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# **Board Charter**

**Gowrie NSW Limited**

**ABN 57 001 894 659**

**August 2022**

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## 1 Introduction

- (a) This Board Charter outlines the role and responsibilities of the Board in achieving the Purpose of the Company and sets out a framework for the administration of good practice in corporate governance.
- (b) [Articulate the strategy / purpose here]
- (c) A term or expression starting with a capital letter:
  - (i) which is defined in the Dictionary in section 15, has the meaning given to it in that Dictionary; and
  - (ii) which is defined in the Constitution, but is not defined in the Dictionary, has the meaning given to it in the Constitution.

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## 2 Role and responsibilities of the Board

### 2.1 Role of the Board

- (a) The role of the Board is to provide leadership for and supervision over the Company's affairs.
- (b) The Board's key objectives are to:
  - (i) advance the Company's Purpose and mission;
  - (ii) increase the Company's value to members, clients and the broader community within an appropriate framework; and
  - (iii) ensure the Company is properly managed.

### 2.2 Responsibilities of the Board

- (a) Reviewing and approving the strategic direction of the Company, including its vision, mission and values, in conjunction with senior management.
- (b) Monitoring the Company's performance in achieving its mission in accordance with the Company's vision and strategy, as well as stakeholder expectations.
- (c) Supervising the Company's framework of control and accountability systems, including to enable risks to be appropriately identified, assessed and managed.
- (d) Ensuring the Company complies with the Corporations Act, the ACNC Act and all other applicable laws;
- (e) Appointing the Secretary.
- (f) Ensuring the Company is properly managed, for example by;
  - (i) appointing and, where appropriate, removing the Chief Executive Officer;

- (ii) approving remuneration for the Chief Executive Officer and reviewing remuneration policies and succession plans for the Chief Executive Officer and senior management;
  - (iii) having input into and final approval of management's development of corporate strategy and performance objectives;
  - (iv) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance; and
  - (v) monitoring senior management's performance and implementation of strategy;
- (g) Approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures.
  - (h) Approving the annual budget and monitoring the financial performance of the Company.
  - (i) Approving and monitoring financial and other reporting.
  - (j) Appointing such committees as may be appropriate and approving a charter for each committee.
  - (k) Approving and monitoring the achievement of non-financial objectives of the Company.
  - (l) Developing an appropriate culture within the Company to promote and enforce ethical behaviour; and
  - (m) Providing overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure the division of functions remains appropriate to the needs of the Company.
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## **3 Powers and duties**

### **3.1 General powers**

The Board is responsible for the governance, business and affairs of the Company and may exercise all the powers of the Company which are not required by the law or the Constitution to be exercised by the members.

### **3.2 Duties**

The directors must comply with their duties as directors under legislation and common law, including with the duties described in Governance Standard 5 of the regulations made under the ACNC Act which are;

- (a) to exercise their powers and discharge their duties with the degree of care and diligence that a reasonable individual would exercise if they were a director of the Company;

- (b) To act in good faith in the best interests of the Company and to further the Purpose;
  - (c) not to misuse their position as a director;
  - (d) not to misuse information that they gain in their role as a director;
  - (e) to disclose any actual or perceived conflicts of interest;
  - (f) to ensure that the financial affairs of the Company are managed responsibly; and
  - (g) not to allow the Company to operate while insolvent.
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## **4 Board composition and Meetings**

### **4.1 Board composition**

- (a) The composition of the Board will be reviewed regularly, and in any event no less than once every two years, to ensure an appropriate mix of expertise, skills, diversity and experience to assist with the furtherance of the Purpose of the Company.
- (b) The size of the Board is determined in accordance with the Constitution and can only be changed by a resolution of the members.
- (c) In accordance with rule 8.1(a) of the Constitution, the minimum number of directors is three and the maximum is seven.

### **4.2 Meetings**

- (a) In accordance with rule 8.9(b) of the Constitution, the directors will meet as often as required for the proper discharge of their directors' duties and in any event no less than five times per year.
- (b) Directors will receive relevant Board papers at a reasonable time before each meeting.
- (c) The Chairperson may request the attendance of any person at the meeting who is responsible for, or associated with, a matter included as an agenda item at a meeting. That person should be noted in the minutes for the meeting as an attendee and can speak at the meeting at the invitation of the Chairperson but does not have any voting rights.

