



GROWTH NETWORKS UGANDA LIMITED (GRONET)

BOARD CHARTER

FIRST EDITION 2016

THE BOAD CHARTER

This Charter has been adopted by the Board to outline the manner and ways in which its constitutional powers and responsibilities will be exercised and discharged.

i. ROLE OF THE BOARD OF DIRECTORS

1. The Governing Board is ultimately responsible for the oversight and review of management, administration and overall governance of the organization.

This includes:

- (a) Establishing goals for management and monitoring the achievements of those goals.
- (b) Authorizing policies and overseeing the strategic implementation of these policies.
- (c) Ensuring the organization's internal control and reporting procedures are adequate, effective and ethical and that the organization's strategic direction provides value for its stakeholders.

2. The Board has responsibilities to its employees and suppliers and to the welfare of the communities in which the organization operates.

3. In carrying out its responsibilities and powers as set out in this charter, the governing Board will at all times recognize its ultimate responsibility to act honestly, fairly and diligently in accordance with all applicable laws and regulations, and to endeavor to avoid or manage conflicts of interest in order to achieve and maintain communities' respect.

ii. COMPOSITION AND SUCCESSION OF THE GOVERNING BOARD

1. Signatories to the constitution and Directors are appointed by GRONET as provided in the constitution shall form the governing Board.
2. Directors are appointed by GRONET shall serve until their removal or replacement becomes necessary.
3. Director not appointed by GRONET shall hold office for three consecutive years as provided in the constitution. In case of a vacancy, in such a Director position, a sitting Director may nominate a new Director or have one of the founder members of the organization to be confirmed by a majority of the Directors then in office. All new Directors or Directors whose terms are expiring and wish to be reconsidered for re-election must be ratified by the Board by a Majority of the members entitled to do so. The services of a Director may cease under circumstance's identified in the constitution which with removal of a director requiring 2/3rds vote of the remaining sitting Directors.

iii. OFFICERS

1. The officers of the organization shall be a Chairman, a Treasurer and a Secretary. Officers shall be Directors nominated by the Board and Elected or re-elected through a 2/3 majority vote of the founder members after then sitting Directors.
2. The Chairman shall preside at all meetings and lead the operations of Board business. The Chairman shall act as the principal spokesperson for the organization except where he may delegate this duty to the President or others.

On the initial stage of building the organization from infancy, the founder Chairman will take control of the running of the organization as President having other Directors in support of this cause. This will not compromise the smooth flow of the organizational activities given that it was the founder Chairman/ President with the vision for the formation of this organization since inception.

The organization has to grow through his personal wisdom, guidance and support in leadership and administration of the same.

3. The Treasurer shall take primary responsibility for review and ratification of company financial matters for further consideration and review by the full

Board. Tasks will include the convening of committees as necessary for the oversight of the Audit functions, production of annual budgets and accounts, review of administrative and financial practices and vetting of the organization's senior financial management. The Treasurer will be elected among the founder members after assessing his/her capacity and abilities for this position.

4. The secretary shall oversee the production and maintenance of the minutes, ensure the timely notice of meetings and undertake all necessary actions to support the full functioning of the Board in line with the requirements of the constitution and Laws of Uganda.
5. Founder members of the organization will have an upper hand in the process of elections to the Directors positions and management provided they have the abilities and capacities to take charge of the organizational leadership.

iv. ROLES OF THE BOARD

1. The Board has ultimate responsibility to set strategic direction and policy regarding the business and affairs of the organization and its controlled entities for the benefit of the community and other stakeholders. The Board is accountable to stakeholders for the performance of the organization.
2. The Board delegates the management of day to day affairs of the organization to the President and supports management with timely advice, targeted representation and other activities as may be required.
3. The following are regarded as key responsibilities and functions of the Board:

(a) *Senior appointments-*

The appointment, delegation of authority to, performance management, and removal of, the President. Performance will be appraised on at least an annual basis.

(b) *Board and senior management and succession planning-*

- (1) Ratification of organization chart for senior management, including succession planning and evaluation and reward of senior management (i.e. ratification of remuneration and incentive policies)
- (2) Ensuring effective executive and Board succession planning and assessment of the organization's and Board's performance.

(c) *Education of Directors-*

Ensuring that there is continuing education and information provided to Directors regarding the organization's various programs and projects.

(d) *Business strategy-*

1. Approval of the strategic plan and evaluation of operation performance against agreed targets.
2. Assessing the suitability of the company's overall strategies and resource allocation.
3. Approval of the capital and operating expenditure budgets and any alterations to either of them.
4. Approval of capital and operating expenditures, significant leases and major transactions not included in the budget or outside the ordinary course of business.

(e) *Relations with members-*

Oversight of relations with members by monitoring communications to members and arrangements for the annual meetings and other member meetings (if any).

(f) *Financial matters*

- (1.) Approval of annual accounts and Directors reports, accounting policies, internal, and external audit plans, and major borrowing or giving of security over assets.
- (2) Acceptance of audit reports including management letters.

v. BOARD COMMITTEES.

The Board may from time to time establish committees to assist it in carrying out its responsibilities and shall adopt charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate. Each Board committee will report to the full Board on its activities, normally in the form of the minutes of its proceedings which shall be distributed to the entire Board.

