

CHRG

DIRECTORS

HANDBOOK



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1. PURPOSE AND DEFINITIONS OF THIS DIRECTORS' HANDBOOK

The Board is responsible for the good governance of the Company. The purpose of this Directors Handbook is to specify how the Company is governed so as to promote confidence in the Company and to seek to protect the interests of members and related stakeholders.

This Directors Handbook sets out the roles and responsibilities of the Board and management, which responsibilities are delegated to Committees of the Board or to management, as well as guidance relating to the membership and the operation of the Board.

A Director must fully acquaint themselves and keep themselves up to date with this Directors Handbook, the Constitution of the Company and Committee Charters. At all times a Director must comply with both the letter and the spirit of this Directors Handbook, the Constitution of the Company, and Committee Charters.

Unless the context requires, other terms having a defined meaning in the Corporations Act 2001 (Cth) ("Corporations Act") or the Registered Clubs Act 1976 (NSW) ("Registered Clubs Act") have a corresponding meaning in this Directors Handbook.

If any provision of this Directors Handbook is or becomes inconsistent with the Registered Clubs Act, the Corporations Act or the Liquor Act 2007 (NSW) (including any regulations under them and any consolidations, amendments, re-enactments or replacements of any of them), or any contract of employment between a Director and the Company, this Directors Handbook is taken not to contain that provision to the extent of the inconsistency.

2. OBJECTIVES

The Board is responsible for overseeing the proper management of the business of the Company. Its objectives are to advance the Company's strategic direction in all its day-to-day activities in a way that:

- (a) provides clear accountability;
- (b) protects the rights and interests of all stakeholders;
- (c) provides for proper management of the assets of the Company;
- (d) supports the achievement of the Company's fiduciary, environmental, health, safety, social and other obligations;
- (e) supports the achievement of the Company's obligations under the Registered Clubs Act and any related By-laws, rules, and regulations; and
- (f) preserves and enhances the Company's reputation and standing in the community.

In pursuing the objectives of the Company, a Director is expected to:

- (a) actively do the right thing to ensure that the right result is achieved by the right process;
- (b) act as an ambassador for the Company in the community;
- (c) set the right tone and culture of the Company; and
- (d) behave with the highest standards of ethics.

3. ROLE AND RESPONSIBILITIES OF THE BOARD

3.1 Role

The role of the Board is to provide leadership, strategic guidance and oversight of management for the Company. The Board derives its authority to act from the Company's Constitution. The Board must pursue the objective that Company activities comply with the Company's Constitution and with legal and regulatory requirements, including under the Registered Clubs Act.

The Board has reserved to itself the following specific responsibilities.

3.2 Strategy

The Board is responsible for:

- (a) providing leadership and setting strategic objectives for the Company;
- (b) reviewing and approving strategic plans and performance objectives of the Company consistent with the corporate strategy, and reviewing the assumptions and rationale underlying the strategic plans and performance objectives; and
- (c) monitoring management's implementation of the Company's strategic objectives and its performance generally.

3.3 Oversight of management

The Board is responsible for:

- (a) appointing, and if necessary, replacing the Group Chief Executive Officer ("GCEO") (who is also the Company Secretary as required by the Registered Clubs Act);
- (b) approving the appointment, and if necessary, replacement of other Top 5 Executive, in consultation with the GCEO;
- (c) approving succession plans for top 5 Executive Managers;
- (d) reviewing with the GCEO Top 5 Executive performance and implementation of the Company's strategic objectives against measurable and qualitative indicators, encouraging enhanced effectiveness and ensuring that appropriate resources are available;
- (e) approving the Company's remuneration framework, policies and practices;
- (f) approving top 5 Executive contracts and salary reviews;
- (g) providing advice and counsel to management; and
- (h) requiring that management supplies the Board with accurate, timely and clear information to enable the Board to perform its roles and responsibilities.

3.4 Other stakeholders

The Board is responsible for governing and reviewing:

- (a) policies governing the Company's relationship with other stakeholders and the broader community; and
- (b) to the extent relevant, policies relating to environmental, employment, occupational, health and safety, social responsibility, sustainable development, and other matters.

3.5 Ethics and responsible decision-making

The Board is responsible for:

- (a) promoting ethical and responsible decision-making and charging management with the responsibility for creating a culture in the Company of ethical and responsible behaviour, including:
 - (i) acting in the best interests of the Company;
 - (ii) acting with high standards of personal integrity;
 - (iii) complying with applicable laws, regulations, codes and policies (including the Registered Clubs Act); and
 - (iv) not knowingly participating in any illegal or unethical activity;
- (b) establishing, monitoring and promoting codes of conduct and related policies to guide the Directors, management and employees in practices necessary to maintain confidence in the Company's integrity (including encouraging the reporting of unlawful or unethical behaviour and protecting whistleblowers who report violations in good faith);
- (c) monitoring the effectiveness of the Company's governance practices and accountability for contraventions; and
- (d) actively monitoring and promoting a diversity policy to outline the Company's commitment to diversity and inclusion in the workplace and setting out a framework to achieve the Company's diversity goals.