### **4.3 Minutes**

The Secretary, or another person appointed by the Board, will take minutes of the proceedings of all Board meetings.

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## 5 Appointment of directors

### 5.1 Appointment

- (a) Directors will be appointed in accordance with rule 8.2 of the Constitution.
- (b) All appointment processes and decisions will be recorded by the Board, typically through the Secretary.
- (c) To be eligible for appointment as a director a person must be a member of the company and satisfy the requirements set out in rule 8.3 of the Constitution.

### 5.2 Terms and conditions

- (a) All new directors appointed to the Board will receive a letter of engagement from the Chairperson, which sets out the basis of their engagement and term of appointment. For consistency, the Board will strive to ensure that all director terms end on 31 October each year.
- (b) The letter of engagement will include a copy of all information and documentation relevant to the operations of the Board and that director's role, including this Board Charter and the Constitution.

### 5.3 Induction and briefings

- (a) All new directors will be given an induction.
- (b) The director induction process involves the following activities:
  - (i) a meeting with the Chairperson to discuss expectations and responsibilities;
  - (ii) a meeting with the Chief Executive Officer to discuss key personnel and current Company operations;
  - (iii) a meeting with the Chief Financial Officer to discuss the Company's financial reporting, financial position and account keeping practices.
  - (iv) the provision of a package of briefing materials about the Company;
  - (v) a visit to the Company's premises and facilities; and
  - (vi) meeting with other management personnel as appropriate or as requested by the director.

### 5.4 Continuing education

- (a) From time to time the Board will be briefed by management regarding the Company and the factors affecting or likely to affect its activities to provide the Board with a broader understanding of the Company.
- (b) The Board is encouraged to keep up-to-date on relevant topical issues.

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## 6 Specific responsibilities

### 6.1 Chairperson

- (a) The Chairperson will be appointed in accordance with the rule 8.13 of the Constitution.
- (b) The Chairperson has a role as the head of the Board in providing leadership of the Board and in facilitating the strategic direction of the Company.
- (c) The Chairperson is responsible for the efficient organisation and conduct of the Board and its meetings.
- (d) The key responsibilities of the Chairperson are to:
  - (i) liaise with the Chief Executive Officer and Secretary to ensure new directors are appropriately briefed and have access to information on aspects of the Company's operations;
  - (ii) establish the agenda for Board meetings in consultation with the Chief Executive Officer and Secretary;
  - (iii) be the main point of contact and communication between the Board and the Chief Executive Officer to ensure that the Board's views are communicated clearly and accurately;
  - (iv) lead the review of the Board's performance and the review of the Chief Executive Officer's performance, ensuring that the delegated authority of the Chief Executive Officer and expected key performance criteria for the Chief Executive Officer are clear;
  - (v) preside over Board and general meetings of the Company and make sure:
    - (A) the Board is well informed and effective; and
    - (B) members have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and the Company;
  - (vi) set a standard for Board members in terms of attendance at meetings and prior familiarity with Board papers distributed and issues to be raised;
  - (vii) ensure that meetings are conducted competently, ethically and in an open fashion consistent with a transparent culture;
  - (viii) ensure that general meetings are conducted efficiently and that Board members have adequate opportunity to air their views and obtain answers to their queries.

### 6.2 Individual directors

- (a) Individual directors are responsible for ensuring they are in compliance with the Constitution and this Charter. Each Director is responsible for ensuring the Board



as a whole is able to perform its duties and responsibilities as set out in this Board Charter, the Constitution and otherwise by law.

### **6.3 Chief Executive Officer**

- (a) The Chief Executive Officer is responsible for running the affairs of the Company under delegated authority of the Board and for implementing the policies and strategies that the Board sets.
- (b) The Chief Executive Officer is responsible for implementing the Strategy of the Company, as set by the Board from time to time.
- (c) The Chief Executive Officer must report to the Board in a timely manner and ensure all reports to the Board provide a true and fair view of the Company's condition and operating results.
- (d) The Chief Executive Officer must ensure that all transactions outside their delegation levels are referred to the Board for approval.

