

World Sailing Board Charter

September 2021

BOARD CHARTER

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THE ROLE AND RESPONSIBILITIES OF THE BOARD

Introduction

The Board's primary responsibility is the positive performance of World Sailing in creating value for all its stakeholders. The Charter which is set out below, provides a framework displaying the respective roles, responsibilities and authorities of the Board of Directors (both individually and collectively) in setting the direction and control of the organisation.

The Board

1. Provides leadership by setting the strategic direction, priorities, purpose, values and culture of World Sailing, subject to approval by the Council of World Sailing, and acts in the best interests of Member Nation Authorities (MNAs) and other World Sailing stakeholders.
2. Establishes governance policies that provide the framework for the management of World Sailing, and ensures that internal processes and procedures provide effective controls and serve as the basis for reporting to the Board.
3. Identifies and characterises potential organisational risks and creates a framework for management and monitoring.
4. Ensures that the organisation satisfies all compliance requirements including all applicable laws, regulations and codes of best practice.
5. Appoints and employs the Chief Executive Officer and monitors management and organisation performance against Board-established criteria.

Governance

The Board governs World Sailing by:

1. Serving and being accountable to the collective interests of the MNAs of World Sailing and relevant WS stakeholders
2. Remaining up-to-date in terms of stakeholders' concerns, needs and aspirations.
3. Maintaining a balance of authority within the Board, by ensuring an appropriate allocation of responsibilities linked to the relevant skills of the Directors.
4. Complying with the World Sailing Code of Ethics; Directors and the Board are committed to ethical conduct in all areas of responsibility and authority.
5. Speaking with one voice on all policy and strategic matters, acknowledging that directors are collectively accountable for all Board decisions.
6. Developing a future focus.
7. Meeting all legal requirements to safeguard World Sailing and all stakeholders.

DIRECTORS

Role of the President

In addition to the responsibilities listed below for Directors, the President:

1. Ensures the integrity of the Board's processes and actions, represents the Board and organisation to outside parties.
2. Promotes a culture of collaboration and co-operation and endeavours to ensure that all staff are positively contributing towards the development of sailing.
3. Chairs Board meetings, ensuring that productive use is made of the Board's time and that all decisions are understood by Directors and accurately recorded.
4. The President may delegate aspects of authority but remains accountable for the leadership of the Board.

Duties of Board Members (Directors)

1. A Director must fulfil their duty to act in World Sailing's best interest at all times, within the law and to the best of their ability and endeavours to ensure that all staff are positively contributing towards the development of sailing.
2. A Director must exercise any power conferred onto them for a proper purpose to safeguard the reputation of the organisation and not agree to any business likely to cause reputational risk or create a substantial risk of serious loss to the organisation or put the health and safety of its staff at risk.
3. Any, and all, potential conflicts of interest must be entered in the Register of Interests.
4. A Director must not disclose documents that are privy to the Board or any confidential information to any person unless express permission is given by the Board.
5. A Director must not use privileged information for personal gain, and all Directors must act honestly in good faith at all times.
6. Directors have no independent authority over the Chief Executive Officer and no authority to unilaterally change any aspect of Board decisions or policy.
7. However, the Board members have the right to report to the Board any behaviour of the CEO that is not in line with the core interests of the World Sailing

Role of the Chief Executive Officer

1. The Chief Executive Officer should completely fulfil the responsibilities and the obligations agreed in the employment contract.
2. The Chief Executive Officer is the sole point of accountability between the Board and the staff. Instructions to the Chief Executive Officer by the Board are in the form of Board decisions.
3. Regular communication should form the basis between the President and the Chief Executive Officer to allow for the exchange information thus ensuring the Board has effective support to perform its functions and fulfil its responsibilities.
4. The Chief Executive Officer is responsible for the employment, management and performance evaluation of all staff employed by/contracted to the organisation. The Chief Executive Officer shall notify the Board of any Management (CEO -1) resignations and subsequent recruitment.
5. Subject to the guidance of the Board, the Chief Executive Officer is authorised to establish all operational policies, decisions, and design, implement and manage all operational practices and activities and endeavours to ensure that all staff are positively contributing towards the development of sailing.
6. The Board delegates to the Chief Executive Officer responsibility for implementation of World Sailing's strategic direction/strategic plan and the Board's decisions.