3.6 Oversight of financial and capital management

The Board is responsible for:

- (a) monitoring the integrity of the Company's accounting and corporate reporting systems (including the external audit) and requiring that financial records are properly maintained, and financial statements comply with appropriate accounting standards;
- (b) reviewing and approving financial statements, having regard to, among other things, the information the Directors know about the Company;
- (c) monitoring financial results on an ongoing basis;
- (d) approving and monitoring operating budgets, major capital expenditure, major acquisitions and divestitures and material commitments; and
- (e) capital management including approving decisions affecting the capital of the Company and major financing arrangements.

3.7 Risk management and compliance

The Board is responsible for:

- (a) identifying, analysing and evaluating material risk for the Company on an ongoing basis;

- (b) setting risk appetite guidance within which the Board expects management to operate (including the nature and extent of risks that can be taken to meet objectives) and monitoring the Company's activities within that guidance;
- (c) governing and reviewing a risk management framework for the Company to identify, analyse, evaluate, and manage risk; and
- (d) establishing and monitoring governance and compliance frameworks and systems for the Company to meet regulatory, contractual, internal, and other requirements.

3.8 Dealings with management and employees

Individual Directors have no right to give instructions to management, consultants, contractors or employees of the Company, or management, consultants, contractors, or employees of Castle Hill RSL Limited Group (ACN 001 043 910) without the approval of the Board.

Individual Directors have no right to perform management, executive or employee functions of any nature in connection with the conduct of the business of the Company without the approval of the Board.

Individual Directors can approach management, consultants, contractors, and employees of the Company to seek information or documents with the approval of the GCEO and/or President.

4. ROLE AND RESPONSIBILITIES OF PRESIDENT, COMPANY SECRETARY AND GROUP CHIEF EXECUTIVE OFFICER (GCEO)

4.1 President

The President is a Director appointed by the Board. The President is responsible for:

- (a) chairing Board and member meetings, setting the Board's agenda and seeking to ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- (b) seeking to ensure that Directors are briefed on Board matters and leading the Board in reviewing and discussing Board matters;
- (c) seeking to facilitate effective contribution by all Directors and monitoring Board performance;
- (d) seeking to promote constructive and respectful relations between Board members and between the Board and management;
- (e) seeking to encourage Directors to meet separately to consider, among other things, strategic concepts, business performance, innovation etc.;
- (f) seeking to achieve the objective that membership of the Board is skilled and appropriate for the Company's needs; and
- (g) monitoring the role of the GCEO.

4.2 Company Secretary – Known as GCEO

The Company Secretary acts as secretary of the Board, attending meetings of the Board and its Committees. The Company Secretary must be the GCEO, as per Section 3.3(a). The Company Secretary is accountable directly to the Board, through the President, on matters to do with the proper functioning of the Board. In addition to responsibilities under the Corporations Act, the Registered Clubs Act, other Acts and Regulations, the Company's Constitution, and matters specifically delegated, the Company Secretary acts as a point of contact between the Board and management. The Company Secretary's responsibilities include:

- (a) monitoring that policies and procedures of the Board are followed;
- (b) organising Board meetings, Director attendance, draft notices of meetings and resolutions for approval, and coordinating the despatch of Board meeting papers;
- (c) capturing the business of Board meetings in the minutes, and circulating minutes from Committee meetings to the Board;
- (d) in conjunction with the Governance Committee, helping to organise and facilitate the induction and professional development of Directors so that they can develop and maintain the skills and knowledge needed to perform their role as Directors effectively;
- (e) performing the functions provided for in the Registered Clubs Act, including the power to carry out such investigations and inquiries as are provided for in the Registered Clubs Act; and
- (f) seeking to ensure that the Company complies with its requirements under the Corporations Act regarding its registered office, annual returns and notices to be lodged with the Australian Securities and Investments Commission.

4.3 Group Chief Executive Officer (GCEO)

The GCEO is appointed by the Board. The President is the Board's principal formal contact with the GCEO. However, the GCEO has, within reason, unrestricted access to all Board members and vice versa. Direct unrestricted contact between the Group Chief Financial Officer (or delegate) and members of the Board's Audit and Risk Committees is expected.

The key responsibilities of the GCEO include:

- (a) delivering the vision and mission of the Company through the development and implementation of the Company's Board-approved intent and strategy, its annual operating plans and budgets and other policy documents;
- (b) delivering strong financial performance and risk management policies and processes while ensuring compliance with all regulatory obligations;
- (c) developing and retaining staff, and implementing best practice people and culture policies and processes which lead to a positive Company culture, in which all staff can realise their full potential;
- (d) developing and delivering the Company's public image and brand through quality stakeholder communications, marketing and management processes and good overall promotion of the Company;
- (e) passionately advocating, as appropriate, the Company's role and responsibilities to local, state and federal governments, the Club industry and other regulatory authorities, the corporate sector and other community groups and influence opinion makers to extend the Company's influence;

- (f) assisting the Board in developing, applying, and monitoring key performance measures across all key activities and responsibilities within the Company, including business process improvement, business development and partnerships, finance, administration and human resources management, and marketing development.

The GCEO has Board-delegated authority within specified limits in relation to approving financial decisions. This includes authority to authorise payments where the Board has already approved such payments within the GCEO's delegated authority.

The Board's annual performance review of the GCEO will be guided by these responsibilities, as well as other agreed specific objectives and responsibilities, all of which will be regularly reviewed and agreed as the Company's activities and operating environment require. The GCEO attends Board meetings as an invited attendee. The GCEO is encouraged to invite other senior staff attendees in consultation with the President.