### **6.4 Secretary**

- (a) The Secretary is responsible for ensuring the administrative and legislative requirements of the Company are carried out and also supports the Board on all governance matters.
- (b) In accordance with rule 9(e) of the Constitution, the duties of the Secretary include:
  - (i) ensuring that the necessary registers required by the law are established and properly maintained;
  - (ii) ensuring that any required annual returns and annual reports are lodged with the appropriate regulator on time; and
  - (iii) ensuring the organisation of, and attendance at, meetings of the directors, including the sending out of notices, the preparation of agenda and the compilation of minutes.

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## **7 Delegations**

### **7.1 Committees**

- (a) The Board may, in accordance with rule 8.16 of the Constitution, resolve to establish one or more committees consisting of such persons as it determines to assist in the execution of its responsibilities.
- (b) The Board may resolve to:
  - (i) delegate to each committee such of its powers required for the effective and efficient running and administration of the committee;
  - (ii) revoke any or all of the powers delegated to each committee and vary the nature and scope of the powers delegated; and

- (iii) change the makeup of a committee at any time or dissolve it all together.
- (c) The Board will adopt committee charters for each committee, addressing the membership, delegated authority, function and reporting obligations of the committee, and any other matters the Board determines.
- (d) The Board must regularly evaluate the operations of the committees.
- (e) The Board may continue to exercise all of its powers despite any delegation made under rule 8.16 of the Constitution.

## **7.2 Delegation to individuals**

- (a) The Board may, in accordance with rule 8.17 of the Constitution, resolve to delegate any of its powers to such individual or individuals as it so determines including:
  - (i) to one or more directors;
  - (ii) to one or more members; or
  - (iii) to one or more employees, including management of the Company.
- (b) The Board may delegate its powers for such time as it determines and may revoke or vary any power so delegated.
- (c) A person to whom any powers have been delegated must exercise the powers delegated in accordance with any directions of the Board.
- (d) The Board may continue to exercise all of its powers despite any delegation made under rule 8.17 of the Constitution.
- (e) A delegation need not be to a specified person but may be to any person from time to time holding, occupying or performing the duties of, a specified office or position.

## **7.3 Review of delegations**

The Board should review the Company delegations at least annually, and at any time there is a material change to the governance, operations or external regulatory environment of the Company.

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# **8 Access to information**

## **8.1 Directors' access to senior management**

- (a) Where a director considers it necessary to access to senior management in order to properly discharge their duties, they must seek the approval of the Chairperson, which will not be unreasonably withheld.
- (b) The chair of any committee may access the senior executive to whom that committee relates without prior approval of the Chairperson.

## 8.2 Directors' access to information

In addition to any access granted under the Corporations Act or the Constitution, the Company will, in accordance with any deed of access and indemnity entered into with a director:

- (a) maintain records of all Board documents, Company books and financial records securely at suitable premises; and
- (b) as soon as reasonably practicable after the receipt of a written request from a director, allow the director or his or her legal representatives to have access during business hours to, and to make copies of Board documents, Company books and financial records.

## 8.3 Independent professional advice

If a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of the office as a director then, provided the director first obtains approval for incurring such expense from the Board, the Company will pay the reasonable expenses associated with obtaining such advice.

## 8.4 Confidentiality

- (a) Directors must keep all Board deliberations and decisions which are not publicly known confidential.
- (b) Any confidential information received by a director in their position as director must not be disclosed to any third party, unless authorised by the Board or required by law.

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# 9 Indemnity and insurance

- (a) In accordance with rule 13 of the Constitution, directors are indemnified by the Company for all losses or liabilities incurred by the director as a director of the Company including, but not limited to, a liability for negligence or for legal costs on a full indemnity basis.
- (b) This indemnity:
  - (i) may only be for losses or liabilities incurred as an officer of the Company;
  - (ii) does not cover any loss or liability of an officer seeking to be indemnified under this rule if that loss or liability arises from that person's wilful misconduct or fraud; and
  - (iii) operates only to the extent that the loss or liability is not paid by insurance.
- (c) In accordance with rule 13(c) of the Constitution, to the extent permitted by law, the company may take out and pay for insurance for the benefit of its officers (both current and past) against any liability incurred by the person as an officer of the company including, but not limited to, a liability for negligence or for legal costs.

