

## Director tools

This is part of a series of Director Tools prepared by the Australian Institute of Company Directors. The tools have been designed to assist members with general background information and as a starting point for undertaking a board-related activity. These tools are not designed to replace legal advice or to replace a detailed review of the subject matter.

# Annual board calendar

## Introduction

Boards aspire for their deliberations and efforts to lead to enhanced corporate performance and effective management of risks encountered in progressing its objectives.

Planning the Board's meeting schedule, including identifying key issues to be addressed, assists directors to ensure that matters requiring their attention are addressed in a timely and logical manner.

A board calendar is unique to every corporation. It will vary according the industry sector, each corporation's own process of governance, the size and governance maturity of the corporation and its stage of evolution. The calendar may change from year to year as the corporation and its business evolves and needs change.

Far more than a list of dates and times, it is a document worthy of a board's careful consideration.

A strong board calendar is a valuable planning tool to help a board govern more effectively, and:

- allows board members to plan their own affairs with their responsibilities to the corporation in mind
- provides an overview of the board's focus at each of its meetings
- lays out the work and issues that need to be completed or addressed during the year;
- helps to ensure that nothing is overlooked
- minimises repetitive discussion of issues at meeting
- aligns board focus with key corporate reporting and compliance dates
- assists in the logical evolution of thought and issue analysis
- allows directors to marshal their thoughts and inputs at the best times for the corporation.

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## Tips to creating an effective annual board calendar

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- As early as possible, schedule and confirm dates for the board, board committee and shareholder meetings for the year. Most directors have a wide range of commitments. By planning early directors are more likely to be free for the corporation's preferred dates. Allow plenty of time to complete the first draft so that it is as complete and accurate as possible.
- Start with key corporate compliance and reporting dates, such as half yearly and annual returns and ASX reporting requirements for an ASX listed corporation. For a public sector organisation, build in dates for tabling reports to Parliament and other regulatory issues.
- Develop a list of key governance issues that should be addressed by the board and board committees during the year, including those which will be the subject of executive presentations to the board. Schedule "A" sets out some of the issues likely to feature on governance a list.
- Think in terms of corporate efficiency and need and create a logical flow. Consider whether deliberations at a meeting will draw on a particular strategy or course of action and, if so, schedule matters dealing with that strategy or course of action first.
- Arrange issues which are not time-specific so that the workload is evenly distributed throughout the year.
- Anticipate how much time is needed to deal with issues, as well as any lead up time needed by the corporation's executives to prepare and distribute papers.
- Include board events and any other functions that directors are expected to attend so that they have a complete picture of the year ahead.
- Consider management. Try not to schedule meetings that will put too heavy a demand on their time when they may have other important commitments and responsibilities for the corporation elsewhere.
- Don't overfill the calendar with events so that there is no provision for contingencies – allow time for dealing with the unexpected.
- For convenience, endeavour to align board committee meetings adjacent to board meetings.
- A board calendar is a live document which should develop in response to the corporation's and the board's changing priorities and needs over the year.
- Ensure that sufficient meetings are scheduled to address the corporation's needs of its board. It is easier to cancel a meeting and amalgamate its business with the next scheduled meeting if the agenda does not warrant the meeting being held, than to arrange an extra meeting. If a board meeting is scheduled in January by way of standby only, then it is best not to plan any substantive issues to be addressed at that meeting.
- The company secretary can be expected to take a lead role in the development and management of the board calendar, in consultation with the chairman and CEO.

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# Templates

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Accompanying this Director Tool are three template documents:

- Schedule A – a sample list of key governance issues that are likely to populate a board annual calendar.
  - Schedule B – a pro forma blank template for an annual board calendar.
  - Schedule C – the pro forma template in Schedule B populated with the issues in the sample list in Schedule A.
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## Schedule A

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### Key governance issues for an annual board calendar

#### 1. Strategy

- planning
- adoption
- review/monitor

#### 2. Board review

- composition/succession
- evaluation of performance
- remuneration

#### 3. CEO review

- evaluation of performance
- succession planning
- remuneration

#### 4. Corporate governance charter

- compliance/monitor/review
- report by nominations committee
- report by remuneration committee
- report by audit committee
- report by risk management committee

#### 5. Governance issues

- Audit report
- OH&S report
- HR report
- Environmental report
- Risk management report
- Legal report
- business continuity/disaster/crisis planning report

**6. Budget (annual)**

- development
- adoption
- review/monitor

**7. Performance review/monitor**

- strategic
- operational

**8. Operational issues**

- Overall operations report
- Significant project reports
- Significant business development reports

**9. Financial issues**

- financial performance (revenue/expenses/cashflow)
- capital requirements
- treasury management

**10. Capital markets issues**

- investor/analyst/broker relations
- shareholder communications

**11. New corporate initiatives**

- corporate growth opportunities

**12. ASIC/ASX compliance**

- half year report and reviewed financial statements
- annual report and audited financial statements
- quarterly ASX reports (if applicable)