GCEO/Company Secretary should attend all Board Meetings, if not in attendance, meetings are to note Company Secretary's absence and all resolutions and motions must be in accordance with various Acts/legislation and regulations.

5. DELEGATIONS OF AUTHORITY

5.1 Delegation to Committees

Under the Company's Constitution, the Board may delegate responsibility to Committees to consider certain issues in further detail and then report back to and advise the Board.

Standing Committees established by the Board will adopt charters setting out the authority, responsibilities, membership, and operation of the Committees. There are currently four (4) standing Committees:

- Risk, Audit & Financial Compliance Committee;
- Governance Committee.
- Disciplinary Committee; and
- Executive Committee

The Company may establish other Committees from time to time to consider other matters of special importance, including any Committees required for legislative reasons or deemed suitable by the Board.

The Board has the right to terminate Standing Committees at any time other than legislative required Committees.

Directors are entitled to attend Committee meetings and receive Committee papers. Committees will maintain minutes of their meetings and are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The Chairman or, if the Chairman is not available, the members of each Committee will report on Committee meetings to the Board at the next full Board meeting.

5.2 Delegation to the GCEO and management

The Board delegates to the GCEO the authority to manage the day-to-day affairs of the Company and the authority to control the affairs of the Company in relation to all matters other than those reserved to the Board and its Committees under their charters or under specific limitation or guidance from the Board.

The GCEO has authority to delegate to the senior management team who are responsible for:

- (a) implementing the strategic objectives of, and operating within the risk appetite set by, the Board and for all other aspects of the day-to-day running of the Company; and
- (b) providing the Board with information to enable the Board to perform its responsibilities.

From time to time the Board may review the division of functions between the Board and management so that it continues to be appropriate to the needs of the Company.

6. BOARD STRUCTURE

6.1 Composition and size

The Company's Constitution provides that there must be nine (9) Directors.

The President and one (1) Vice President of the Board will be elected every 2 years by the Directors as per the constitution.

6.2 Board skills matrix

The Company seeks to have Directors with an appropriate range of skills, knowledge, experience, independence and diversity, and an understanding of and competence to deal with current and emerging issues of the business. It has a Board Skills Matrix setting out the skills and diversity that the Board has or is looking for in order to identify any gaps in skills that the Board seeks. This Skills Matrix is Schedule 1 to this handbook.

6.3 Appointment of Directors

The process of selection and appointment of Directors to the Board is that when a relevant casual vacancy arises, the Board will review candidates from the perspective of the Eligibility Criteria in the Constitution and this handbook for appropriate skills, knowledge, experience, independence, and expertise. When a casual vacancy arises, and the Board considers that a suitable candidate has been found, that person may be appointed by the Board to fill that casual vacancy in accordance with the Company's Constitution & Section 6.4.

Directors will be engaged by a letter of appointment setting out the terms and conditions of their appointment. The Top 5 Executive will have their roles and responsibilities and the Company's expectations set out in an employment agreement or a service contract.

For the purposes of the declaration requirement specified in By-law 3, the declarations required are declarations confirming that:

- (a) the person has not been disqualified from managing a corporation or been found liable for, or admitted to, an offence involving corporate or financial misconduct (which has not been the subject of a successful appeal);
- (b) in the 15-year period prior to the closing date for receipt of nominations, the person has not been found guilty of or admitted to a criminal offence (other than an offence that cannot give rise to a custodial sentence) (and which has not been the subject of a successful appeal);
- (c) the person is not, and has not previously been, bankrupt;
- (d) the person has not had a declaration made against them by ILGA, OLG or a court under the Registered Clubs Act that they are ineligible to stand for election or to be appointed to or hold office in the position of secretary or member of the governing body of a Registered Club or been convicted by a court of an offence under the Registered Clubs Act (and in each case which has not been the subject of a successful appeal);

- (e) any pending or threatened investigation or enquiry by a government agency or other authority that could lead to proceedings or action of the type described in paragraphs (a) to (d) above; and
- (f) (except as disclosed in the declaration) the person has not had dealings with the Company or any Related Body Corporate of the Company of a kind specified in paragraph 6.5 of this handbook or that may otherwise cause the person to be ineligible as a Director as set out in paragraph 6.5 of this handbook.
- (g) the person must not be a director or member of the governing body or an employee of any other Registered Club.

6.4 Casual Board Vacancy Policy

In the event of a casual vacancy becoming available, not less than six (6) months prior to the biennial Board election, the Board of Directors will advertise to the membership for Expressions of Interest of eligible members to fill the vacancy. All candidates must satisfy the requirements under the Constitution to be eligible.

Candidates will be required to submit a formal application letter, comprehensive CV, and an overview of their club history/involvement and why they should be considered for the position. The position will be advertised for a period of not less than 21 days.

Applications will be forwarded to an independent industry Recruitment Consultant for review and a shortlist of candidates compiled for a formal interview with an independent selection panel. The panel may comprise the Club President or his/her appointed representative, Industry Association Representative, representative of the independent Recruitment Consultant, &/or any other appropriate person determined by the board.

The successful candidate will only hold the Board position until the next election and then the members will decide through the normal election process.

6.5 Eligibility

All Directors must meet the Eligibility Criteria in clauses 49-50 of the Company's Constitution, By-law 2, and this Section of the Handbook, and should bring an independent judgement to bear on all Board decisions.

