ANNEXES

The following annexes accompany the Handbook. They are practical tools and examples that companies may adapt to their own circumstances; the sub-chapter in which each annex is referred to is shown in brackets.

Annex 1 Board competencies: hard and soft (sub-chapter 3.2)

Annex 2 Recommended topics for corporate governance policies (sub-chapters 1.2 and 7.4)

Annex 3 Risk categories and types (sub-chapter 5.2.3)

Annex 4 Risk register: suggested elements (sub-chapter 5.2.3)

Annex 5 Annual Board plan and Board calendar: examples (sub-chapter 6.1)

Annex 6 Board submission (cover) letter: template (sub-chapter 6.1)

Annex 7 Functions and responsibilities of the Board secretary (sub-chapter 6.5)

Annex 8 Board self-assessment questionnaire: example (sub-chapter 6.6)

Annex 9 Questionnaire for the executives: example (sub-chapter 6.6)

Annex 10 Board work improvement plan: template (sub-chapter 6.6)

ANNEX 1

BOARD COMPETENCIES: HARD AND SOFT

The hard competencies below should be covered by the Board as a whole; no individual member is expected to hold all of them. The soft competencies are expected of every Board member.

Hard competencies

COMPETENCY AREA	*KEY COMPETENCIES*
Corporate governance	Understanding of the role of the Board, fiduciary duties, Board-management relationship, committee work, conflicts of interest, independence, accountability and shareholder rights.
Industry and market knowledge	Understanding of the company's sector, customers, competitors, suppliers, market trends, regulation and key value drivers.
Strategy and business model	Ability to assess the company's strategy, business model, competitive position, growth opportunities, capital allocation and long-term value creation.
Leadership and executive experience	Practical experience of leading an organisation or a significant business unit, enabling a realistic assessment of management's plans, capabilities and execution.
Finance and accounting	Ability to read and challenge financial statements, budgets, forecasts, cash flow, capital structure, investment proposals, dividend policy and financial performance indicators.
Risk management and internal control	Understanding of risk appetite, risk registers, internal controls, assurance, compliance systems and the Board's oversight role.
Audit and assurance	Knowledge of external audit, internal audit, audit committee work, financial reporting quality, auditor independence and follow-up of audit findings.
Legal and regulatory environment	Understanding of relevant EU and national company law, securities regulation, competition law, data protection, sector-specific regulation and directors' duties.
Sustainability and ESG	Ability to oversee sustainability strategy, climate and environmental risks, social issues, stakeholder expectations, CSRD/ESRS reporting, and the integration of sustainability into business decisions.
Digital transformation and technology	Understanding of digital business models, automation, data governance, artificial intelligence, technology investments and related risks.
Cybersecurity and data protection	Ability to oversee cyber resilience, incident response, data privacy, business continuity and management's preparedness for major digital risks.
People, culture and remuneration	Ability to oversee CEO succession, senior leadership development, organisational culture, workforce issues, incentives, remuneration policy and talent risks.

COMPETENCY AREA	KEY COMPETENCIES
Stakeholder and reputation management	Understanding of how the company's decisions affect shareholders, employees, customers, regulators, communities, creditors and other stakeholders.
International and EU perspective	Awareness of cross-border governance expectations, EU regulatory developments, geopolitical risks, supply-chain issues and international market dynamics.
Crisis management and resilience	Ability to oversee management's preparation for crises, including financial stress, operational disruption, cyber incidents, reputational issues, geopolitical shocks and leadership emergencies.
Mergers, acquisitions and major transactions	Ability to assess acquisitions, disposals, partnerships, financing transactions, restructuring and integration risks.
Innovation and future trends	Ability to challenge whether the company is adapting to new technologies, changing customer expectations, sustainability transition and long-term market disruption.

Soft competencies

SOFT COMPETENCY	WHY IT MATTERS
Independent and sound judgement	Be able to think objectively and make decisions in the best interests of the company. Weigh incomplete information, assess trade-offs and make balanced decisions.
Constructive challenge	Be able to question management respectfully, without becoming operational or adversarial.
Strategic thinking	Focus on long-term direction, not only short-term results or operational details.
Integrity and ethical judgement	Act with honesty, accountability and respect for legal and ethical standards.
Courage and backbone	Be willing to raise difficult issues, challenge dominant views and speak up when needed.
Collaboration and team orientation	Be able to contribute to the Board's work without undermining collective responsibility.
Listening and openness	Listen carefully, consider different views and remain open to evidence and argument.
Communication skills	Be able to express views clearly, ask concise questions and contribute to effective discussions.
Curiosity and continuous learning	Be willing to learn about new risks, technologies, markets, regulation and stakeholder expectations.
Emotional intelligence	Understand group dynamics, manage disagreement constructively and build trust.

SOFT COMPETENCY	*WHY IT MATTERS*
Time commitment and diligence	Prepare properly, attend meetings, read materials, follow up on issues and stay informed.
Discretion and confidentiality	Handle sensitive company information responsibly.
Independence from undue influence	Avoid being captured by management, controlling shareholders, political interests or personal relationships.
Respect for the Board's role	Understand the difference between governance and management, and avoid unnecessary interference in day-to-day operations.

ANNEX 2

RECOMMENDED TOPICS FOR CORPORATE GOVERNANCE POLICIES

Each Board should decide what policies are necessary for the company in particular stage of corporate governance and business development. The list of topics provided below is indicative to get ideas for the board to consider when establishing corporate policies. Topics in bold are highly recommended.