# Schedule B

## XYZ Ltd Board Calendar

Meeting/Issue	Jan	Feb	Mar	April	May	June	July	August	Sept	Oct	Nov	Dec
<u>Board</u> (list issues)												
<u>Board Subcommittees</u> (list issues)												
<u>Other Key Corporate/Board Events</u>												
(a) AGM												
(b) Board strategy day(s)												
(c) Other												

# Schedule C

## XYZ Ltd Annual Board Calendar (for financial year ending 30 June)

Meeting/Event – Business		J	F	M	A	M	J	J	A	S	O	N	D
<b>1. BOARD MEETINGS</b>	[insert date/time against month meeting is to be held]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Business of meeting</b>	[tick against the relevant month/meeting when this item of business is to be addressed.]												
<b>(a) Strategy</b>					✓								✓
• planning;													
• adoption							✓						
• review/monitor													
<b>(b) Board review</b>													
• composition/succession			✓										
• evaluation of performance										✓			
• remuneration											✓		
<b>(c) CEO review</b>													
• evaluation of performance			✓										
• succession planning											✓		
• remuneration												✓	

Meeting/Event – Business		J	F	M	A	M	J	J	A	S	O	N	D
<b>(d) Corporate governance charter</b>	• compliance/monitor/review										✓		
	• report by nominations committee		✓							✓			
	• report by Remuneration Committee		✓							✓			
	• report by audit committee		✓						✓				
	• report by risk management committee			✓						✓			
<b>(e) Governance issues</b>	• audit report										✓	✓	
	• OH&S report										✓	✓	
	• HR report												
	• IT report												
	• environmental report										✓	✓	
	• risk management report										✓	✓	
	• legal report												
• business continuity/disaster/ crisis planning report													
<b>(f) Budget (annual)</b>	• development												
	• adoption												
	• review/monitor												✓

Meeting/Event – Business		J	F	M	A	M	J	J	A	S	O	N	D
<b>(g) Performance review / monitor</b> • strategic • operational			✓				✓					✓	✓
			✓				✓					✓	✓
			✓				✓					✓	✓
<b>(h) Operational issues</b> • Overall operations report • Significant project reports • Significant business development reports			✓				✓					✓	✓
			✓				✓					✓	✓
			✓				✓					✓	✓
<b>(i) Financial issues</b> • financial performance (revenue/expenses/ cashflow) • capital requirements • treasury management			✓				✓					✓	✓
			✓				✓					✓	✓
			✓				✓					✓	✓
<b>(j) Capital markets issues</b> • investor/analyst/broker relations • shareholder communications			✓										
			✓										
<b>(k) New corporate initiatives</b> • corporate growth opportunities													✓
													✓

Meeting/Event – Business		J	F	M	A	M	J	J	A	S	O	N	D
<b>ASIC/ASX Compliance</b> • half year report and reviewed financial statements • annual report and audited financial statements • quarterly ASX reports (if applicable)		✓											
					✓								
		✓		✓			✓						✓
<b>2. Board Subcommittees</b>													
<b>2.1 Nominations committee</b>	[insert date/time against month in which meeting is to be held]	✓					✓						
<b>Business of meeting</b>	[tick against the relevant month/meeting when this item of business is to be addressed]												
[extract key items for consideration from Terms of Reference and Remit for the Committee]													
<b>2.2 Remuneration committee</b>	[insert date/time against month in which meeting is to be held]	✓					✓						
<b>Business of meeting</b>	[tick against the relevant month/meeting when this item of business is to be addressed]												
[extract key items for consideration from Terms of Reference and Remit for the Committee]													
<b>2.3 Audit committee</b>	[insert date/time against month in which meeting is to be held]	✓					✓						

Meeting/Event – Business		J	F	M	A	M	J	J	A	S	O	N	D
<b>Business of meeting</b>	[tick against the relevant month/meeting when this item of business is to be addressed]												
[extract key items for consideration from Terms of Reference and Remit for the Committee]													
<b>2.4 Risk management committee</b>	[insert date/time against month in which meeting is to be held]												
<b>Business of meeting</b>	[tick against the relevant month/meeting when this item of business is to be addressed]												
[extract key items for consideration from Terms of Reference and Remit for the Committee]													
<b>3. Other Key Corporate/Board Events</b>													
<b>(a) AGM</b>	[insert date/time against month in which meeting is to be held]												✓
<b>(b) Board strategy day</b>	[insert date/time against month in which meeting is to be held]												
<b>(c) Other (list issues)</b>	[insert date/time against month in which event is to be held]												

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## Further reading

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Further information concerning board calendars can be found at:

“Designing the annual Calendar” by Zilla Efrat, Company Directors journal February 2009, page 43.

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