A person who has had dealings with the Company or any Related Body Corporate of the Company beyond the following thresholds:

- (a) is, or has been within the last five (5) years, in a business relationship (e.g., as a supplier or customer) with the Company or any Related Body Corporate, or an officer of, or otherwise associated with (whether as shareholder or employee), someone with such a relationship where the amount paid to or by the Company or the Related Body Corporate has exceeded \$20,000 in any of those five (5) years;
- (b) has a contractual relationship with the Company or any Related Body Corporate, or an offer of employment from the Company or any Related Body Corporate, or is otherwise associated with (whether as shareholder or employee) the Company or any Related Body Corporate other than as a Director where the term of that contact exceeds twelve (12) months in total; or
- (c) is, or has within the last five (5) years been, a partner, director, or employee of a provider of material professional services to the Company or any Related Body Corporate where that service provided has been paid in excess of \$20,000 in any of those five (5) years;
- (d) is not a director or member of the governing body or an employee of any other Registered Club;
- (e) has previously been found to be in breach of Director duties by an independent expert.

- (f) in the past 15 years prior to closing date of receipt of nominations the person has been found guilty of behaviour unbecoming a member by the Board of Directors

will not be eligible to be a Director, unless the Board is satisfied on reasonable grounds that the person is eligible to be a Director despite the existence of one or more of these circumstances because the Board is satisfied that the circumstances are immaterial. In each case, the materiality of the interest, position, association, or relationship needs to be assessed to determine whether it might interfere, in the opinion of the Board, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its Members generally.

For the purposes of paragraphs (a) to (d) above, a person will be considered to satisfy the eligibility criteria set out in that paragraph despite the requirements of that paragraph in circumstances where:

The Board and/or management will assess the eligibility of each person seeking to become a Director in light of interests disclosed by them around the time that the Board considers candidates for the Board. Each person seeking to become a Director must provide the Board with all relevant information related to this eligibility assessment.

Each individual Director must immediately inform the President of any circumstances which may have a bearing on their eligibility and must immediately provide details of those circumstances to the President, or in the case of the President, to the other members of the Board.

If a Director's interests, positions, associations, or relationships change, an assessment of their eligibility should be made as soon as practicable after the Board becomes aware of the change.

6.6 Electioneering

Any candidate for election as a Director must agree to such restrictions and protocols concerning the election process as may be specified by the Board from time to time ("Election Requirements") as indicated in the Constitutional By-law 4.

Each candidate for appointment as a Director must enter into an agreement with the Company agreeing to be bound by the Election Requirements. A refusal to be bound by the Election Requirements or a breach of the Election Requirements will be a breach of this Directors Handbook leading to the potential consequences set out in section 16.

Areas that may be dealt with in the Election Requirements may include (but are not limited to):

- methods and format of written and electronic contact with members (including by social media);
- prior review of and approval of written and electronic material to be provided to members and the public;
- use of Company premises for electioneering;
- presentation of information in the notice of ballot for the election.

6.7 Director's training and qualification requirements

A Director is to successfully complete the Australian Institute of Company Directors (AICD) Company Director Course and qualify to have the postnominals GAICD within 6 months of election to the Board. CHRG will pay for a Directors' first attempt to complete the course only; if a Director fails the course (including the single test resit option), the Director will

be responsible to pay for any further attempts of the course.

The Governance Committee will provide a schedule of training & qualifications to Directors to be completed within the timeframes specified, including training recommended by Management (RSA, RCG, AMLF).

Each Director must also successfully complete any required training under the Registered Clubs Act (and any regulations under it).

Each Director must also successfully complete any required training provided by ClubsNSW as a member of the Club Directors Institute.

6.8 Conduct of individual Directors

A Director must not engage in conduct likely to bring discredit upon the Company. This relates to situations where the Director is carrying out the duties of a Director or representing the Company and in relation to anything else that a Director does in connection with the Company or in their life outside the Company. Each Director must not only avoid conduct of their own likely to bring discredit to the Company but must be quick to expect other Directors and employees to do likewise and have the courage to push for appropriate action if not. The CHRG Director's Code of Conduct summary is set out in Schedule 3.

Directors have a duty to consider the interests of the Company as a whole. A Director may not act in the interests of an association of people or in affiliation with other parties if that would conflict with the interests of the Company as a whole.

Only those Directors and individuals listed in Schedule 3 to this Directors Handbook may engage with the media in accordance with the Company Media Policy, as amended from time to time.

Directors must at all times act in accordance with all legal and statutory requirements and devote sufficient time to discharge their duties as Directors of the Company. Directors must:

- (a) discharge their duties in good faith and in the best interests of the Company and for a proper purpose, with good faith being judged from the viewpoint of the Company;
- (b) act with care and diligence, demonstrate commercial reasonableness in their decision making and act with the level of skill and care expected of a Director of a major Company, including applying an independent and enquiring mind to their responsibilities;
- (c) notify other Directors of their material personal interests and take reasonable steps to avoid actual, potential, or perceived conflicts of interest (except as permitted by the Corporations Act or the Registered Clubs Act);
- (d) not make improper use of information gained through their position as a Director;
- (e) not take improper advantage of their position as a Director;
- (f) not perform any management, executive or employee function in connection with the business of the Company without the approval of the Board;
- (g) not solicit or accept any bribe, secret commission, or illegal inducement;
- (h) make reasonable enquiries if relying on information or advice provided by others;
- (i) undertake any necessary inquiries in respect of delegates;
- (j) give the Company all the information required by the Corporations Act;

- (k) not allow the Company to engage in insolvent trading; and
- (l) consult the President if considering an invitation to become a director of any other Company (except a related body corporate of the Company) and have regard to the views of the President about the Director acting as a director of an external entity, and relevant Board policies and best practice standards on multiple directorships.