1. **Anti-bribery and corruption prevention**
2. **Business continuity**
3. **Board nomination and selection**
4. Charities and donations
5. Community development and support
6. **Compliance**
7. **Corporate governance (defines how governance is functioning)**
8. **Conflict of interest**
9. **Diversity, equal opportunities and inclusion, Human rights**
10. **Dividends (listed, SOEs, MOEs)**
11. **Ethics, Responsible business conduct (RBC)**
12. **Fraud prevention**
13. **Information security**
14. Investment
15. **Key employees' succession**
16. **Remuneration (top executives, employees, board members)**
17. **Personal data protection, data retention**
18. **Performance evaluation of the governing bodies, individual directors and key executives**
19. **Procurement**
20. Project management oversight
21. R&D, Innovation
22. Related party transaction (may be part of a conflict of interest or ethics or other)
23. **Risk governance oversight**
24. **Safety at work, health, well-being and prevention of occupational risks**
25. **Stakeholder relationship**

26. **Supplier code of conduct**
27. **Sustainability (ESG);**
28. **Whistle-blower**
29. (for SOEs) Policy on the types of non-commercial services SOE can provide, and the rationale for provision of services and how such services are compensated
30. (for family owned) Family policies relating to family members' employment, transfer of shares, and CEO succession

ANNEX 3

RISK CATEGORIES AND TYPES

Strategic risks

1. **Corporate governance risk**
   The risk that employees will not act in the interests of shareholders and other stakeholders.

2. **Competitive risk**
   The risk of losing competitive advantage.

3. **Innovation risk**
   The risk that innovations will make your company less successful.

4. **Intellectual property risk**
   Risks related to intellectual property.

5. **Merger and acquisition risk**
   Risks related to these processes.

6. **Business risk**
   The risk that your overall business strategy and plan will be ineffective and/or fail to deliver results.

7. **Economic risk**
   The risk that the economy will enter a recession.

8. **Technological change**
   The risk that technology will become obsolete.

9. **Change management risk**
   Risks related to the management of change.

10. **Project risk**
    The risk that projects will fail (deadlines, budget).

11. **Ethics risk**
    The risk that your core principles and ethics will be breached.

12. **Reputational risk**
    The risk of damage to your company’s image.

13. **Sustainability risk**
    The risk of failing to meet sustainability goals and targets.

Financial risks

14. **Profit risk**
    The general risk that profit will decline or a loss will be incurred.

15. **Availability of capital**
    The risk that you will be unable to finance your business.

16. **Asset risk**
    Risk related to asset prices or values (for example, real estate).

17. **Interest rate risk**
    The risk that interest rates will change (rise).

18. **Currency risk**
    The risk of exchange rate changes when you buy or sell.

19. **Inflation risk**
    The risk of price increases in critical costs (for example, energy).

20. **Investment risk**
    The risk of changes in the value of investments.

21. **Liquidity risk**
    The risk that you will be unable to sell assets efficiently (quickly and at an acceptable price).

22. **Systemic risk**
    The risk that the global financial system or the national financial system will suffer a collapse.

23. **Concentration risk**
    Having one or a few dominant customers or suppliers.

24. **Credit risk**
    The risk that debtors will not repay their debts.

25. **Fraud risk**
    The risk of losses from fraud.

26. **Accounting risk**
    The risk of accounting errors.

27. **Breach of trust risk**
    The risk that your company breaches its fiduciary duties (for example, inside information).

28. **Counterparty risk**
    The risk that other companies will fail to honour their contractual obligations.

29. **Tax risk**
    The risk that your taxes will increase.

Marketing and sales risks

30. **Revenue shortfall risk**
    The general risk that revenue will decline.

31. **Demand risk**
    Lower than planned demand for your products.

32. **Market competition risk**
    The risk that competitive forces will reduce your company's revenue (for example, a price war).

33. **Sales forecast risk**
    The risk that sales forecasts will be inaccurate.

34. **New product development risk**
    The risk that new products will appear on the market.

35. **Customer relationship risk**
    The risk of damaged relationships with customers.

36. **Brand value risk**
    The risk of a decline in brand value.

37. **Publicity risk**
    The risk of negative public information.

38. **Key customer risk**
    The risk of losing a major customer.

39. **Location risk**
    The risk of choosing an unsuitable location (for example, a retail site).

Operational risks

40. **Infrastructure risk**
    Risks related to infrastructure (for example, interruption of electricity or gas supply).

41. **Maintenance and repair risk**
    Risk in the maintenance and repair process (for example, human error during equipment servicing).

42. **Product failure risk**
    The risk that your product will fail or your services will not be delivered properly.

43. **Product liability risk**
    The risk of legal liability related to your products and services.

44. **Operational quality risk**
    The general risk of operational disruption (for example, your website or e-shop is not working).

45. **Production interruption risk**
    Failure to achieve production targets.

46. **Logistics risk**
    The risk of logistics failure (for example, failure to deliver goods to your retail outlets on time).

47. **Procurement risk**
    Risk related to the purchase of goods and services.

Information technology

48. **IT architecture risk**
    The risk that the architecture of your IT systems will not meet business objectives.

49. **Data quality and data loss risk**
    The risk of poor quality data or loss of data.

50. **Technology quality risk**
    The risk of quality problems in software and hardware.

51. **Platform risk**
    The likelihood of choosing a technology platform that is unsuitable for achieving business objectives effectively.

52. **Information security risk**
    The risk of information security incidents.

People risks

53. **Employee safety risk**
    The risk that accidents will occur or that a poor working environment will affect employees and their health.

54. **Employer reputation risk**
    The risk that the company will acquire a poor reputation and find it difficult to recruit the best talent.

55. **Employer liability risk**
    The risk of a claim being brought against you for work-related actions or incidents.

56. **Employment law compliance risk**
    The risk of non-compliance with employment laws and regulations.

57. **Talent management risk**
    The risk of losing top talent and key employees.

58. **Remuneration and benefits risk**
    The risk that remuneration and benefits will be ineffective or applied inappropriately.

59. **Recruitment risk**
    The risk of hiring the wrong candidate or breaching ethics or the law in the recruitment process.

60. **Employee data privacy risk**
    The risk that you will disclose personal information about your employees.

