



Board Charter

Summary: This Charter sets out the roles and responsibilities of the Board of the Company, as well as key aspects of its operation.
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Owner: Governance Committee.

Adopted / Reviewed: July 2016, December 2016.
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1. The Board

The Board bears ultimate responsibility for the Company achieving the purposes for which it exists. In providing leadership and strategic governance, the Board must:

- determine the Company's Purposes and Beliefs (while having regard to the decisions of Oxfam International), values, and the policies that will best enable their realisation
- review and approve the Company's Strategic Plans, Operational Plans, annual budgets, and major initiatives
- monitor Company performance against policies and other criteria that have been set by the Board
- ensure there are adequate resources to realise the Company's Purposes and Beliefs and that these are managed effectively through reliable financial systems
- ensure the maintenance of the Company's status as a not-for-profit entity and registered charity with deductible gift recipient endorsement
- recruit and support the Chief Executive, and constructively monitor and assess his or her performance
- determine the terms of employment and remuneration of the Chief Executive and Senior Leadership Team
- ensure that there are processes to identify, manage and monitor risks
- ensure the Company's compliance with applicable laws and regulations, including ensuring the Company's ability to meet its debts as they fall due
- ensure there are mechanisms for consultation with key stakeholders, and continuing accountability to them, and
- ensure it is itself comprised of persons who have the skills and qualities to effectively realise the Company's Purposes and Beliefs.

2. The Chair

The Chair leads the Board in its performance of its roles and responsibilities, guides the Directors and the Chief Executive, and represents the Board to stakeholders.

The Chair must:

- chair meetings of the Board, and General Meetings of Guarantor Members
- work with the Chief Executive to prepare for meetings of the Board, and General Meetings of Guarantor Members
- ensure Committees and Working Groups of the Board are established and function to support the Board's roles and responsibilities, and fulfil their Terms of Reference
- provide regular feedback to Directors about the performance of their roles and responsibilities
- lead the recruitment process for the Chief Executive
- establish a successful working relationship with the Chief Executive which results in meaningful, frequent exchange of information
- conduct the annual appraisal of the Chief Executive and taking appropriate action as a result, including addressing development needs
- represent the Company at meetings of Oxfam International's Board of Supervisors and its committees
- ensure the Board is fully informed of and well-positioned to contribute to developments at Oxfam International, and
- communicate relevant outcomes of Board deliberations to stakeholders.

3. Directors and Committee Members

Directors and Committee Members must perform their roles and responsibilities with honesty, integrity and respect. Recognising the different nature of their duties (including legal obligations), they must:

3.1 Exercise reasonable care and diligence

- exercise their powers and discharge their roles and responsibilities with the degree of care and diligence that a reasonable individual would exercise if they were a Director / Committee Member of the Company. They must:
 - understand the roles and responsibilities of a Director / Committee Member

- devote adequate time to the role, including in preparing for, regularly attending, and participating in meetings and the broader work of the Board and / or its Committees
- take responsibility for managing and progressing the work of the Board / Committee, and committing energy and drive to see that its goals are achieved, and
- cultivate a genuine interest in the Company, an understanding of the issues affecting its business, and an awareness of related social justice issues.

3.2 Act in good faith and in the Company's best interests, and to further its purposes

- They must:
 - only use their position or information obtained in the course of their Board / Committee role for proper purposes intended by the Board / Committee, and not improperly gain an advantage for themselves or someone else, or cause detriment to the Company
 - act in a manner consistent with the Company's Purposes and Beliefs and in accordance with other applicable standards, including the ACFID Code of Conduct
 - act in a manner that upholds the Company's integrity and good reputation
 - be appropriately responsive to the interests of stakeholders, and
 - uphold the values of gender justice, difference, diversity and inclusion by considering the Board's / Committee's roles and responsibilities in shaping organisational culture.

3.3 Maintain Board / Committee solidarity and collective responsibility

- abide by the principles of Board / Committee solidarity and collective responsibility. They must:
 - cultivate productive working relationships by working collaboratively and treating colleagues with respect and courtesy, and in a manner that elicits their best contributions
 - be accountable for the decisions of the Board / Committee, and not work or publicly speak against them
 - maintain the confidentiality of materials, discussions and decisions, except where authorised to waive such confidentiality
 - not attempt to exercise individual authority over the organisation or its staff, except where authorised to do so by the Chief Executive, and
 - refrain from speaking publicly for the Board / Committee, except where authorised to do so.