In addition, to avoid any appearance of inducement or improper conduct, a Director:

- (a) must not accept any gifts or promotional items from a third party which has a relationship (whether contractual or otherwise) with the Company, or other registered clubs unless the items are of a negligible value (that is, less than a value of \$500 for an individual item or, in the case of items received proximate in time, less than a cumulative value of \$500) and reasonable under the circumstances and where that does not otherwise involve a breach of another conduct standard;
- (b) is permitted to enter minor trade competitions and raffles unless they are excluded as part of the rules of the Trade Promotional Lottery (TPL). Examples are club raffles, sub-Club raffles, fundraising raffles, bingo, and skill-based competitions. Directors and their spouses are not permitted to enter any trade competition and / or raffle where the Trade Promotional Lottery (TPL) rules exclude them from entering. Examples are major membership promotions and gaming promotions. The Trade Promotional Lottery (TPL) is reviewed and approved by the Department of Fair Trading and Directors must strictly adhere to the rules relating to the same.
- (c) may not seek preferential treatment over members of the public in relation to the activities of the Company, or other registered clubs except with the prior informed consent of a resolution of the Board;
- (d) may accept a meal or a drink or entertainment only if such courtesies are modest and reasonable in the circumstances and fully disclosed where required;
- (e) must not accept the provision of travel or accommodation by an outside party as part of an entertainment activity except where that would not otherwise breach a conduct standard and is lawful and has the informed prior consent of a resolution of the Board;
- (f) must not commit Company funds, services or resources for any political cause, party, or candidate except with the prior informed consent of a resolution of the Board and where it is permissible under the Constitution;
- (g) must not bind the Company, or seek to bind the Company, to any contractual obligation or other commitment without the specific approval of the Board;
- (h) must use all reasonable endeavours to protect Company assets and to ensure their efficient use and that they are not misused; and
- (i) must ensure that they deal fairly with Company management, consultants, contractors, and employees.
- (j) must not promise or guarantee any item or service that requires full Board approval, this includes but is not limited to sponsorship or any ClubGRANTS funding to any individual or association.

6.9 Reporting

A Director is expected to report promptly and in good faith any actual or reasonably suspected breach of any legal or governance requirement by any other Director or any Company officer, consultant, or employee. A Director should report to the President, or in extraordinary situations, to another Director in anticipation of a Board meeting, or to the GCEO.

A Director must encourage, support, and not discriminate against a fellow Director or anyone else who in good faith makes any such report. A Director in particular is expected to show positive respect and acknowledgement to any other Director who in good faith calls out any concern about any breach of these conduct standards or any non-compliant act or omission in connection with the Company.

7. BOARD PROCESS

7.1 Meeting Procedure

All Board meetings will be conducted in accordance with the Company's Constitution, the Registered Clubs Act, and the Corporations Act. Directors are committed to collective decision making but have a duty to question and raise any issues of concern to them. In order that such matters can be discussed properly, it is important that management and other Directors be given time to consider them, and it is good practice for a Director with a serious concern to advise the President in time for the matter to be added to the agenda. In addition, Directors must deal with resolving Board issues in the Boardroom at Board meetings and not in separate discussions.

Matters are to be debated openly and constructively amongst the Directors, and Directors should be frank and open in Board meetings and be ready to actively question, request information and raise issues. Directors will not hesitate to test proposals or put forward alternatives and will be respectful of others who do so but will not do so in an argumentative way. A Director must not talk over others or monopolise Board discussion and must support each Director being given an opportunity to speak on a topic. Each Director by their manner of active participation in Board processes must assist to set the tone for ethical and responsible decision making throughout the Company.

Individual Directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings. However, in the interests of the effectiveness of the Board, and the Company as a whole, the Directors agree that they will conduct themselves cohesively with good will and in a harmonious manner. The importance of good teamwork is recognised and acknowledged.

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. Where a Director supports what has been said by another Director on a topic, the Director must say so and add any additional points or points of difference but otherwise avoid repetition. Directors must support the President in maintaining order and making Board discussions effective.

Decisions of the Board must be made collectively in accordance with the Constitution. Directors must abide by all Resolutions regardless of personal position and support the decision of the full Board and not undermine or discuss, in open forum, their opposition. Directors have the right to have it recorded in the minutes that they voted against the Resolution, but must accept the majority decision of the Board, & follow Board solidarity requirements as per Section 7.3.

The Board may request or invite management or external consultants to attend Board meetings if necessary or desirable.

The Board may conduct meetings by telephone, video conference or other electronic means.

Directors and members of Committees are expected to attend every meeting. It is understandable that occasionally someone will have to miss a meeting. Where that is known in advance, a Director should ask that the minutes record their apology for the next meeting.

Directors are not entitled to an individual vote on Resolutions put to an Annual General Meeting or Extraordinary General Meeting of the Company. As the Resolutions are put by the Board, the votes when counted shall include 9 for Ordinary Resolutions and 6 for Special

Resolutions for the affirmative.