Compliance and legal risks

61. **Compliance risk**
    The risk of failing to comply with laws and other regulations.

62. **Mandatory reporting risk**
    The risk of failing to meet regulatory reporting requirements.

63. **Liability risk**
    The risk of legal claims.

External risks

64. **Force majeure**
    Acts of nature, war and terrorism.

65. Political risk

Risk related to political change.

ANNEX 4

RISK REGISTER: SUGGESTED ELEMENTS

Important! Each company in the current status of its risk management development should set its own elements of the risk register and review them regularly.

Companies are creating an easy-to-use Excel file incorporating the following risk register elements.

I. **General information**

1. **Risk ID**. Unique identifier for each risk.
2. **Risk category.** Broad grouping (e.g., strategic, operational, financial, compliance, reputational, environmental).
3. **Risk name.** Short descriptive label.
4. **Risk description**. Detailed explanation of the risk event/scenario.
5. **Risk owner**. Person (not the name, but position) responsible for managing this risk.

II. **Risk assessment**

6. **Cause**. Why this risk exists (root cause).
7. **Potential impact**. What could happen if this risk materializes.
8. **Probability**. Rating on scale 1 to 5, where 5 is the highest probability; you should describe what means each probability (once a month, once a year, etc.)
9. **Impact**. Rating of consequences of each type of impact (e.g. impacts to company's possibilities to achieve strategic goals and objectives, health and safety, financial, environmental, business continuity. reputation).
10. **Risk level.** Result of multiplication of the probability and the highest impact rate before any risk mitigation actions are applied.

III. **Response / Mitigation**

11. **Existing risk mitigation measures.** Measures already in place to mitigate risk.
12. **Effectiveness of current mitigation**. How effective current actions are.
13. **Required mitigation action(s)**. Specific activities to manage the risk in order to reduce it.
14. **Owner of the action(s)**. Employee (position) who is responsible for mitigation actions.

15. **Action(s) deadline**. Deadline for risk mitigation action.

IV. **Monitoring and Reporting**

16. **Last updated.** When this risk was last reviewed.
17. **Reporting line.** To whom this risk management should be reported to (e.g. board, risk committee, top management)

ANNEX 5

ANNUAL BOARD PLAN AND BOARD CALENDAR: EXAMPLES

This annex gives an example of an annual Board calendar for a company whose Board meets every month. However, each Board has to make decision on the appropriate number of the meetings it wants to plan for a year. It will depend on the company type (e.g. private or listed; regulated or not) complexity of its operations and many other factors. It combines the two formats commonly used in practice: a meeting-by-meeting plan, which shows the focus and the main items of each meeting, and a calendar matrix, which shows in which months each recurring activity of the Board takes place. The example assumes a financial year equal to the calendar year, an annual general meeting in April, quarterly reporting and three committees (audit, remuneration and nomination). The wording is neutral and can be used by a one-tier Board or by a Supervisory Board (also called the Council). Companies should adapt the calendar to their own size, ownership, reporting cycle and regulatory requirements; a Board that meets less often can merge adjacent meetings.

Standing items at every meeting are not repeated in the tables: approval of the agenda and of the minutes of the previous meeting, follow-up of decisions taken, the CEO's report on business performance and key events, the financial report against budget, the risk and compliance dashboard, reports of the committee chairs and a private Board-only session without management at the end of each meeting.

Important: items in the calendar are for illustration only and should not be understood as the best governance practice.

1. Meeting-by-meeting plan

MONTH	FOCUS OF THE MEETING	MAIN ITEMS AND EXPECTED BOARD OUTCOME (DECISION / DISCUSSION / MONITORING), IN ADDITION TO THE STANDING ITEMS
January	Start of the year	– Preliminary (unaudited) results of the previous year; outlook for the year – Principal and emerging risks for the year; review of risk appetite – Review of the Board's annual plan and areas of focus

MONTH	FOCUS OF THE MEETING	MAIN ITEMS AND EXPECTED BOARD OUTCOME (DECISION / DISCUSSION / MONITORING), IN ADDITION TO THE STANDING ITEMS
February	Full-year results and Board effectiveness	– Full-year results as presented by management; draft annual report – Full-year performance assessment of the CEO; variable pay outcomes – Results of the Board and committee evaluation; improvement action plan – Review of committee composition and charters
March	Annual accounts and convening the AGM	– Review and, where within the Board's authority, approval of the audited financial statements, management report and sustainability statement – External auditor's report and independence; annual review of the effectiveness of the risk management and internal control framework – Profit distribution and dividend proposal – Corporate governance statement and remuneration report – Convening the annual general meeting: agenda, resolutions, candidates
April	Annual general meeting	– Annual general meeting; Board's dialogue with shareholders and key stakeholders – Constitution of committees after the meeting; induction of new members – First-quarter trading update – Investor feedback and investor relations plan
May	First quarter and risk	– Approval of the first-quarter interim report (if required) – Risk register review; compliance and whistleblowing report – Deep dive: business unit or subsidiary 1 – Health, safety and environment review
June	Strategy review – part one	– Market, competition, technology and regulatory developments; progress against strategic objectives – Strategic risks and scenarios; resilience and business continuity – Sustainability strategy and targets – Capital structure, financing and dividend policy review
July	Mid-year check (may be held virtually)	– Full-year forecast; major projects and transactions – Deep dive: cybersecurity, IT, data and AI governance, and digital transformation – Deep dive: business unit or subsidiary 2 – Identification of strategic choices and issues for the September strategy session