Conflicts of Interest

1. The Board places great importance on making clear any existing or potential conflicts of interest for Directors.
2. The World Sailing Conflict of Interest Policy applies to all Directors.
3. Any business or personal matter, including any volunteer or honorary role or office, which could lead to a conflict of interest must be declared at the earliest opportunity and included in the Register of Interests.
4. The Board shall determine whether the conflict is of a material or other nature and advise on the appropriate steps e.g., non-participation by means of vote in relation to the topic.

Board and Director Professional Development

The Board's value-adding role requires that the Board as a whole, and all Directors individually, review their performance and effectiveness in the first and third years of their term of office. Directors will have access to professional development relevant to the role and duties of directorship. The criteria for assessing the Board's performance will be drawn from the documented policies of the Board together with any further criteria agreed by the Board. The outcomes of the assessment will establish the upcoming requirements for the effective governance and Board leadership of the organisation. A suitably qualified independent specialist may be used to assist the Board in this process. Associated costs will be in line with governance policies.

All Directors will be encouraged to undertake relevant professional development including attendance at conferences relevant to their role as Directors or conferences related to other aspects of their directorship of World Sailing. World Sailing may contribute to the costs associated with this activity according to a policy that the Board will adopt and review from time to time.

Indemnities and Insurance

World Sailing will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by relevant legislation and the World Sailing's Constitution.

Board Expenses Policy and Reimbursement of Directors' Expenses

Expenses are paid for basic travel and subsistence for pre-agreed trips, as per the [Board expenses policy](#). Expense claims by Board Members are to be approved by the Chief Executive Officer, supported by the Finance Director, with all disagreements or questions referred to the President, other than in the case of the President's expenses which will be referred to the Board Member that sits on the audit committee.

Directors' Travel Policy

Board Members arrange their own flights as early as possible to avoid higher fares. Board Members will be reimbursed to the value of a premium economy class ticket. However, upgrade to a higher class is available at the cost of the individual. Claims for approved expenses should be submitted to the Chief Executive Officer complete with receipts which are required for auditing purposes.

SPECIFIC DUTIES OF THE BOARD

Strategic Direction and Planning

Setting the future direction of World Sailing is an essential element in the Board's leadership role. As part of this, the Board recommends to Council the strategic priorities of World Sailing for approval. This is an ongoing responsibility to monitor progress of its achievements towards the desired outcomes and approve the annual budget.

1. In partnership with management, the Board annually establishes and reviews World Sailing's Purpose, Vision, Organisation, Outcomes to ensure alignment with the strategic direction and priorities.
2. Dialogue at Board meetings is designed to reflect the Board's priorities and consider future issues of strategic importance to World Sailing's well-being and success.

Financial Governance

The Board has a core duty to ensure the financial integrity and viability of World Sailing. This entails oversight of all financial processes and systems.

1. The Board develops, reviews and monitors the implementation of governance-level financial policies and provides direction and guidance to the Chief Executive Officer on budget parameters, priorities and the annual budget and financial plan, including capital expenditure.
2. The Board reviews and adopts the full-year financial statements, reports and outcomes as well as the Audit Committee's annual plan and scheduled reports.

Risk Management

The Board identifies and evaluates the principal risks faced by World Sailing and ensures robust risk management policies are developed, monitored and recorded to address areas of potential risk, remaining accountable to external audit procedures.

1. Robust risk management policies and clear processes are developed and monitored addressing all areas of organisational risk with a mechanism in place to investigate breaches promptly.
2. The CEO will ensure that suitable internal controls are in place and are used and monitored to ensure effective and efficient operation and management of the organisation's resources and that proper accounting records are kept.