7.2 Meeting preparation

Directors are expected to prepare adequately for, attend and participate in Board meetings. Directors should consider the sufficiency of the contents of the Board papers that they have been provided for consideration. The Board should assess the information that it receives and the timing of its distribution to ensure the Board has sufficient time to examine the material provided to it for approval.

7.3 Board solidarity

Directors recognise that the responsibilities to their colleagues and the Company require that, where disagreement occurs, every effort must be made to resolve the issues and avoid dissension.

There may be times when a Director feels so strongly about a matter of principle that the Director is unable to acquiesce in a proposed decision of the Board. In such cases the Director should consider taking some or all of the following steps:

- (a) making the extent of the dissent and its possible consequences clear to the Board as a means of seeking to influence the decision;
- (b) asking that the decision be postponed to the next meeting to allow time for further consideration and informed discussion;
- (c) ensuring that the Director's dissent (including vote against the matter) is recorded in the meeting minutes;
- (d) asking for additional legal, financial, or other professional advice;
- (e) raising concerns directly with the President after the meeting with a view to exploring any other possible means of resolution, or the Director's options if a resolution cannot be reached;
- (f) resigning from the board.

Once a policy decision is made by the Board, loyalty to the Company requires a Director to support that policy or decision even if the Director did not personally support the policy or decision. Directors must not disclose to third parties that they have dissented from a decision made by the Board.

Dissenting 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.

Directors do not have a 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.

7.4 Interest in decision

A Director must make disclosures in advance of a Board meeting of any personal interest that the Director may have or any person with a close family tie to the Director may have (directly or through an interest in a corporation, entity, or trust) in a decision to be made by the Board. Every disclosure of interest must be true, complete, and not misleading.

If a disclosure of interest is made, the Board (excluding the interested Director) will determine if the interested Director may vote on the matter and the interested Director may not be present at any discussion by the Board on that issue.

If a Director has a personal interest or any person with a close family tie to a Director has

any dealings or business relationships (directly or through an interest in a corporation, entity, or trust) they must promptly advise the Board through the President. Every disclosure of interest must be true, complete, and not misleading.

Directors are expected to err on the side of caution in making a disclosure under this policy.

7.5 Independent professional advice

Following approval from the President, Directors may seek independent professional advice at the Company's expense. Generally, this advice will be available to all Directors if the President considers the advice relevant for them to discharge their responsibilities as Directors.

7.6 Corporate Social Responsibility and ClubGRANTS

The Board is responsible for governing and reviewing:

- (a) Policies governing the ethical and transparent processes for the strategic, consistent, and coordinated application, assessment, approval and management of support, sponsorship, and donation activities;
- (b) Effective allocation of cash and in-kind expenditure for the purpose it was provided;
- (c) Legislative compliance, as it relates to Liquor and Gaming NSW;
- (d) Uphold CSR pillars in relation to community, hospitality respect and growth in the areas of sports and wellbeing, education and arts, service, and sustainability.

8. DUE DILIGENCE

Directors will ensure that they are fully informed about the activities and affairs of the Company, the registered clubs and gaming and hospitality industry, Retirement Living and all other sectors that the Company pursues including relevant statutory and regulatory requirements.

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. Directors must ensure 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 Company's financial reports and statements.

Requests for information may only be made by a Director through the GCEO and/or President. It is recognised that the provision of information may be burdensome and cause expense to the Company. If the Board determines that an information request of a Director is excessive in the detail requested or not relevant to a matter before the Board the Board may resolve that the information request of the Director need not be acted upon.

8.1 Director decisions

For each and every decision in which a Director participates, he or she will make sure that they are able to demonstrate the required care and diligence referable to facts and materials showing that:

- (a) he or she made their judgement in good faith for a proper purpose;
- (b) he or she did not have a material personal interest in the subject matter;
- (c) he or she informed themselves about the subject matter to a reasonable extent by carefully reviewing the materials provided by management including considering whether those materials appear to be sufficient; and

(d) he or she rationally believes that the decision is in the best interests of the Company.

9. DEALINGS WITH MANAGEMENT AND EMPLOYEES

9.1 Director's act through the Board

The Board as a whole is responsible for the overall strategic direction and affairs of the Company. No Director has any right to participate in the management of the business and affairs of the Company except in acting with the authority of the Board.

A Director must not in any way act in an executive or employee capacity or interfere with the administration or operation of the business and affairs of the Company (or its related bodies corporate) except through making decisions of the Board.

9.2 Contact with employees

A Director may not give instructions to management, consultants, contractors, or employees of the Company (or its related bodies corporate) except through making decisions of the Board. A Director may not engage in conduct that would reasonably be considered abusive, derogatory, unfair or intimidating in their dealings with management, consultants, contractors and employees (including by telephone, email or social media).

10. CONFIDENTIALITY AND PUBLIC COMMENT

10.1 Confidentiality of Company information

Directors will not disclose confidential information concerning the Company or its business or affairs or acquired by virtue of their position as a Director to any person, and must not, without the consent of the President, put themselves in a position where they are obliged to disclose any such confidential information.

This obligation continues to apply after a Director's resignation or retirement.