MONTH	FOCUS OF THE MEETING	MAIN ITEMS AND EXPECTED BOARD OUTCOME (DECISION / DISCUSSION / MONITORING), IN ADDITION TO THE STANDING ITEMS
August	Half-year results	– Approval of the half-year interim report – Half-year risk, compliance and internal audit reports – Half-year assessment of the CEO's performance – Review of material related party transactions and conflicts of interest; confirmation of related controls and disclosures – Follow-up of the Board improvement action plan
September	Strategy session (off-site) – part two	– Approval of the updated strategy and the three-year plan, including investments, acquisitions and divestments – Innovation, research and development, technology priorities – People and culture: talent review, engagement, tone at the top – Succession planning for the CEO and executives; separate review of Board succession and future competence needs
October	Third quarter and policies	– Third-quarter trading update; budget guidelines and assumptions for the next year – Review of key policies: risk management, compliance, code of conduct, delegation of authority – Evaluation of the external auditor; recommendation on (re)appointment – Deep dive: business unit or subsidiary 3
November	Third quarter and budget	– Approval of the third-quarter interim report – Draft budget and investment plan; financing needs – Risk assessment for the next year; insurance cover, including D&O – Remuneration policy review; stakeholder engagement review
December	Budget and governance for the next year	– Approval of the budget, risk appetite for the next year, KPIs and variable pay targets – Objectives and KPIs of the CEO and the executive team – Board annual plan, committee work plans and meeting calendar for the next year; approval of the internal audit plan for the next year – Launch of the Board and committee evaluation – Compliance with the corporate governance code; Board and committee charters

2. Calendar matrix: activities by month

A dot marks the month in which the activity is on the Board's agenda. Committees meet one to two weeks before the Board meeting for which they prepare recommendations.

This matrix is for indicative purposes only and should not be understood as the best practice

ACTIVITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. MEETING SCHEDULE												
Board meeting	●	●	●	●	●	●	●	●	●	●	●	●
Strategy session (off-site)									●			
Annual general meeting				●								
Audit committee	●	●	●		●			●		●	●	
Remuneration committee	●	●									●	●
Nomination committee		●	●						●			●
Board-only session without management				●				●				●
2. Strategy and budget												
Strategy review (part one)						●						
Approval of strategy and three-year plan									●			
Capital structure and financing review						●						
Budget guidelines and assumptions										●		
Draft budget and investment plan											●	
Approval of budget and KPIs												●
3. Strategy implementation and deep dives												
Progress against strategic objectives			●			●			●			●
Deep dive: business unit or subsidiary					●		●			●		
Deep dive: market outlook / investor relations	●			●								
Deep dive: cybersecurity, IT and digital							●					
Deep dive: sustainability						●						

ACTIVITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. MEETING SCHEDULE												
Major projects and transactions							•				•	
4. CEO and executive team												
Objectives and KPIs approved	•											
Half-year performance assessment								•				
Full-year performance assessment		•										
Variable pay outcomes / targets		•										•
Remuneration policy review											•	
Succession planning and talent review									•			
5. Financial reporting and accountability												
Preliminary full-year results	•											
Full-year results and draft annual report		•										
Audited financial statements and annual report approved			•									
Dividend proposal			•									
Quarterly and half-year interim reports					•			•			•	
Full-year forecast							•			•		
6. Risk, control and compliance												
Risk appetite and key risks	•											
Risk register review; risk assessment for next year					•						•	

ACTIVITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. MEETING SCHEDULE												
Internal audit plan / reports	●	●						●				
Compliance and whistleblowing reports					●			●			●	
Related party transactions review								●				
External auditor: report / evaluation			●							●		
Insurance cover, including D&O											●	
7. Policies and governance documents												
Board charter and committee charters												●
Delegation of authority										●		
Risk management and compliance policies; code of conduct										●		
Remuneration policy											●	
Corporate governance code compliance			●									●
8. Board effectiveness												
Board and committee evaluation: launch / results / follow-up		●						●				●
Committee composition and charters reviewed		●		●								
Induction of new members				●								
Board training or site visit					●					●		
Board annual plan and calendar for next year												●

ACTIVITY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. MEETING SCHEDULE												
9. Shareholders and stakeholders												
Convening the AGM: notice and documents			•									
Dialogue with shareholders / investor feedback				•						•		
Report to owners on Board evaluation (where applicable)				•								
Stakeholder engagement review											•	

The matrix is a planning tool for the Chair and the Board secretary: once filled in, it shows at a glance whether every matter reserved to the Board has its place in the year, whether the workload is evenly spread and whether the Board leaves enough time for strategy and forward-looking topics. It should be reviewed after the Board evaluation and approved, together with the meeting dates, at the last meeting of the preceding year.

ANNEX 6

BOARD SUBMISSION (COVER) LETTER: TEMPLATE

Company "XXX"

Form for submitting an item for consideration at a Board meeting

The form below is an example. Where necessary, the persons preparing a submission may add other sections at their discretion, depending on the nature of the item under consideration. The right-hand column explains what each section should contain; in a completed submission it is replaced by the actual content.

NO.	SECTION OF THE SUBMISSION	WHAT TO INCLUDE
1.	**Date**	Date of preparation of the submission (not the date of the meeting).
2.	**Agenda item**	The agenda item as worded in the agenda (copied from it). The item number is not given.
3.	**Legal basis**	The specific article of the law, the articles of association, a policy or another document under which the item is submitted to the Board meeting (the provisions are quoted). This part is agreed with the Board secretary and, where necessary, with the company's lawyer.
4.	**Type of item**	Possible types: – for decision (items on which the Board has to take a decision); – for discussion (where no decision is planned at the meeting); – for information (reports and other matters).
5.	**Essence of the item**	A short and clear statement (at most three or four sentences) of what decision is proposed and why (what the problem is, what change is sought and similar). Examples: (i) the Board is asked to decide on the construction of a plant (details) at a cost of EUR x; the new plant will increase production volumes (details), bringing the company EUR x of additional revenue per year; (ii) a draft policy is submitted to the Board for approval in a new wording, taking into account that <…>.

