6.5
BOARD SECRETARY

Who is the Board secretary

The duties of a Board secretary vary from company to company, depending on the type of company, the sector in which it operates and the structures, policies and procedures it adopts.

Whatever the company, the Board secretary usually plays a valuable role as a bridge for information, communication, advice and arbitration between the Board and management, and between the company and its stakeholders, including its shareholders. The Board secretary can help management to understand the requirements of the Board, help the Board to understand the challenges management faces in meeting them, and help the company to manage stakeholder relations. The role therefore involves, in addition to compliance, working with people to create the culture that allows the governance structures, policies and procedures to work effectively.

There are several ways of establishing the Board secretary function, and choosing the right one is an important governance decision. The three main models are described below.

1. **The chief legal officer (CLO) model**
   In this dual role the company's most senior lawyer also serves as secretary to the Board. It is a common choice in medium-sized and large companies seeking streamlined communication with the executive. It brings efficiency and authority: deep knowledge of the company's legal risks and strategy is immediately available to the Board, and the CLO carries the weight needed for governance advice to be taken seriously. The challenges are workload and conflicts of interest: the dual burden can lead to overload or a lack of attention to administrative precision, and the CLO may struggle to remain an objective guardian of governance when their own executive legal decisions are under the Board's scrutiny.

2. **The dedicated in-house secretary**
   A dedicated employee, typically a lawyer or governance professional, is appointed solely to manage the Board's affairs and usually reports directly to the Chair. This model provides focus and independence: undivided attention to Board logistics, minutes and relations with Board members, and a more neutral perspective on procedural compliance than the CLO can offer. Without broader

operational duties, however, the secretary may lack the wider context of the company's day-to-day legal challenges.

3. **The external professional model**
   The company outsources the function to a specialised governance firm or external legal counsel. This gives the company and the Board access to experts who keep abreast of evolving governance rules across several industries. An outsider may, however, lack an intuitive understanding of the company's internal knowledge and interpersonal dynamics, and may not be available for urgent, last-minute consultation while serving other clients.

Appointment and required skills

It is best practice for the Board secretary to be appointed and removed by the Board, which should ensure that the person appointed is capable of carrying out the role.

The skills required of a good Board secretary include:

- respectful, diplomatic and effective communication;
- active listening;
- bringing issues to the surface, especially those relating to reputational risk;
- identifying common concerns and interests;
- generating alternative solutions;
- respecting confidences;
- appreciation of all parties;
- disagreeing constructively;
- a commercially minded approach.

The Board secretary is responsible to the Board and accountable through the Chair for all matters relating to their core duties to the Board.

Role and functions

The role of the Board secretary includes the following key functions:

- ensuring compliance with governance procedures;
- communication with Board members;
- communication between the Board and management;
- shareholder relations and the organisation of shareholder meetings;
- acting as the conscience of the company;
- ensuring compliance with laws and regulations;

– organising induction training for newly elected Board members;
– managing the company's corporate governance framework.

The functions and responsibilities of the Board secretary are set out in Annex 7.

KEY TAKEAWAYS

A. The Board secretary is the bridge between the Board and management and between the company and its stakeholders, helping each side understand the other and creating the conditions for the governance structures and procedures to work.

B. The function may be set up in three ways: the chief legal officer as secretary (authority and efficiency, but workload and conflicts of interest), a dedicated in-house secretary (focus and independence, but less operational context) or an external professional (specialist expertise, but less internal knowledge and availability).

C. The Board secretary is appointed and removed by the Board, is responsible to the Board and accountable through the Chair, and needs diplomacy, active listening, the courage to surface issues, discretion and a commercial mindset.

D. The key functions cover governance procedures, communication with and between the Board and management, shareholder relations and meetings, compliance with laws and regulations, induction of new members and management of the governance framework; a checklist of tasks is provided in Annex 7.

QUESTIONS FOR THE BOARD

1. *Which model of Board secretary do we use, and does it give the Board the independence, expertise and availability it needs?*
2. *Is the Board secretary appointed by the Board and accountable through the Chair, rather than to management?*
3. *Does the Board secretary have the skills, standing and access to bring difficult issues, including reputational risks, to the Board's attention?*
4. *Are the key functions of the Board secretary defined in writing, and are induction of new members and management of the governance framework among them?*
5. *How does the Board assess the quality of the support it receives from the secretary?*