10.2 Confidentiality of Board papers and processes

Board agendas, papers, minutes, and discussions are confidential to the Company and are the property of the Company. A Director must take great care with any Board papers or other documents that come to the Director and ensure they are kept confidential and protect them from loss or accidental or other disclosure. All such Board papers or other documents must be securely maintained. These restrictions also apply to materials provided electronically.

Directors will maintain the confidentiality of matters discussed at Board meetings so that all Directors and Executives who speak at or provide materials to Board meetings feel free to fully speak their mind and so there is confidence that commercially sensitive and potentially controversial issues can be fully and frankly canvassed. The respect for Boardroom confidentiality is also so that people dealing with the Company or observing the Company, have the confidence that the Company is stable, reliable, and trustworthy.

If so requested by the Company Secretary a Director must deliver up all Board papers or other documents (whether paper based, digital or any other format) in their possession or control. This obligation continues to apply after a Director's resignation or retirement but is subject to the terms of any Deed of Access, Indemnity, and Insurance.

Directors will refrain from any public comment regarding the considerations and determinations of the Board, unless authorised by the Board to do so.

10.3 Public comment

The right to comment to the media on the business or affairs of the Company and to present

the Company's views is restricted to the persons as set out in Schedule 3, & in the Company media policy.

Directors must not provide background briefings or comments to journalists on the business and affairs of the Company. GCEO, President and/or their appointed representative are the only people authorised to speak or provide information to media.

10.4 Disclosure by compulsion

Directors acknowledge that there are specific exceptions under law to these confidentiality obligations specified above, such as when a person is legally required to give evidence in Court or to a regulatory body. If a Director becomes aware that they will or may be required by law to disclose confidential information, that Director must immediately inform the President of the relevant circumstances.

10.5 Other exceptions to the obligation of confidentiality

There are various exceptions to the obligation of confidentiality as follows:

- (a) a Director may discuss the text of a Board resolution if the resolution includes the words "For Publication" or if publication is otherwise authorised by a Board resolution;
- (b) it is not a breach of confidence for there to be necessary disclosure of a Board resolution by those who are duly implementing the resolution; and
- (c) a Director must never say outside the Boardroom that a resolution was not unanimous.

11. IMPROPER USE OF INFORMATION

Directors will not make improper use of information acquired by virtue of their position as a 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 Director.

This prohibition applies irrespective of whether the Director would gain directly or indirectly a personal advantage or advantage to any associated person or might cause detriment to the Company.

12. MAINTENANCE AND PROMOTION OF PUBLIC CONFIDENCE

The general standard of conduct and the expectations required of a Director are higher than the general community because of their special position.

Directors will not engage in conduct likely to bring discredit upon the Company or otherwise diminish the confidence of the public generally, in the fairness, integrity or professionalism of the Company. A Director must always act in recognition that his or her primary responsibility is to the Company as a whole.

Directors will not make any public comment or statement that is critical of, or otherwise calls into question, any decision made by the Board except with the prior approval of the President or GCEO.

A Director must not become intoxicated or be affected by any illicit substance in attending to the business and affairs of the Company.

Directors will report to the President any actions by others which may adversely affect, either directly or indirectly, any member or public confidence in the integrity of the Company generally.

13. REIMBURSEMENT OF EXPENSES

13.1 Right to reimbursement

Pursuant to the Constitution a Director is entitled to be reimbursed out of the funds of the Company such reasonable travelling, accommodation and other expenses as the Director may incur while engaged in the business of the Company as set out in this Directors Handbook. Travel to or from a place of residence to a CHRG work location cannot be claimed, however travel between separate CHRG work locations can be claimed.

13.2 Promulgation of guidelines

The Board may promulgate guidelines from time to time on expense reimbursement including as to:

- (a) permitted categories of expenses;
- (b) expenditure caps; and
- (c) permitted classes of travel or accommodation.

13.3 Board review

The Board has the right to review the reasonableness of any claim for reimbursement of an expense by a Director. Board review of all expense claims will be on the basis of such materials as the Board requests. The Director making the claim may not participate in or be present for Board consideration of the claim. A decision of the Board on the claim will be final and binding.

14. BOARD'S PERFORMANCE EVALUATION

The Board recognises the importance of regular reviews of its effectiveness and performance. Annually the Governance Committee will review and evaluate:

- (a) the Board's performance, including against the requirements of this Directors Handbook;
- (b) the performance of the Committees;

Annually the Executive Committee will review & evaluate:

- (a) the performance of individual Directors;

against both measurable and qualitative indicators. The Executive Committee and Governance Committee may use external facilities and consultants to undertake that review.

15. REVIEW OF DIRECTORS HANDBOOK

The Board is responsible for reviewing this Directors Handbook and the division of functions and responsibilities in the Company to determine its appropriateness to the needs of the Company from time to time. The Directors Handbook may be amended by resolution of the Board and must in all circumstances be consistent with the Constitution.

16. ENFORCEMENT OF DIRECTORS HANDBOOK

If the Board determines by resolution that there is evidence suggesting that a Director has breached this Directors Handbook that 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 Director's explanation and responses (or is otherwise satisfied if the Director has not accepted the opportunity to provide an explanation), that the Director has breached this Directors Handbook, the Board may:

- (a) impose probation conditions on the Director on such terms as the Board may determine;
- (b) require the Director to undertake such training as the Board may determine;
- (c) remove the Director from any Committee of the Company; or
- (d) refer the conduct for consideration and decision by an Independent Expert in accordance with By-Law 1.

