compliance obligations.

Responsibility for compliance management is not directly the responsibility of Board members, but rests with the CEO, who may delegate specific compliance management functions to executive management and other ARV employees. Management should develop a framework to monitor and improve legislative compliance within the organisation, and report regularly thereon to the Board and relevant sub-Committees. The Board shall be provided with specific compliance reports as and when required and an annual compliance report as part of the Standing Directions / Financial Management Compliance Framework attestation process to enable it to discharge its oversight responsibility in this regard.

6. Related documents

- Board Meeting and Decision-Making Policy
- Board Integrity Framework (Code of Conduct) Policy
- Dispute Resolution Policy

7. Definitions

For the purposes of this policy, the following definitions apply:

| Term | Definition |
|-------------|---|
| Governance | Corporate governance is a broad-ranging term which, amongst other things, encompasses the rules, relationships, policies, systems, and processes whereby authority within organisations is exercised and maintained |
| Fiduciary | The relationship between a director and a company is fiduciary in nature, meaning that a director undertakes to act in the interests of the company and not in his or her own interests. The overriding duty of a fiduciary is the obligation of undivided loyalty. This obliges the director to act honestly, in good faith and to the best of his or her ability in the company's interests. A director must not allow conflicting interests or personal advantages to override the company's interests. Nor should a director participate in deliberations of the Board if the director has personal interests or duties that may conflict with those of the company. The company to which the director has been appointed must always come first. |
| Stakeholder | A stakeholder is any individual, group, or party that has an interest in an organisation and the outcomes of its actions. |

8. Approval and implementation

| Charter Custodian | Charter Contact Details | Approval Date | Approver |
|-------------------|--|---------------|----------|
| CEO | policyregister@alpineresorts.vic.gov.au | February 2025 | Board |

9. Version Control

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