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## 10 Remuneration and expenses

- (a) In accordance with rule 8.6(a) of the Constitution, directors are not entitled to receive payment for acting as a director.
- (b) Subject to the requirements set out in rule 8.6 of the Constitution, directors are entitled to:
  - (i) be reimbursed for reasonable authorised expenses properly incurred by them in connection with the affairs of the Company; and
  - (ii) receive reasonable and proper payment for any goods supplied or serviced rendered to the Company (other than in their role as a director).

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## 11 Conflicts of Interest

- (a) Directors are expected to appropriately identify, disclose and manage conflicts of interest in accordance with rule 8.7 of the Constitution and comply with the Company's Conflicts of Interest Policy and related procedures.
- (b) Directors must disclose all personal information and other matters that could, or do, give rise to a conflict of interest in relation to a matter or decision being considered by the directors.
- (c) Where a director has a material personal interest in a matter to be considered at a meeting, that director must not be present while the matter is being considered at the meeting or vote on the matter, unless the directors who do not have a material personal interest pass a resolution that:
  - (i) identifies the director, the nature and the extent of the director's interest in the matter and its relation to the affairs of the Company; and
  - (ii) states that those directors are satisfied that the interest should not disqualify the director from voting or being present.
- (d) Directors are required to sign a declaration which includes an undertaking to disclose conflicts of interest in a timely and appropriate manner.

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## 12 Code of Conduct

- (a) The Board will adopt a Code of Conduct for the Company to ensure the affairs of the Company are conducted legally, ethically and with integrity.
- (b) Directors are expected to comply with the Code of Conduct.

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## 13 Assessment of performance

- (a) At least once every two years the performance of the Board, the committees of the Board and individual directors will be assessed against the requirements of this

Board Charter, the Constitution and other relevant policies and procedures of the Company.

- (b) The evaluation will include assessment of:
    - (i) financial and non-financial results against budgets and external benchmarks;
    - (ii) the quality and effectiveness of information made available to the Board;
    - (iii) the effectiveness and composition of the Board;
    - (iv) the strategic direction and objectives of the Board; and
    - (v) whether the expectations of members and stakeholders have been achieved; and
    - (vi) the contribution by the Board to the furtherance of the Purpose.
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## 14 Review of Board Charter

The Board must regularly, and in any event no less than once every three years, review the Board Charter and any committee charters and make any changes it determines to be necessary or desirable.

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## 15 Dictionary

### 15.1 Dictionary

In this Board Charter:

- (a) **ACNC Act** means the *Australian Charities and Not-for-profits Commission Act 2012* (Cth);
- (b) **Board** means the board of directors of the Company;
- (c) **Chairperson** means a person appointed to the position of chairperson of the Board in accordance with rule 8.13 the Constitution;
- (d) **Code of Conduct** means the Company code of conduct approved by the Board, as amended from time to time;
- (e) **Company** means Gowrie NSW (ABN 57 001 894 659);
- (f) **Constitution** means the constitution of the Company;
- (g) **Corporations Act** means the *Corporations Act 2001* (Cth);
- (h) **Purpose** means the purpose of the Company as set out in rule 3.1 of the Constitution; and
- (i) **Secretary** means a person appointed to the position of secretary of the Company in accordance with rule 9 the Constitution.

## 15.2 Interpretation

In this Board Charter the following rules of interpretation apply unless the contrary intention appears:

- (a) the words 'such as', 'including', 'particularly' and similar expressions are not used as, nor are intended to be, interpreted as words of limitation;
- (b) headings are for convenience only and do not affect the interpretation of this Board Charter;
- (c) the singular includes the plural and vice versa;
- (d) words that are gender neutral or gender specific include each gender;
- (e) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (f) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity and is a reference to that law as amended, consolidated or replaced; and
- (g) if there is any conflict between this Board Charter and the Constitution, the terms of the Constitution will prevail.

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## Amendments log

<b>First approved:</b>		30 August 2022
<b>First approved by:</b>		Board of Gowrie NSW
<b>Amendments</b>		
Date	Authorised by	Description of amendment