



## THE ROLE AND RESPONSIBILITIES OF A DIRECTOR

At New Horizon Co-operative Limited.

The Board of Directors is elected by the membership to lead and guide the co-operative on their behalf. This description of role and responsibilities was developed and validated by over 600 directors in the Co-operative Retailing System (CRS) at the 2013 Fall Conferences.

### Role

To plan and oversee the business of the co-operative in accordance with the applicable legislation, regulations, bylaws, and policies so that it meets the needs of its members and effectively moves the co-operative towards achieving the strategic goals and objectives developed jointly by the board and management.

### Core Responsibilities

#### *Provide Strategic Direction and Monitor for Results*

- Establish and annually review the co-operative's mission, vision, and values to ensure relevance.
- Work with management to develop long-term business strategies that align with the co-op's mission and vision, and with the overall strategic direction of the Co-operative Retailing System in Western Canada.
- Monitor progress towards achievement of objectives identified in the long-term business strategies.

#### *Ensure Effective Board Operations*

- Elect the President/Chair of the board and define the position's duties, responsibilities, and authority; establish remuneration (if applicable) and evaluate performance.
- Establish the organization of the board, including appointment of officers and committees, and clearly define the responsibilities and authorities for each.
- Establish and regularly review board policies and codes of conduct for the maintenance of an informed, ethical, and effective board of directors.
- Engage in ongoing learning and training to develop board and individual director competencies.
- Establish an appropriate nomination process to attract qualified candidates to the board with the requisite competencies.
- Put in place a process to assess performance of the board.
- Clearly delineate board and management responsibilities in implementing operational and long-term strategic plans.



### *Conduct Monitoring and Oversight*

- Review and approve capital and operating budgets.
- Review and approve major plans and programs.
- Review and approve organizational policies.
- Ensure that management has in place a rigorous process for identifying, prioritizing, managing, and monitoring its critical risks and that the process is improved continuously as the business environment changes.
- Be aware of the most significant risks affecting the co-operative and ensure that management is responding appropriately to these risks in accordance with the co-operative's philosophy and appetite for risk.
- Analyze and assess the co-operative's financial performance against budget, industry benchmarks and co-operative standards where applicable.
- Ensure that both internal and external audits are carried out and analyze results.
- Oversee the appropriate management of the co-operative's assets.
- Preserve the co-operative structure of the organization.

### *Ensure Organizational Performance*

- Appoint the General Manager, define the position's duties, responsibilities, and authority, establish remuneration, ensure development of an annual performance plan, monitor and evaluate performance and ensure his or her ongoing learning.
- Establish a succession plan for the General Manager.

### *Foster Effective Communications and Relations*

- Maintain ongoing, open, and direct communications with members and bring relevant concerns, perspectives and ideas to the attention of the board.
- Provide for the annual and any special general meetings of members and ensure appropriate and timely reporting on the stewardship of the resources of the co-operative.
- Foster effective relations and co-ordination with other co-operatives serving the area, as appropriate.
- Maintain effective relations with community stakeholders.
- Promote awareness of the co-operative model in the community and encourage the co-operative's participation in community activities.
- Raise members' awareness about the Co-operative Retailing System in Western Canada.