

Board papers represent the information that the board receives to allow it to fulfil its duties. The board papers should be as concise as possible, clarifying the purpose of each paper but always ensuring that the directors are properly informed about the matter. Sufficient information is required to allow the board to undertake its deliberations.

Senior management needs to consider carefully the balance between the level of detail required and providing too much information. The critical question to ask is what information the board needs to make a decision.

It is **good governance** to develop guidelines on how board papers should be presented, and for those guidelines to be clearly communicated to all parties who are preparing board papers. The board and senior management should set the tone for the organisation by providing the company secretary with the support to implement the guidelines.

The guidelines should ensure that board papers:

- are written in plain English, with minimal use of acronyms and industry jargon (provide a glossary of acronyms if required)
- share a consistent format and layout include a summary, background and more detailed content, in an accessible font and font size, clarify upfront whether the matter is for information, for discussion or for decision and where a decision is being sought, contain a clear recommendation from management and the exact wording of the proposed resolution directors are being asked to consider
- if directors are being asked to pass a resolution, the board paper should clearly articulate the pros and cons and material risks of each alternative open to the board
- articulate how any matter on which a decision is being sought is aligned with the strategic plan
- contain sufficient information to provide for an informed decision by directors

- do not include so much information that the critical elements are obscure
- include a clear reference to any supplementary information (this could be a link in electronic board papers)
- are dated and include the author's name and title, and the name and title of the authorising executive or senior manager
- be reviewed and approved by the CEO or his or her delegate before being circulated to the board.

The amount of supplementary material needs to be carefully considered and needs to be appropriate to the board and the company. It is **good governance** to ensure that all board papers are distributed to directors sufficiently in advance of any directors' meeting to ensure that there is time for the directors to digest the contents of the papers and prepare for the meeting. It is common practice to distribute board papers approximately one week before the board meeting.

It is also **good governance** to establish a timetable at the start of each year for the provision of board papers to the board, as well as an annual calendar that sets out the regular items that will need to be considered at particular meetings (for example, annual accounts, risk declarations, succession planning etc).

Management and the board should regularly review the size and content of board packs to ensure that they are meeting the needs of the directors and enabling them to be properly informed without supplying too much information for them to digest.

Tabled documents and presentations to the board

Regardless of the process that is implemented to ensure board papers are distributed prior to the meeting, documents may, from time to time, need to be tabled. However this practice should be discouraged and kept to an absolute minimum. It is very important that directors have the opportunity to read and consider tabled documents and if necessary the meeting should be adjourned to allow them to do so.

Tabled documents and presentations raise particular concerns for directors who are attending meetings remotely by teleconference or video conference. If these directors cannot be sent a copy of the tabled document or presentation electronically then the document should (if practical) be read aloud to them. If neither is possible, then the director concerned should be given the opportunity to abstain from any decision related to the tabled document or presentation and the minutes of the meeting should record their abstention and the reason for it.

It is therefore **good governance** to ensure that:

- a folder is maintained for each board meeting which includes an original set of board papers including copies of all documents tabled and presentations given at the meeting. Confidential documents including documents subject to legal professional privilege as well as some HR and taxation papers which may be filed separately
- in addition to a hard copy folder, electronic copies of board papers, tabled documents and presentations should be obtained and retained whenever possible, or this could be an alternative to a hard copy folder, in which case all documents must be maintained electronically
- when documents are tabled or presentations given, the name of the author/presenter, that person's title and the date is noted on the document or presentation and the steps that were taken as a result (see above)
- the minutes refer to the tabled document or presentation and whether any directors did not have access to the tabled document or presentation
- the minutes of the meeting note that a paper circulated at short notice or a tabled document and/or presentation was not included in the papers circulated to directors in advance of the meeting in the ordinary course, to provide a record that directors had only a limited time to consider its contents.

PowerPoint presentations are bullet points and shortened versions of complex documents. Consider carefully the inclusion of a PowerPoint presentation as a board paper given its capacity for misinterpretation when read as the record of the information on which a board based its decision. If a PowerPoint presentation needs to be included in the board pack, it is important to ensure that there is no inconsistency between any board paper and the presentation made on the day on the same matter.

If there are any documents that are subject to legal professional privilege these should be dealt with separately if necessary to ensure that privilege is not waived through inappropriately wide circulation of the privileged document. Companies should seek advice from internal or external legal counsel and develop policies on the management of privileged documents to ensure that legal professional privilege is not inadvertently waived.

Companies may be required to keep board papers under deeds of access and indemnity to ensure that directors continue to have access for a period of time as specified in their particular deed of access.

It is **good governance** for companies to have a policy about whether individual directors may also keep their copy of board papers (in hard copy or electronically) which may contain annotations which have been made by the director.

Late papers

It is good governance to have a policy discouraging late papers and for there not to be late papers presented to the board or in any quantity. This practice should be discouraged, as directors need time to read and digest the board papers.

Board committees

It is **good governance** for the principles applying to the board papers to also apply to the papers for board committees.