NO.	SECTION OF THE SUBMISSION	WHAT TO INCLUDE
6.	**Rationale for the proposed decision**	A detailed statement of the facts and of the reasons why the decision proposed to the Board is in the best interests of the company (preferable no longer than 10 pages) If several alternatives are presented, management must clearly identify which alternative the Board is asked to vote on and why. Where an item is submitted for decision, this section must contain enough information and reasoning for the Board to understand the consequences of taking or not taking the decision and to take an informed decision, satisfied that it is in the best interests of the company. The text may be structured freely, as long as the information is presented clearly. The rationale usually has two parts: – factual information (objective data): – context (for example, changes in legislation that require the Board to change the company's activities); – background (excluding the information given under item 7, "Link with previous decisions and recommendations"); – where a document or transaction is submitted for approval, a summary of its main terms; – assessment of the facts, analysis and conclusions (the subjective part), for example: – why the proposed decision should be taken; – the consequences of the decision; – the possible options, with their advantages and disadvantages (for example, where the acquisition of an asset is proposed, the alternatives of leasing or building it); – where several options are possible, the grounds for the option proposed by management. Where more detailed information is needed, the text of the submission should not be overloaded; the additional information is attached as annexes. Where opinions of external advisers have been obtained, they are referred to in this section; the full opinions may be attached as an annex.
7.	**Alignment with strategy**	The submission should explain how the proposed decision aligns with the company's strategy and/or business plan.
8.	**Risks and management measures**	The submission should indicate the key risks and their levels associated with the proposed decision and the proposed measures to manage them.
97.	**Link with previous decisions and recommendations**	The specific Board decision, or the proposals or recommendations of its committees, relating to the item, with the date of the meeting; the decision or recommendation is not only referred to but quoted. This part is agreed with the Board secretary.
108.	**Proposed decisions**	The decision proposed to the Board. The resolution must be short, clear and unambiguous. Where information that is missing for the decision will be obtained only at the meeting, a recommendation on the decision may be given instead.

NO.	SECTION OF THE SUBMISSION	WHAT TO INCLUDE
119.	**Opinion of the Board secretary**	An opinion on whether the item falls within the competence of the Board and whether the proposed decision is consistent with previous Board decisions and assignments and with the proposals and recommendations of its committees. *Position, name and surname* _____ *(signature)*
1210.	**Financial opinion**	A short opinion on (i) the financial consequences of the proposed decision and when they will arise; and (ii) whether the expenditure is planned in the budget and under which budget line. Where financial information is given in the rationale, only a summary is provided here (no repetition). Where more detailed information is needed to explain the financial consequences, an annex with the additional information is attached. *Position, name and surname* _____ *(signature)*
1311.	**Legal opinion**	An opinion on whether the proposed decision complies with the applicable laws and the company's internal documents. Where certain requirements are not fully met, an explanation is given. The legal basis given elsewhere in the submission is not repeated; a summary is provided. *Position, name and surname* _____ *(signature)*
1412.	**Endorsements**	The persons with whom the submission has been agreed, depending on its content. These may be any stakeholders, as well as the senior or functional managers whose areas are affected. When endorsing, each person states why they recommend the proposed decision. The submission is also signed by the person who prepared it. I recommend that the decision be taken because … *Position, name and surname* _____ *(signature)* Person who prepared the submission *Position, name and surname* _____ *(signature)*
1513.	**Person initiating the item**	Usually, the CEO. *Position, name and surname* _____ *(signature)*
1614.	**Person presenting the item**	The person (position, name and surname) who will present the item at the meeting.
1715.	**Annexes**	The annexes attached to the submission, numbered. The annexes form part of the submission, so the persons signing it give their opinions on the annexes as well.

ANNEX 7

FUNCTIONS AND RESPONSIBILITIES OF THE BOARD SECRETARY

The Board secretary plays a very important role in the governance and administration of a company. The secretary's main function is to ensure that the Board works effectively and complies with legal and regulatory requirements. The main functions and duties of the Board secretary are set out below.

1. **Support for Board meetings**

   – Planning and organising the meetings of the Board and its committees.
   – Preparing and distributing notices of meetings, agendas and supporting materials.
   – Coordinating the logistics of meetings, including the venue, technology and, where needed, catering.
   – Taking the minutes of Board meetings and keeping the minutes of all meetings.

2. **Ensuring good governance practice**

   – Ensuring that the company's governance practices comply with the applicable laws, regulations and the articles of association.
   – Informing the Board of changes in governance requirements and best practice and of new developments.
   – Helping the Board to maintain an effective corporate governance system.

3. **Fiduciary duties of Board members**

   – Helping the Board to understand and fulfil its fiduciary duties, including the duties of loyalty and care.
   – Advising on the legal duties and ethical obligations of Board members.

4. **Management of corporate documents**

   – Maintaining and safeguarding the company's documents, including the articles of association, governance documents, Board meeting materials and Board resolutions.
   – Safeguarding other important corporate documents and records.

5. **Compliance and reporting**

- Ensuring that the company complies with all legal and regulatory requirements, including annual reporting and disclosure.
- Informing the Board of changes in laws, regulations and governance practice and advising the Board on these matters.
- Helping to prepare and submit the reports required by regulatory authorities.

6. **Support for Board communication**

- Acting as the link between the Board and the CEO and the executive team.
- Helping to maintain communication between Board members, shareholders and other stakeholders.

7. **Induction and development of Board members**

- Supporting new Board members by providing them with the essential information about the company, its governance and their roles and responsibilities (induction).
- Organising training and professional development for Board members where needed.

8. **Management of conflicts of interest**

- Helping to identify and manage the conflicts of interest of Board members and senior executives.
- Helping to develop and implement the conflict of interest policy.

9. **Board evaluation and improvement of Board work**

- Helping the Board to carry out its evaluation and to improve its work.
- Helping to collect and analyse feedback in order to increase the effectiveness of the Board.

