

# CORPORATE GOVERNANCE STATEMENT

*Good governance underpins all our activities and is essential to the realisation of our goals.*

EMERITUS PROFESSOR DAVID SIDDLER, CHAIR, BOARD OF DIRECTORS



## Opera Queensland recognises that effective governance is essential to the realisation of Opera Queensland's purpose, vision and goals.

Opera Queensland also recognises that an effective governance framework encourages and supports the efficient use of the company's resources and requires accountability from every person in the company for the stewardship of those resources. The Board of Opera Queensland accepts that it has ultimate accountability for the company's actions and outcomes, and understands that effective governance requires a healthy organisational culture supported by clear and transparent policies and practices.

In developing our governance practices, Opera Queensland has had regard to applicable legislation and recognised standards. The Board of Opera Queensland is committed to maintaining a documented and transparent governance framework consistent with recommended practices provided within the Australia Council for the Arts' Essential Governance Practices for Arts Organisations. All key governance documents are available on the company's website at <https://oq.com.au/about/governance>

### 1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Opera Queensland has a Board Charter setting out the roles, responsibilities, structure and processes of the Board of Opera Queensland. It is complementary to and consistent with Opera Queensland's Constitution. The Board Charter and the Constitution are published on the company's website.

The Board has approved a formal statement of delegated authority to Executive Management that is reviewed annually by the Board. The development of Opera Queensland's strategy, purpose, vision and values is an iterative process of co-creation between the Board and Executive Management. The Board reviews and monitors the strategic direction of the company, and monitors progress towards achieving relevant goals, key performance indicators and outcomes set out in the strategic and operational plans.

### 2. STRUCTURE THE BOARD TO ADD VALUE

The Opera Queensland Board comprises seven independent non-executive directors who provide their time and services on a voluntary basis. In addition to formal board meetings, the Board meets with stakeholders and Executive Management. The Board is supported by two standing committees; namely, the Audit and Risk Committee and the HR Committee. Each committee has a charter, which is published on the company's website, and operates with authority delegated by the Board. There is a clear division of responsibility between the role of the Board and the role of management.

The HR Committee assists and advises the Board by providing an objective non-executive review of the remuneration of staff and of all policies relevant to remuneration and HR matters. The role of the Audit and Risk Committee is described in section 5.

Each director is appointed for a three year term and is eligible for re-election by company members at the annual general meeting. The company's constitution provides for maximum tenure, subject to a grandfathering provision.

The Board considers that a diversity of skills, backgrounds, knowledge, experience, ethnicity, gender and geographic backgrounds supports good governance. The Board considers that each of the directors has the following attributes: sufficient time to undertake the responsibilities of the role, integrity, and a preparedness to question and critique. Alongside these attributes the skills matrix sets out the mix of skills and experience that the Board considers necessary or desirable in its directors. This matrix informs decisions on board size, composition, and renewal.

The Board evaluates its own performance annually and assesses professional development needs for both Board and Executive Management.

### 3. ACT ETHICALLY AND RESPONSIBLY

Opera Queensland has a Code of Conduct approved by the Board. Compliance with the Code of Conduct is a requirement for all directors, employees, contractors and collaborators. The Code includes a mechanism for identifying and managing conflicts of interest. There is a process of induction for all new Board members, employees, contractors and collaborators where company policies and processes are explained. The Code of Conduct is published on the company's website.

### 4. PROMOTE DIVERSITY

Opera Queensland is committed to promoting inclusive practices and understanding. The company has a Diversity Policy that has been approved by the Board and communicated throughout the company. Workplace diversity is an integral part of how we operate and is imperative to our success. The company recognises the need to respect individual differences and strive for a truly inclusive workplace where every person can contribute to the endeavours of the company. Measurable objectives for achieving diversity will be included in the company's strategic plan. The Diversity Policy is published on the company's website.

### 5. SAFEGUARD INTEGRITY IN ALL FINANCIAL REPORTING

The Audit and Risk Committee is a standing committee of the Board, operating under a charter and delegated authority from the Board. The Committee has oversight of the company's budgets, financial statements, and other financial information provided to government, financial institutions, company members and the community. The Committee also oversees the company's systems of internal control, and the appointment of auditors and the audit process.

Each member of the Committee is financially literate, and the Committee includes a member who is a qualified chartered accountant and auditor.

The company's annual financial statements are audited by an independent external auditor appointed by the Board. The auditor meets annually with the committee independently of management. The auditor's independence, competence and capability is reviewed by the Board. Executive Management provides the auditors and the Board with assurance concerning the maintenance of financial records, compliance with accounting standards, risk management and internal control systems. It also provides assurance that the financial statements give a true and fair view of the company's performance. The auditor is invited to attend the company's annual general meeting.

### 6. ENGAGE WITH STAKEHOLDERS

The Board's commitment to good governance is, in part, expressed through the company's ongoing engagement with stakeholders. The company uses a range of formal and informal communication channels to understand the views of stakeholders and to share with them the purpose and work of the company.

The company meets formal reporting requirements under the funding arrangements with the Queensland Government (through Arts Queensland) and the Federal Government (through the Australia Council), and engages through other channels, such as meetings.

Engagement by the Board and management with members, patrons and partners is facilitated through the Annual General Meeting, performances and events, annual report, website, season launch, and communication through print and digital channels.

The company's supporters are acknowledged at company performances and events, and in our print and digital publications.

Opera Queensland plays an important part in Queensland life, and engages with Queenslanders through our performances, school programs, workshops, collaborations, and social media. The company seeks to broaden and deepen community engagement.

### 7. RECOGNISE AND MANAGE RISK

The Board and Executive Management of Opera Queensland recognise that a sound risk management framework is critical to effective management of the company. An effective risk management system identifies and manages potential risks in a continuous, proactive and systematic way through an integrated application of risk management processes across all facets of our operations by all levels of management.

The Audit and Risk Committee assists the Board with oversight of the risk management framework with the Board holding ultimate responsibility for risk management within the company. The company continues to enhance the risk management framework, informed by a risk appetite statement, and integration of risk management into key processes, including risk-based decisions in strategy and business planning, and the incorporation of a formal process for ongoing review and improvement. Continuing work on the risk management framework is being informed by relevant regulations and the Australian / New Zealand standard AS/NZ ISO 31000:2009 Risk management — Principles and guidelines.

The company has a Risk Management Plan and a Risk Management Register that is reviewed by Executive Management with reports to the Board. An attestation is provided by Executive Management that material risks are being managed effectively. The Risk Register and any risk movement is reviewed by the Audit and Risk Committee at every meeting.

### 8. REMUNERATE FAIRLY AND RESPONSIBLY

The company's approach to remuneration is framed by the strategic direction and operational demands of the organisation together with high standards of governance.

A number of principles underpin our approach to remuneration — namely:

- Align remuneration to the company's purpose and prudent risk taking;
- Attract and retain capable and committed people;
- Support the execution of the company's strategic plan; and
- Remunerate fairly and consistently.

The Board approves the remuneration of Executive Management following recommendations by the HR Committee. The company has a formal process for employee performance evaluations and remuneration reviews.

Members of the Board are not remunerated.

The Board of Opera Queensland provides oversight of the company's remuneration and performance management frameworks. No member of management makes decisions about their own remuneration.