A Director that is subject to possible sanctions for breach of this Directors Handbook is not entitled to participate in or be in attendance at the meeting to consider the imposition of that sanction.

SCHEDULE 1

Skills Matrix

It is acknowledged and accepted that not all of these skills will exist with any individual Director. Rather the Group of Directors will possess these skills.

1.	Experience in guiding the formulation, implementation and overseeing of corporate strategy
2.	There should be a diversity of views reflected on the Board and the composition of the Board should not be overly represented by candidates who have run with the same platforms or agendas as other directors
3.	Experience in approving business plans, budgets, and key performance indicators, including ability to, and where necessary professional qualifications and experience to, interpret financial statements
4.	Capability in overseeing the risk management framework and monitoring business risk
5.	Experience as director, including working harmoniously with fellow directors and management to manage Board meetings and relationships to: <ul style="list-style-type: none"> (a) encourage high quality debate, with robust and probing enquiry to challenge management; (b) ensure decisions are made objectively, in the best interests of the Company; and (c) ensure collective responsibility is taken in achieving organisational success
6.	Knowledge of Board responsibilities and requirements, including corporate governance and independence
7.	Through expertise and experience, be able to offer advice and guidance to the GCEO
8.	High level of leadership skills with a particular focus on change management
9.	A reputation for high standards of personal and professional ethics and integrity
10.	Willingness to devote the required time, including being available to attend Board and Committee meetings
11.	Knowledge of, or experience in, the business and/or operational aspects of the registered clubs, gaming and hospitality industry, Retirement Living or any ventures that the Company may pursue.
12.	Should be able to demonstrate skills and expertise in one or more of the following areas: <ul style="list-style-type: none"> (a) business management; (b) law; (c) financial management; (d) accounting/auditing experience; (e) cyber/digital information (f) marketing; (g) media; (h) Company directorship;

	<ul style="list-style-type: none">(i) the registered clubs, gaming and hospitality industry; and(j) other areas nominated by the Board from time to time, <p>and who are not, by reason of any provision of the Corporations Act, Registered Clubs Act, the Constitution, or this Handbook, ineligible to be or prohibited from being a director.</p>
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Schedule 2
Official Company Spokespersons under the Company Media Policy

1.	<p>President of the Company</p> <p>All Company Board announcements including:</p> <ul style="list-style-type: none"> • Major Group announcements and senior management appointments • End of year financial results
2.	<p>Group Chief Executive Officer</p> <p>All administrative, financial and operational matters including:</p> <ul style="list-style-type: none"> • Business development and strategy in relation to the Company • Financial matters in relation to the Company (including the Company's financial performance) • The Company's compliance with any applicable laws and regulations • The governance arrangements of the Company
3.	<p>Group Head of Corporate Affairs</p> <p>Where the appropriate spokespersons are unavailable for comment the Group Head of Corporate Affairs may provide written comment on behalf of the Company. This will only be where comment is deemed necessary and when the relevant senior manager or President has approved the Company's position.</p>

The CHRG Group Communications Policy contains further details & requirements for individual Directors.

Schedule 3 CHRG Directors Code of Conduct

This Code outlines the standards of conduct required of each club director in carrying out their duties and responsibilities. Some of the standards may summarise or overlap with duties imposed by law. Other standards are supplementary. This Code is not an exhaustive statement of the legal or other duties of directors.

This Code does not require or permit any director to act in breach of their duties at law or in any way that would be unlawful. However, a director is not excused from complying with this Code merely because the director may be chosen to enter into a contract that would put them in breach of this Code.

At all times, directors must comply with the Code both in letter and in spirit, but also the Board Charter and all other governance materials that are current at the time. A Code of Conduct cannot anticipate every possible situation. Where policies and procedures are unclear or prove insufficient, it is always advisable to go back to first principles. This means considering the core ideas contained in the Code and the Club's values on which it is based.

As a director and member of the Board of Castle Hill RSL Group, Directors must:

- Act with honesty and integrity.

Be open and transparent in your dealings; use power responsibly; do not place yourself in a position of conflict of interest; strive to earn and sustain public trust of a high level. You must disclose any conflict of interest that you may have or that you know another director to have as soon as they become known to you.

- Act in good faith in the best interests of the Club.

Demonstrate accountability for your actions; accept responsibility for your decisions; do not engage in activities that may bring you or the Club into disrepute.

- Act fairly and impartially.

Avoid bias, discrimination, caprice, or self-interest; demonstrate respect for others by acting in a professional and courteous manner.

- Use information appropriately.

Ensure information gained as a director is only applied to proper purposes and is kept confidential.

- Use your position appropriately.

Do not use your position as a director to seek an undue advantage for yourself, family members or associates, or to cause detriment to the Club; ensure that you decline gifts or favours that may cast doubt on your ability to apply independent judgement as a Board member of the Club.

- Act in a financially responsible manner.

Understand financial reports, audit reports and other financial material that comes before the Board; actively inquire into this material.

- Exercise due care, diligence, and skill.

Ascertain all relevant information; make reasonable enquiries; understand the financial, strategic, and other implications of decisions.

- Comply with all relevant legislation.

Act within the powers set and for the functions set out in legislation that are relevant to the Club.

- Demonstrate leadership and stewardship.

Promote and support the application of the Club's values; act in accordance with the Director's Code of Conduct.