10. **Administration of the secretary's office**

- Managing the administrative matters of the company secretary's office, including budgeting, recruitment and the allocation of resources.
- Maintaining an effective and well-organised document management system.

The Board secretary is the key person ensuring the transparency and accountability of the company's activities and effective good governance within the company. The secretary helps to maintain the integrity of the Board's actions and promotes the confidence of shareholders and stakeholders. The specific duties may differ

depending on the size of the organisation, its industry and the applicable legal requirements.

ANNEX 8

BOARD SELF-ASSESSMENT QUESTIONNAIRE: EXAMPLE

Company: _____ Assessment date: _____

Board member (first name and surname): _____

For each statement, enter your score in the appropriate column (1–5), not a cross: 1 – definitely not; 2 – not quite; 3 – neutral / do not know; 4 – yes, in principle; 5 – yes, without a doubt. Add comments where useful.

STATEMENT	1	2	3	4	5	COMMENTS
1. General approach, composition of the Board						
1.1. The Board has a clear understanding of the expectations of all shareholders of the company.						
1.2. The Board has reviewed and set the Company's strategy, responding to shareholder expectations, the national and EU regulatory environment, and the trends in this industry						
1.3. The Board has a clear understanding of the Company's long-term and medium-term priorities.						
1.4. Cooperation between the Board and the Company's CEO is constructive.						
1.5. The Board is appropriately involved in maintaining relationships with key stakeholders.						
1.6. The Board has considered the need for Board committees and ensured that the necessary committees are established.						
1.7. The Board committees operate effectively.						
1.8. The Board properly oversees the matters delegated to the committees and ensures that the delegated tasks are properly managed and that each committee duly reports to the Board.						
1.9. The size of the Board is appropriate						
1.10. The diversity of the Board is appropriate						
1.11. The composition of the Board, in terms of the skills and experience of its members, is balanced.						

STATEMENT	1	2	3	4	5	COMMENTS
1.12. The Board has the necessary diversity of competences and qualifications in governance-related matters, for example in corporate finance, strategic planning, risk management, organisational development, human resources, compliance and other areas.						
1.13. The duties of the Board are fully and clearly defined in the company's articles of association and internal regulations.						
1.14. The governance framework (policies, codes and similar documents) is up to date and appropriate for overseeing the company's activities						
Average score						
Additional comments:						
2. Role and duties of the Board						
2.1. The Board has a clear understanding of the Board's role and duties in the Company.						
2.2. The Board effectively combines its supervisory and strategic leadership functions.						
2.3. The Board gives sufficient consideration to the long-term business strategy and regularly monitors its implementation.						
2.4. The Board approves the Company's annual budget and reviews its assumptions.						
2.5. The Board sets key performance indicators (KPIs) based on the SMART principle and monitors their achievement.						
2.6. The Board effectively oversees the financial position and the effectiveness of financial controls.						
2.7. The Board regularly oversees risk management and ensures its effectiveness.						
2.8. The Board ensures that a reliable internal control and compliance system is in place in the Company.						
2.9. The Board ensures the independence, effectiveness and high professional standard of internal audit.						
2.10. The Board communicates sufficiently with the external auditors.						
2.11. The Board oversees the Company's communication activities.						

STATEMENT	1	2	3	4	5	COMMENTS
2.12. The Board takes leadership in the area of sustainability.						
2.13. The Board continuously reviews and improves the Company's governance framework and practices.						
Average score						
Additional comments:						
3. Board meetings						
3.1. The Board's work is planned in advance; it has an annual calendar of meetings with preliminary agendas.						
3.2. The Board meets sufficiently often to be able to properly oversee the activities of the Company and management and to perform its duties.						
3.3. The duration of Board meetings is sufficient for meaningful discussion and effective decision-making.						
3.4. In most Board meetings, members participate in person (not remotely).						
3.5. All Board members regularly attend Board meetings.						
3.6. The agenda and materials are provided to the Board sufficiently in advance of the meeting.						
3.7. The documents submitted for Board meetings are of good quality and enable members to discuss properly and take decisions.						
3.8. The agendas balance strategy implementation, performance reviews, controls, projects and other matters.						
3.9. Strategic and forward-looking matters take up most of the time on the agendas; there are no matters of an operational nature						
3.10. Matters on which the Board must take a decision are clearly identified and presented in sufficient detail and in an informative manner.						
3.11. Board meetings keep to the agenda and to the time allocated to its items.						
3.12. Independent Board members participate in taking all Board decisions.						
3.13. Board members are active and effective, i.e. they attend meetings, are well prepared, discuss constructively and are decisive.						

STATEMENT	1	2	3	4	5	COMMENTS
3.14. Board decisions are always confirmed in well-written and clear minutes of meetings (including the substantive questions and answers and the main arguments).						
3.15. Minutes are prepared promptly after each Board meeting, and each Board member reviews them in good time (and, where necessary, submits comments); all comments are duly taken into account.						
3.16. The Board effectively monitors the implementation of its decisions and assignments.						
Average score						
Additional comments:						
4. Board working culture						
4.1. The Board clearly understands and agrees with the Company's purpose, vision, mission, goals and/or objectives, and values.						
4.2. The Board performs its duties as a motivated and well-functioning team.						
4.3. All Board members can express their opinions freely.						
4.4. Board discussions are challenging and constructive, without micromanagement.						
4.5. The atmosphere inspires trust and helps generate new ideas.						
4.6. The Board encourages diversity of thinking and understands the dangers of groupthink.						
4.7. The Board pays attention to conflicts of interest and does not consider that the shareholders who appoint Board members exert undue influence on the Board members they have appointed.						
4.8. The Board considers that all Board members give priority to the interests of the Company and all shareholders, rather than to the interests of the shareholders who appointed them or of other stakeholders.						
4.9. The Board does not tolerate corruption or fraud.						
4.10. In taking decisions, the Board is guided by the Company's values and ethical principles.						