3.4 Contribute strategically

- contribute to the work of the Board (and / or at least one of its Committees) in a manner that is constructive, informed and strategic. They must:
 - help shape the Company's strategic direction by contributing to the Board's / Committee's performance of its roles and responsibilities
 - respect the distinction between the roles of the Board / Committee and management
 - thoughtfully explore, assimilate and act upon information, make enquiries about any critical gaps, and where appropriate, demonstrate personal courage in challenging ideas and processes
 - effectively apply any specialized or relevant skills and knowledge
 - communicate and negotiate with clarity, concision and influence, and
 - where appropriate, be willing to contribute to the Company outside the course of their Board / Committee role.
 - actively engage in the development and regular monitoring of the Strategic Plan and Operational Plan.

3.5 Build Board / Committee capacity

- continuously improve the Board's / Committee's capacity to perform its roles and responsibilities. They must:
 - develop their own capacity to contribute to the work of the Board / Committee, including through ongoing education
 - assist in developing the capacity of other Directors, including, where appropriate, by acting as a guide or mentor
 - work to enhance the effectiveness of the Board's / Committee's working environment and work practices, and
 - be open to receiving and acting upon feedback about the performance of their Board / Committee roles and responsibilities.

3.6 Exercise responsible management of financial affairs and risk

- as a Director, and / or through relevant Board committees, ensure that the Company's financial affairs and risks are managed in a responsible manner. They must:
 - understand, evaluate, and act upon information about the Company's financial situation and risk environment
 - maintain a current knowledge of work health and safety matters, including the hazards and risks associated with the operations of the Company
 - ensure the institution of appropriate and tailored financial systems and procedures, such as those aimed at minimizing financial wastage and any risk of wrongdoing, corruption, fraud, bribery, or other financial impropriety, including among the Board, and
 - not allow the Company to operate while insolvent.

3.7 Disclose and manage conflicts of interest

- disclose to other Directors / Committee Members any perceived or actual conflicts of interest (including related-party transactions, and any affiliations with actual or potential suppliers of goods and services, recipients of grant funds and organisations with competing or conflicting objectives). They must:
 - complete a declaration for inclusion in the Register of Interests (which operates with ongoing effect) upon appointment to the Board / Committee, and review and update their declaration as their circumstances change, and at least annually (Attachment A), and
 - declare any other perceived or actual conflicts of interest prior to the Board's / Committee's consideration of any relevant matter.
 - where there is a perceived or actual conflict of interest, absent themselves from discussions, as appropriate, and abstain from voting or otherwise participating in the decision-making on the matter, and
 - disclose to other Directors / Committee Members any material gifts or offers of gifts for their personal use obtained in the course of their Board / Committee role, and decline any valuable or otherwise inappropriate gifts.

3.8 Disqualification

- immediately resign from the Board / Committee if they are:
 - within the meaning of the Corporations Act 2001: disqualified from managing a corporation, or
 - within the meaning of the Australian Charities and Not-for-profit Commission Regulation 2013: suspended or removed by the Commissioner from being a responsible entity of a registered entity.

3.9 Noncompliance

3.9a Directors and Committee Members must report any perceived or actual breach of these roles and responsibilities to the Chair (or, in the case of a perceived or actual breach of these roles and responsibilities by the Chair, to the Deputy Chair) as soon as is reasonably possible.

3.9b For minor or technical breaches, the Chair (or, in the case of a breach by the Chair, the Deputy Chair) may counsel the non-compliant Director or Committee Member. For more significant breaches, the Chair (or, in the case of a breach by the Chair, the Deputy Chair) must inform the Board, who may decide against reappointment of the non-compliant person, or censure, suspend or expel that person.

4. The Staff Participant

4.1 The presence of an elected Staff Participant on the Board provides the Board with a staff perspective. The Staff Participant is not expected to present a consolidated view of all staff, but rather a broad perspective informed by their experience as a staff member and their interactions with colleagues.

4.2 While not a Director, the Staff Participant on the Board enjoys a peer relationship with Directors and is entitled to participate fully in Board activities. The Staff Participant must comply with any requirements of Directors as set out in this Board Charter.