Vi. ETHICAL STANDARDS AND CODE OF CONDUCT

1. As a matter of Board policy, Directors and management are expected to conduct themselves with the highest ethical standards. All Directors and employees are expected to:
 - (a) Act with integrity and objectivity, striving at all times to enhance the reputation and performance of the organization.
 - (b) Behave with integrity in all its dealings with customers, stakeholders, Government, employees, Donors, suppliers and the community.
 - (c) Ensure that its actions comply with applicable laws and regulations and maintain harmonious relations with communities in which the organization operates.
 - (d) Maintain and implement policies that will enable the organization's employees to avoid situations where conflicts of interest could arise.
 - (e) Not engage in any activity that could be construed to involve an improper inducement and achieve a working environment where :
 1. Equal opportunity is practiced
 2. Harassment and other offensive behavior are not tolerated.
 3. The confidentiality of sensitive information is protected; and employees are encouraged to discuss concerns about ethical behavior with their supervisor.
2. Nothing in the constitution or this charter shall be construed to prevent the payment, in good faith, of reasonable and proper remuneration to any Director, Officer or servant of GRONET in return to any service actually rendered to GRONET. Any member sitting on a governing Board will receive out of pocket expenses, transport refund and other agreed upon remuneration as management will continue to review accordingly.

vii. ADMINISTRATIVE MATTERS

1. The Board determines a schedule of meetings at the beginning of each year. Additional meetings are held as required to address specific issues.
2. All minutes of the Board are signed by the Chairman as true and correct record and are then to be entered into the minute file book and will be open for inspection by any Director.
3. Twenty-one (21) days' notice must be given to all Directors of any meeting and Agenda for such meeting. A Director may waive notice of any meeting. The attendance of a Director or his ultimate at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for express purpose of objecting to the holding of that particular meeting because the meeting was not lawfully convened. A special meeting may be summoned at any time by the Chairman upon seven (7) clear days' notice to all Directors of the date and time of the meeting and the matters to be discussed.
4. Each Director shall have power to nominate any person or any other Director or act as his Alternate Director but such that, the Director making such an appointment shall be fully reliable for the act of his Alternate.
5. Any Director may participate in meeting of the Board by means of conference, telephone or by any other means of communication by which all persons participating in meeting are able to hear one another, and provided that, such participants have access to substantially the same information as other members, and such participation shall constitute presence in person at the meeting.
6. If the number of Directors in office falls below the number required for a quorum under the constitution, the number of sitting Directors shall constitute a quorum for the sole purpose of convening a meeting of the Board to nominate and confirm new Directors in accordance with this charter.
7. Directors shall not receive any remuneration or benefit in money or monies worth for their services as Directors but the organization shall be responsible for their re-imbusement of their out of pocket expenses incurred in carrying out their functions including inter-alia, accommodation ,transportation and meals when attending Board meetings.
8. All attendees at Board meetings are, as officers and/ or fiduciaries, required to keep all information presented (where written or Aral) or discussed at Board meetings confidential.

9. Senior management may be invited to attend meetings (or parts of meetings) from time to time where the Board considers their involvement essential to the consideration of items of business before the Board.

Viii. **GENERAL ASSEMBLY**

1. Members of the Governing Board shall comprise of the initial membership of the founder members which may be expanded by invitation of the governing Board to provide additional expertise in areas of importance for the organization. These may include such fields as government relations, fundraising, sells and marketing, finance, Health issues, communication, research, trainings/workshops, community mobilization, partnership development, legal affairs and any other field which may be deemed helpful. The composition of the people may include senior representatives from the private, public or nonprofit sectors.
2. The assembly shall convene annually on the occasion of the annual general meeting. Members who are not Directors of the governing Board are welcome as participants and observers at this or any other meeting of the assembly but, are not entitled to vote.
3. Any member may participate in the assembly or other meeting of members by means of conference telephone, or by any other means of communication by which all persons participate in the meeting are able to hear one another, and provide such participants have access to substantially the same information as the other members, and such participation shall constitute presence in person at the meeting.
4. The order of business fore the annual general meeting shall be as follows:
 - a. Election of Directors
 - b. Election of Officers
 - c. Election of Members
 - d. Approval of accounts
 - e. Appointment of auditors and attorneys.

IX. MEMBERSHIP OF THE ORGANIZATION

1. Membership shall be open to all Ugandans
2. Membership in the organization shall be by an application for membership or invitation, save for the subscribers to the constitution or any subsequent sitting Directors. No person shall be confirmed as a member unless their membership is ratified by the governing Board in its annual meeting.
3. A member may be suspended or excluded from membership in the organization upon the recommendation of the Board of Directors, by a vote of 2/3rds of the members eligible to vote thereon, voting in person or by proxy, if such a member acts contrary to the purposes and objectives of the organization or persistently refuses to comply with the duties of the membership as set forth in the constitution and regulations, and in the resolutions of the Board of Directors.
4. An excluded member may not apply for re-admission.

X. AMMENDMENT OF THE BOARD CHARTER

This charter may be amended by a vote of 7 out of 9 Directors then in officer or by 2/3rds of the sitting Directors in the event that, there exists fewer than nine (9) confirmed Directors on a Governing Board at the time of the vote.