Health and Safety at Work

World Sailing conforms to the most current health and safety legislation, ensuring all Directors understand their responsibilities to employees & volunteers while carrying out their duties.

1. The Board is aware of potential risks to health and safety in workplaces that are the responsibility of World Sailing and has implemented systems of reporting along with records of actions taken.
2. The Board also understands the hazards and risks that employees and volunteers could be exposed to in carrying out their duties with attention paid to mitigating these factors.

Board Committees and Working Parties

The Board may establish committees and working parties to support its governance work. The work of committees and working parties should not conflict with the Chief Executive Officer's delegated and other responsibilities.

1. Board business will primarily be conducted at quarterly Board meetings, each with an established agenda and Directors should be given the Board papers 7 days in advance.

2. The Chief Executive Officer reports to the Board on the performance of World Sailing to address and support the Board's interests and duties.

BOARD-CEO RELATIONSHIP POLICIES

Delegation to the Chief Executive Officer & Authority

The Board delegates to the Chief Executive Officer responsibility for implementation of World Sailing's strategic direction/strategic plan and of the Board's decisions. Chief Executive Officer performance will be viewed as total management performance with organisational success regarded as an achievement of the Chief Executive Officer. The Chief Executive Officer is responsible for the employment, management and performance evaluation of all staff employed by/contracted to the organisation.

As long as the Chief Executive Officer applies 'any reasonable interpretation' of the Board's decisions, he / she is authorised to establish all operational policies, make all operational decisions, and design, implement and manage all operational practices and activities.

Chief Executive Officer Remuneration

The Board will determine the Chief Executive Officer remuneration based on terms and conditions that reflect the nature of the organisation and market conditions for executive remuneration in comparable organisations.

Chief Executive Officer Performance Assessment

The Board will systematically and rigorously assess the Chief Executive Officer performance against achievement of the Board-determined strategic outcomes and compliance with any agreed delegations. The Board will provide regular performance feedback to the Chief Executive Officer.

Communication and Support to the Board

The Chief Executive Officer must ensure the Board remains duly & timeously informed about issues and concerns essential to meeting its duty of care, carrying out its legal and operational responsibilities and meeting its accountabilities to its members and other key stakeholders.

The Chief Executive Officer should hold the primary line of communication with the Board and is responsible for distributing relevant communication to employees when needed. In this respect, the Chief Executive Officer must ensure that information is shared with the Board in a timely manner to allow sufficient time for discussion and evaluation.

Chief Executive Officer Absence

The Chief Executive Officer must inform the Board of any absence, nominate a representative, and establish a business continuity plan in these circumstances to ensure effective governance. In this respect, the Chief Executive Officer must ensure that the operational policies are not disrupted due to his/her absence.

Employment Conditions

The employees of World Sailing are employed by World Sailing (UK) Limited, a wholly-owned subsidiary of World Sailing. As the Board of the parent company, the Board has agreed the following provisions with the Board of World Sailing (UK) Limited.

In exercising the delegation for the management of employees and volunteers, the Chief Executive Officer must ensure that a workplace environment conducive to sound workplace practices is provided, consistent with workplace legislation and World Sailing's core organisation values. The Chief Executive Officer must also ensure all employees are aware of their rights, health and safety in the workplace legislation is followed and provide a framework for any employee to pursue a fair internal grievance process.

Public Affairs

The Chief Executive Officer shall not undertake, approve, or in any way support, any action that is directly or indirectly demeaning or derogatory or in any way damaging to World Sailing.

DELEGATED AUTHORITY

The Board of Directors is committed to ensuring effective authorization limits and their delegations within World Sailing to guarantee consistent good business practices and governance.

The Delegated Authority chart below, which may be modified from time to time to fulfil organizational demands, defines authorities reserved for the Board of Directors and those designated to specified positions or responsibility within World Sailing and establish the types and the maximum number of obligations that may be approved by individuals.