4.3 Budget allocations must be made to backfill full-time staff members who fulfil the Staff Participant role. Part-time staff members who fulfil the role may be paid for additional hours, if required.

5. The Chief Executive

5.1 The Chief Executive is responsible for the management of the Company in pursuit of the attainment of its Purposes and Beliefs. The Chief Executive must manage the Company in accordance with the Strategic and Operational Plans and other delegations and policies approved by the Board from time to time.

5.2 The Chief Executive reports directly to the Board.

6. Assessment of Performance

6.1 The Chair (or in the case of the Chair, by the Deputy Chair, who will solicit feedback from other Directors) must regularly assess the performance of individual Directors.

6.2 The Board must formally assess its own performance at least every two years, with such review being conducted externally at least every four years.

6.3 In both cases, performance must be assessed against the roles and responsibilities outlined in this *Board Charter*. Assessments must include reflection of development needs and matters for improvement for the coming period.

7. Board Committees

7.1 The Board may establish Committees to assist in the performance of its roles and responsibilities.

7.2 When the Board establishes a Committee, it must set out, through written terms of reference, its roles and responsibilities, when and to whom the Committee should report, and its intended lifespan.

7.3 In addition to any terms of reference that the Board resolves, and unless otherwise provided, the following standard provisions apply to all Board Committees:

7.3a Membership

- Members of each Committee must be appointed by the Board, and should comprise a mix of skills appropriate to its roles and responsibilities.
- A majority of each Committee's membership must be Directors.
- A minority of each Committee's membership may be co-opted external experts. They may be appointed for renewable terms of no more than 2 years, for up to 12 years in total.
- A Committee may be assisted by (non-member) representatives from management.
- Every member of each Committee must be a Member of the organisation, and abide by the requirements set out in this *Board Charter*.

7.3b Chairs

- The Board must appoint a Chair or Co-Chairs of each Committee, at least one of whom must be a Director.
- The Chair of the Board may make recommendations to the Board as to who should Chair each Committee.
- The Chair of each Committee must ensure the fulfilment of that Committee's terms of reference, and that the Board is kept informed of that Committee's current and planned activities.

7.3c Authority

- Committees may meet as necessary to fulfil their roles and responsibilities. If the Committee wishes to meet in person, consideration should be given to meeting immediately before or after meetings of the Board.
- Committees may incur reasonable costs for the fulfilment of their roles and responsibilities.
- The Chair of each Committee, and its members who are so delegated, are empowered to make any enquiries of management and stakeholders, and into relevant records, as may be necessary to fulfil their roles and responsibilities.

The terms of reference of the Board's standing committees are at **Attachment B**.

Active compliance reporting: Annually, in <i>Board Performance Assessment</i> .
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See also: ACNC Governance Standards (s45.25(2), <i>Australian Charities and Not-for-profits Commission Regulation 2013</i> (Cth)).

Attachment A: Register of Interests Declaration

In accordance with the *Board Charter*, Directors / Committee Members must disclose any perceived or actual conflicts of interest, including by completing a declaration for inclusion in the Register of Interests (which operates with ongoing effect) upon appointment to the Board / Committee, and reviewing and updating their declaration as their circumstances change, and at least annually.

A perceived or actual conflict of interest includes related-party transactions, and any affiliations with actual, recent or potential suppliers of goods and services, recipients of grant funds, and organisations (including political parties) with competing or conflicting objectives. An affiliation may include a directorship, material shareholding, remunerated or voluntary appointment, membership, donor relationship, non-financial or personal relationship, other loyalty relationship, or an immediate family member in such a position.

Please list any perceived or actual conflicts of interests:

Information required to renew directors' and officers' liability insurance

Do you hold a position of director, officer, trustee, governor or councillor on a Board of an entity that is not a subsidiary of the Company? If yes, please give details:

Have you been refused directors and officer's liability insurance in the past or had a similar policy cancelled? If yes, please give details:

Have you made any claim under a directors' and officers' liability insurance policy in the past 5 years? If yes, please give details:

Are you aware of any circumstance that gives you reason to suppose a claim will arise against you personally in respect of your actions as a director / officer of the Company? If yes, please give the details:

Attachment B: Standing Committees of the Board

1. Finance, Risk and Audit Committee

The Finance, Risk and Audit Committee ('FRAC') helps the Board ensure that the Company operates within a sound ongoing financial situation and effectively manages risk. This includes reviewing and assessing reporting to the Board on the following:

Finance

- the steps taken by management to protect the Company's financial position and its ability to meet its debts as and when they fall due
- annual budgets and financial forecasts
- the Company's financial performance
- the adequacy and appropriateness of adopted accounting policies
- the adequacy of disclosures made in the annual financial statements
- the adequacy of treasury functions, including management of foreign currency and interest rate exposures
- investment decisions, particularly in relation to asset allocation and investment management.