STATEMENT	1	2	3	4	5	COMMENTS
4.11. The Board maintains a culture of lifelong learning and knowledge renewal, and provides sufficient support for the continuous training and education of Board members and employees.						
4.12. The Board takes leadership in shaping the organisation's culture.						
Average score						
Additional comments:						
5. Chair of the Board						
5.1. The duties of the Chair of the Board are clear to all Board members.						
5.2. The Chair of the Board communicates appropriately with all Board members.						
5.3. The Chair of the Board communicates sufficiently with stakeholders and duly informs all Board members about this.						
5.4. The Board discusses the role and duties of the Chair of the Board.						
5.5. The Chair of the Board is well prepared for Board meetings.						
5.6. The Chair of the Board ensures that, during meetings, the Board concentrates on strategic matters						
5.7. The Chair of the Board helps the Board keep to the agenda and to the time allocated for discussing its items.						
5.8. The Chair of the Board ensures that every Board member has the opportunity to be heard.						
5.9. The Chair of the Board is able to manage differing views among Board members.						
5.10. The Chair of the Board can be firm with the Board members as a group when their discussions go off track.						
5.11. The Chair of the Board knows how to communicate directly with an individual Board member when that member's behaviour needs to change.						
5.12. The Chair of the Board helps the Board work together smoothly.						
5.13. The Chair of the Board has good listening skills.						

STATEMENT	1	2	3	4	5	COMMENTS
5.14. The Chair of the Board delegates responsibility to Board members effectively.						
5.15. The decisions of the Chair of the Board are supported by the Board members.						
5.16. The Chair of the Board maintains a constructive and professional relationship with the Company's CEO.						
Average score						
Additional comments:						
6. Cooperation between the Board and the Company's CEO						
6.1. The Board provides the CEO with clear expectations and guidance and indicates clear directions for work.						
6.2. Communication between the Board and the Company's CEO is productive, transparent and two-way.						
6.3. Board members understand the boundaries of responsibility between the Board and the Company's CEO.						
6.4. The Board trusts the decisions of the Company's CEO.						
6.5. The Board assesses the Company's CEO primarily on the achievement of the strategic goals set for the Company; the assessment process is clear and professional						
6.6. The CEO feels supported by the Board, while being sufficiently and appropriately challenged.						
6.7. The Board and its individual members do not interfere in the CEO's day-to-day activities						
Average score						
Additional comments:						
7. Individual self-assessment						
You have:						
7.1. The information needed to take decisions on the items on the Board meeting agenda, including the opportunity to ask questions and receive answers.						
7.2. Experience of, an understanding of, and an interest in the work of the Board and good governance practices.						

STATEMENT	1	2	3	4	5	COMMENTS
7.3. The courage and standing to express your opinion independently, even if it may differ from that of other Board members, the shareholder(s) and management, and your opinion is heard.						
7.4. Commitment, leadership and initiative in building a strong and effective management team for the Company.						
7.5. The competences and qualifications needed to carry out the tasks entrusted to you.						
7.6. Sufficient knowledge of the laws and regulations applicable to the functions and duties of Board members.						
7.7. The ability to listen to and cooperate with the Company's CEO and other Board members.						
7.8. Confidence in the preparedness of the Board committees and in their recommendations to the Board.						
7.9. A clear understanding of your fiduciary duties to the Company.						
7.10. Time to prepare for and contribute effectively to the work of the Board.						
7.11. Experience and knowledge enabling you to assess the company's performance.						
7.12. Sufficient knowledge of finance for the work of a Board member.						
7.13. Sufficient knowledge of strategic planning for the work of a Board member.						
7.14. Sufficient knowledge of corporate governance for the work of a Board member.						
7.15. Sufficient knowledge of risk management for the work of a Board member.						
7.16. Sufficient knowledge of organisational development for the work of a Board member.						
7.17. Sufficient knowledge of the sector in which the Company operates for the work of a Board member.						
7.18. Sufficient knowledge of digitalisation for the work of a Board member.						
7.19. Sufficient knowledge of cyber security for the work of a Board member.						

STATEMENT	1	2	3	4	5	COMMENTS
7.20. Sufficient knowledge of sustainability for the work of a Board member.						
Average score						
Additional comments:						
8. Any other comments, suggestions or observations of the Board member						
1.						
2.						
3.						

ANNEX 9

QUESTIONNAIRE FOR THE EXECUTIVES: EXAMPLE

Dear executives,

As part of its annual self-evaluation, the Board requests your structured and candid feedback on its performance, behaviours, and ways of working.

Purpose of your input

The primary purpose of this input is to help the Board improve its work by providing the executive perspective on:

- How the Board's actions and processes are experienced by leadership;
- How effectively the Board supports the organization's strategy and long-term objectives;
- How the Board could bring even more value into interaction with CEO and other executives.

It is not about the judgement, but about higher efficiency of the Board and better Board-CEO-executives interaction that will improve the whole organisation.

Call to action

Please provide open and balanced input, highlighting both strengths and areas for improvement. This process is crucial for strengthening alignment, trust, and effectiveness between the Board and executives, benefiting the entire organization.

The Board thanks you for your contribution to strengthening the organization's governance and leadership.

Questionnaire

Score each question from 1 (lowest) to 5 (highest) and add your answer or comment. Open questions are answered in the last column only.

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
1. Board–management interaction & dynamics			
1.1	How effectively does the Board engage with management during meetings?		