Payment authority within Board approved annual budget	£0 - £5,000	£5,001 - £10,000	£10,001 - £50,000	£50,001 - £100,000	£100,001 - £250,000	£250,001 & above
Head of Department** (with FD)	Y					
Chief Executive Officer** (with FD)		Y	Y	Y	Y	
Board*						Y
Contract awards within Board approved annual budget	£0 - £5,000	£5,001 - £10,000	£10,001 - £50,000	£50,001 - £100,000	£100,001 - £250,000	£250,001 & above
Head of Department** (with FD)	Y					
Chief Executive Officer**		Y	Y	Y	Y	
Board*						Y
Purchase authority/contract awards unbudgeted	£0 - £5,000	£5,001 - £10,000	£10,001 - £50,000	£50,001 - £100,000	£100,001 - £250,000	£250,001 & above
Head of Department** (with FD)						
Chief Executive Officer** (with FD)	Y	Y				
Board*			Y	Y	Y	Y
*The Board may delegate to its members the authority to approve payments or awarding of contracts. This will be done on a case-by-case basis, with each delegation being subject to Board approval.						
**All purchase authority/contract awarding by the CEO between £10,001 - £250,000 require counter confirmation from the Director of Finance that they are part of the Board approved annual budget						
Other Delegations	CFO		CEO		Board	
Reimbursement of business expense claims	Up to £5,000		Up to £20,000		Over £20,001	
Items purchased from petty cash	Up to £500		Up to £1,000		Over £1,001	
Write-off cash losses (incl. damage/loss)	Up to £1,000		Up to £10,000		Over £10,000	
Write-off bad debts			Up to £10,000		Over £10,001	
Disposal of assets			Up to £10,000		Over £50,001	

APPENDIX: BOARD COMMITTEE STANDARD TERMS OF REFERENCE

Purpose

The purpose of the [] Committee is to assist the Board in [].

Membership

1. The [] Committee shall be appointed by the Board from amongst the Directors and shall consist of up to four members.
2. The Chairman of the [] Committee shall be appointed by the Board.
3. The Committee shall be structured to include members with [details of skills and experience].
4. A quorum shall be three members, one of whom shall be the Chairman.

Operating principles

5. The Committee may have in attendance such members of management and such other persons as it deems necessary to provide appropriate information and explanations.
6. All Directors shall be entitled to attend all meetings of the [] Committee.
7. The Committee shall have the right to go 'in committee' as required.
8. The Chairman shall call a meeting of the [] Committee if so requested by any Committee member or the Board.
9. The Chairman shall draw up an agenda in consultation with the Chief Executive Officer to be circulated at least one week prior to each meeting as far as practicable. The agenda shall be distributed to the members of the Committee, and other invitees.
10. The Chief Executive Officer shall be given adequate notice of all meetings and shall have the right to attend and speak.
11. Meetings shall be held at least [] times each year or when necessary.
12. The Committee is authorised to obtain external resources as required to assist with its work, subject to budget allocation and/or Board approval.
13. The Committee will give notice to management of its programme and requirements for access to all relevant records, including key financial and personnel records.
14. The Committee shall report to the Board after each committee meeting or as specified or requested by the Board. Committee meetings shall be minuted, with a copy to be tabled at the following Board meeting.
15. The Committee shall annually conduct an assessment of its effectiveness and the contribution of individual committee members. Changes in personnel, roles or responsibilities shall be determined by the Board.

Responsibilities

16. []
17. []
18. []
19. In addition, the [] Committee shall examine any other matters referred to it by the Board.

Authority

20. The Committee is authorised by the Board to investigate any activity covered by its policies and duties. It is authorised to seek any information it requires from the Chief Executive Officer, who shall co-operate with any request made by the Committee.
21. The Committee shall have the authority of the Board to obtain legal or other independent professional advice, and to secure the attendance at meetings of third parties with relevant experience and expertise if it considers this necessary.
22. The [] Committee shall have no executive powers with regard to its findings and recommendations other than those bestowed by the Board.

** Unanimously approved at the 14 September 2021 Board meeting.



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Quanhai Li

President, on behalf of the Board



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David Graham

CEO, on behalf of the Executive Office



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