

This briefing was produced by the Institute of Directors Ireland.

IoD Ireland is a not-for-profit organisation. We are the leading membership body for directors and business leaders in Ireland, with membership across all sectors and industries.

Our Vision is for Ireland to be an exemplar of corporate governance. Our Purpose is to instil stakeholder trust and confidence in organisations by educating, informing, and supporting directors and business leaders to lead successfully.

Illustrative List of Matters Reserved for the Board

To ensure effective governance and clear accountability, it is essential to delineate the matters that are reserved for decision by the board of directors. These are typically issues of strategic importance, material financial impact, or matters that relate to the organisation's overall governance framework.

By formally reserving certain powers, the board maintains oversight of key areas while allowing day-to-day operational decisions to be delegated appropriately to executive management.

The following list outlines the typical areas where board-level approval is required, reflecting best practice in corporate governance and aligning with the board's collective responsibility for the long-term success and sustainability of the organisation.

FINANCIAL AND AUDIT OVERSIGHT

- Appointment, reappointment or removal of external auditors, and approval of their terms of engagement and audit scope
- Review of auditor reports and key audit findings
- Approval of annual and interim financial statements
- Approval and recommendation of dividend policy and payments
- Adoption or significant changes to accounting policies
- Endorsement of financial communications to shareholders (e.g., results announcements, shareholder circulars other than routine notices)

STRATEGIC AND OPERATIONAL DECISIONS

- Appointment, reappointment or removal of external auditors, and approval of their terms of engagement and audit scope
- Review of auditor reports and key audit findings
- Approval of annual and interim financial statements
- Approval and recommendation of dividend policy and payments
- Adoption or significant changes to accounting policies
- Endorsement of financial communications to shareholders (e.g., results announcements, shareholder circulars other than routine notices)

GOVERNANCE AND ORGANISATIONAL STRUCTURE

- Approval of changes to the capital structure of the organisation
- Amendments to governance documents such as the constitution or articles of association
- Changes to the organisational or management control structure
- Appointment and removal of directors, including subsidiary board appointments
- Appointment or removal of the company secretary
- Determination of the roles, responsibilities and terms of reference for the chair, board members and board committees

REMUNERATION AND HUMAN CAPITAL

- Approval of executive remuneration frameworks, including policies for directors and senior executives
- Oversight of share schemes or long-term incentive plans
- Determination of pension arrangements or material changes to pension scheme rules

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To learn more about IoD Ireland's Board and Member Services, please contact our dedicated team.



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