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
1.2	How well does the Board create a constructive and respectful environment for open dialogue?		
1.3	How well does the Board demonstrate trust in management while still exercising appropriate oversight?		
1.4	How well Board discussions are focused, disciplined, and free from micromanagement?		
1.5	How well does the Board sufficiently take into account management's expertise and perspectives when making decisions?		
1.6	How well does the Board foster an inclusive environment where all directors and executives contribute?		
2. Strategic oversight & long-term focus			
2.1	To what extent does the Board provide clear strategic direction while allowing management to execute?		
2.2	To what extent does the Board focus on long-term priorities rather than operational matters?		
2.3	To what extent does the Board support management in addressing strategic risks and opportunities?		
2.4	To what extent is the Board forward-looking in terms of market trends, technology, HR/people issues, sustainability, and governance topics?		
3. Quality of challenge & constructive feedback			
3.1	How well does the Board provide constructive strategic challenge that improves the quality of decision-making?		
3.2	To what extent Board members ask relevant, well-prepared, and value-adding questions?		
3.3	How well does the Board demonstrate that it holds management accountable in a consistent and unbiased manner?		
3.4	How well does the Board balance its support and challenge?		
4. Communication, quality of information flow			
4.1	To what extent the Board's request for information is clear, reasonable, and aligned with its governance responsibilities?		

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
4.2	To what extent the Board and/or Chairperson is clearly communicating requirements about the Board meeting materials (depth, content, details) to make them appropriate and helpful for the Board to hold efficient discussion and make required decisions?		
4.3	How well does the Board make efficient use of the information provided by management (presentations, KPIs, dashboards, risk reports, etc.)?		
4.4	In your opinion how effective is communication between the Board (or its committees) and management (i.e. clear, respectful, and open)?		
4.5	To what extent is the Board prepared to provide effective oversight and support during a major crisis or disruption?		
5. Chairperson's performance and value added			
5.1	How effective is the Chair in leading the Board and setting the agenda?		
5.2	To what extent division of responsibilities between the Chair (governance) and the CEO (management) is clear and respected by both parties?		
5.3	To what extent Chair interacts with management (outside of the CEO) in a way that supports the CEO's authority and avoids micromanagement?		
5.4	To what extent Chair and CEO are aligned on the company's strategic priorities, providing a stable and consistent direction for the management team?		
5.5	To what extent does the Chair–CEO relationship enable a balanced leadership challenge that translates Board expectations into clear direction for the CEO and management?		
5.6	To what extent partnership between the Chair and CEO demonstrates a high degree of mutual respect and trust?		
5.7	To what extent does the relationship between the Chair and CEO contribute positively to the overall tone and culture of the company?		
5.8	What is one specific area where improved collaboration or clarity between the Chair and CEO would most enhance management team effectiveness?		

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
5.9	Are there any instances where you believe the Chair-CEO dynamic has negatively affected management's ability to execute strategy? (Please describe without naming individuals.)		
6. Board processes & meeting effectiveness			
6.1	To what extent are the Board meetings well-structured to enable effective discussion and decisions?		
6.2	How well does the Board allocate sufficient time to strategic items vs. administrative or operational issues?		
6.3	To what extent decisions are made in a timely and decisive manner, they are not postponed?		
6.4	How well does the Board follow up on decisions and action items clearly and consistently?		
6.5	How well does the Board demonstrate strong internal discipline (preparation, agenda discipline, confidentiality, etc.)?		
7. Competence, composition & skills of the Board			
7.1	To what extent does the Board have the right mix of competencies required for current and future challenges?		
7.2	How well do Board members demonstrate adequate understanding of the company’s business and industry?		
7.3	How do you feel to what extent the Board is open to external perspectives and continuous learning?		
8. Interaction with the CEO specifically			
8.1	How well does the Board provide the CEO with clear expectations and constructive guidance?		
8.2	How well does the Board support the CEO in addressing key challenges (strategy, leadership, talent, transformation, risk, etc.)?		
8.3	To what extent is the CEO evaluation process by the Board fair, transparent, consistent and is it creating maximum value for the CEO?		
8.4	How well does the Board and Chairperson support and advise the CEO to develop his competences and performance?		

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
9. Interaction with broader management team			
9.1	How well do Board members show respect and professionalism in interactions with senior management?		
9.2	How well do Board members listen carefully to management presentations and engage meaningfully?		
9.3	How well does the Board provide an opportunity for management to share concerns or insights openly?		
9.4	To what extent the Board understands the realities of day-to-day operations without overstepping boundaries of management work?		
10. Risk, compliance & governance oversight			
10.1	How effectively does the Board oversee risk management and internal controls?		
10.2	How well does the Board sufficiently consider sustainability, ESG, and reputational risks?		
10.3	How effectively does the Board monitor the company's engagement with its key non-shareholder stakeholders?		
10.4	To what extent are the processes of governance and their purposes used by the Board clear to management?		
11. Board committee(s)			
11.1	How effective is the Board committee(s) in interacting with management?		
11.2	To what extent Board committee(s) requests are reasonable and aligned with its mandate?		
11.3	How well does the Board committee(s) operate professionally, with clear communication back to the Board and management?		
12. Overall performance & suggestions			
12.1	What could the Board do in order to improve the value it creates even more?		
12.2	What behaviours or processes should the Board improve to work more effectively with management?		

NO.	QUESTION	SCORE (1–5)	ANSWER / COMMENTS
12.3	Is there anything the Board should stop doing because it does not add value?		
12.4	Additional comments or suggestions.		

ANNEX 10

BOARD WORK IMPROVEMENT PLAN: TEMPLATE

Company "XXX" Board performance improvement plan for the year 20xx

Date of preparation: _____

NO.	AREA FOR IMPROVEMENT	PROPOSALS FOR IMPROVEMENT	DEADLINE	RESPONSIBLE PERSON
1.	BOARD COMPETENCE			
1.1				
1.2				
2.	CORE AREAS OF BOARD FOCUS			
2.1				
2.2				
3.	BOARD MEETINGS			
3.1				
3.2.				
4.	WORK OF THE BOARD CHAIR			
4.1				
4.2				
5.	OTHER IMPROVEMENTS [enter the required area]			
5.1				
5.2				

Signature of the Board Chair: _____ Date: _____