Risk and Compliance

- the adequacy of finance and risk and compliance policies to ensure compliance with regulatory requirements and timely communication and reporting to stakeholders
- the adequacy of internal control and risk management systems, including the risk register
- the Company's risk appetite
- analysis of the impact that new initiatives (e.g. fundraising or advocacy) or products will have on the control environment
- the Company's insurance program

Audit

- the independence and performance of external audit relationships (including making recommendations to the Board in regard to the appointment of the appointments or renewals)
- Internal and external audit plans and reports
- any remedial actions taken by management to address concerns raised by either internal or external audit

2. Public Engagement Committee

The Public Engagement Committee ('PEC') helps the Board engage with and mobilise existing and new supporters to ensure an on-going, active and effective supporter base. It must:

- advise the Board on the Company's public engagement strategy and implementation. It must:
 - review the Public Engagement strategy and implementation plans and advise the Board as its effectiveness and adequacy. This includes ensuring all stakeholders are considered and that the methods of engagement are in line with current industry best-practice.
 - liaise with management to address concerns of the Board on the strategy and implementation
 - recommend the recognition of contributions from Members, Donors and Supporters through awards and life memberships, and
 - ensure strategies are in place and are implemented to actively increase membership.
- monitor the Company's Income Plan. It must:
 - monitor the Income Plan against Community Support Income (CSI) and Institutional Income targets and report to the Board
 - ensure strategies are in place and are implemented to meet income targets
 - review any significant and new income investment strategies, and
 - liaise with management to take remedial actions to address shortfalls and advise the Board as required.
- facilitate the linkage of Members and Community Groups to the Board. It must:
 - advise the Board on the governance and operational responsibilities and privileges of Members and Groups, including through developing and reviewing relevant Board processes and the Groups' Charter
 - ensure Members and Groups are sufficiently supported to make a meaningful contribution to the Company's work, including by facilitating communication with the Board
 - ensure consultation with Members and Groups, as requested by the Board. This may include the Company' Strategic Plan, engagement around annual reporting, and participation in Annual State meetings, and

- establish and monitor a Member and Supporter complaints process.

3. Governance Committee

The Governance Committee helps the Board to improve its own structure, composition and functioning. It must:

- direct and oversee the recruitment, induction, and development of Directors
- conduct or oversee regular assessments of the performance of the Board and its committees
- conduct regular reviews of Board policies and processes, with particular regard to the monitoring of organisational performance
- conduct reviews of the Constitution
- oversee design of the Board's strategy meetings
- make recommendations to the Board on Chief Executive succession policies and processes
- recommend a Chair/Chair Designate to the Board, and
- remain informed of developments in Oxfam International and their implications for the governance of the Company.

4. Remuneration Committee

The Remuneration Committee assists the Board to review and adopt policy which guides the terms of employment and the remuneration strategies applicable to the Chief Executive, and, where appropriate, Senior Leadership Team. It must:

- review and recommend to the Board the policy which guides the terms of employment and the remuneration strategies applicable to the Chief Executive and, where appropriate, Senior Leadership Team
- assist the Chair of the Board to set performance targets and evaluate the performance of the Chief Executive annually, and
- review recommendations in relation to remuneration of the Senior Leadership Team and the Chief Executive.

The Board retains responsibility for:

- appointing, removing and setting the terms of appointment (including remuneration) of the Chief Executive
- evaluating the performance of the Chief Executive against predetermined criteria
- setting the policy that identifies the terms and conditions for the Senior Leadership Team, which includes the Directors and the Associate Directors
- approving a remuneration policy for the Chief Executive and Senior Leadership Team, and
- delegating the responsibility for negotiation of salary and conditions for the Senior Leadership Team to the Chief Executive within the agreed policy.

Membership

- The Remuneration Committee must be chaired by the Chair of the Board.
- A standing invitation is issued to the Chief Executive, and the Associate Director Human Resources.