



# Royal Australasian College of Surgeons

Office of the CEO

## BOARD CHARTER

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## 1 PURPOSE

The Royal Australasian College of Surgeons (“RACS”) or (“College”) is a Public Company Limited by Guarantee, established under the Corporations Act (2001), registered as a Not-for-Profit Charity – Charity sub-type Advancing Health – under the Australian Charities and Not for Profits Commission Act (2012).

RACS is an approved Not-for-Profit under the Income Tax Assessment Act 1997 and is registered with Deductible Gift Recipient (DGR) status.

The purpose (Purpose) of RACS under the Constitution, being a bi-national college, is to:

1. advance education, training and research in the practice of surgery;
2. determine and maintain professional standards for the practice of surgery in Australia and New Zealand;
3. provide an environment promoting fellowship development and support; and
4. provide authoritative advice, information and opinion to other professional organisations, to governments and to the public.

This Board Charter (“Charter”) sets out how the Board of RACS (“Board”) discharges its responsibilities, provides leadership to the College and conducts its business.

This document sets out the College’s corporate governance philosophy, requirements, and codes that define the respective roles, responsibilities, and authorities of the Board and to the extent relevant in this context, of management and Council, in setting the direction, intentions, expectations, and control of the College. It reflects the College’s commitment to the principles of good corporate governance.

## 2 APPLICATION OF CHARTER

This Charter applies to the Directors individually and/or to the Board.

The Board is responsible for ensuring that the activities and actions of the College comply with the law, are consistent with the College’s Constitution and purpose through being aligned to the achievement of the College’s strategic goals, and that at all times the College acts in ways that are consistent with the College’s Values. (Service, Integrity, Respect, Compassion and Collaboration).

## 3 POWERS, DUTIES AND RESPONSIBILITIES

The powers, roles and responsibilities of the Board and the Directors are set out in the Constitution of the Royal Australasian College of Surgeons (“RACS”). In addition, Director’s duties and responsibilities are established and documented in relevant legislation.

## 4 DIRECTORS

### 4.1 Board and Director accountability

The Board must perform its functions and exercise its powers subject to the Constitution, applicable Commonwealth, State and New Zealand legislation and the common law. The Board is accountable to the Fellows.

The Board is ultimately responsible for the successful performance and operation of the College.

The Board should continually challenge the College to achieve outstanding outcomes through a focus on continuous improvement.

The Board's role is to govern the College and it is the role of the Chief Executive Officer, and senior Executive management (the Executive) to manage the College in accordance with the direction and delegations of the Board. It is the responsibility of the Board to oversee the activities of management in carrying out these delegated duties. The Board approves RACS's strategic direction and is responsible for monitoring its performance.

The Board will also ensure that the College complies with all of its contractual, statutory and other legal obligations, including the requirements of any regulatory body.

Directors may not also be employed by the College in a fixed, continuing, or casual position.

Directors individually, and the Board, shall adhere to the following:

- demonstrate leadership and stewardship, promoting and supporting the Values of the College;
- act in good faith, in the best interests of the College;
- act ethically and with honesty and integrity;
- use their position appropriately and exercise their powers as Directors only for proper purposes;
- act fairly and impartially;
- acknowledge and respect the legitimate interests of Fellows, stakeholders and the community generally concerning the Board's role and the operations of the College;
- avoid acting where there is a conflict of interest and if a conflict arises, manage it in accordance with the applicable legislation and approved policies; and
- never accept gifts, benefits or hospitality where it may be construed that such gifts, benefits or hospitality will influence the Director in the direct or indirect discharge of their duties, or breach prevailing legislation.

#### **4.2 Exercise of duties with care, diligence and skill**

Directors shall ensure they are well-informed about the Board's role and responsibilities, undertake their duties with appropriate care, diligence and skill to add value to the College and the community, by:

- making reasonable efforts to understand the role and purpose of the Board and the legal requirements of Directors;
- ensuring they are informed about the activities and performance of the College and understand the College's compliance with its legal obligations, including being aware of the College's key regulators and what those regulators expect of the College;
- ensuring they are aware of and informed about all relevant activities affecting the Board;
- complying with their legal obligations and promoting a culture of achieving optimal returns for the risk taken and compliance within the College;
- preparing for meetings and participating in activities (including

committee meetings) that are relevant to the Board;

- participating actively and working cooperatively with their fellow Directors and with stakeholders (as appropriate) to achieve agreed goals;
- acting at all times in a financially responsible manner;
- committing adequate time to preparation for, participation in and attendance at Board meetings and Board Committee meetings and Council meetings (as appropriate);
- supporting implementation of decisions taken by the Board; and
- participating in professional development appropriate to their position as a Director.

Directors must comply with the College's Code of Conduct, including complying with the College's Values and Delegations of Authority, which includes expectations regarding confidentiality, integrity, respect, loyalty, and appropriate use of College resources.

The Delegations of Authority also outline guidance on external communications, social media, and speaking publicly on College matters.

### **4.3 Independence and Competence**

#### **4.3.1 Directors**

- are appointed as individuals and when serving as Directors of RACS are responsible individually for acting in the best interests of the College;
- must exercise their discretion when voting in Board meetings, or other Committee meetings of the College and at no time should they allow any other person or entity to influence or direct them to vote in a certain way; and
- are not representative of any stakeholder group, although they may legitimately bring to the Board knowledge and understanding of the views and issues concerning stakeholder groups with which they have an association.

#### **4.3.2 Governance training for Directors**

All Directors are expected to have a base level of governance competence based on a combination of both formal training and experience.

Directors are responsible for ensuring they complete appropriate director development and education updates to ensure their knowledge and awareness of contemporary governance remains current. Where appropriate the Board may agree that the College will pay for Directors to undertake formal training to improve their understanding of effective governance.

The Board will periodically access specific governance training for the Board to update the collective governance awareness of the Board around contemporary governance practices and issues.

## **5 THE BOARD**

### **5.1 Governance and fiduciary responsibility**

The College is governed by the Board. The Board, constituted by the Directors, is responsible for both the performance and compliance of the College. The Board and the Directors individually have fiduciary responsibilities to the College and its Members (RACS Fellows).

The College Council is a representative group established under the Constitution to represent the Members and under the Constitution has certain rights and obligations. The Directors must be aware of the role of the Council and the rights and obligations of the Council under the Constitution.

Directors should ensure they are familiar with the terms of any Council Charter as well as the Board Charter.

## 5.2 Composition of the Board

The composition of the Board and the duration of Director appointments are specified in the Constitution.

## 5.3 The roles, functions and responsibilities of the Board

The Board is responsible for:

- providing leadership to the College by setting the direction and performance of the College and by demonstrating behaviours and competencies that are aligned to the stated values;
- establishing values for the College supported by policies that document and enshrine appropriate ethical standards which define the College's culture;
- oversight of the performance and compliance of the College aligned to its Purpose including oversight of the operations of the College, delivery of agreed strategic priorities as documented in the strategic plan and business plan, compliance with the College's policies, delegations of authority and with the law;
- establishing an appropriate risk appetite for the College and monitoring and oversight of College critical matters by ensuring an appropriate risk management framework is in place throughout the College and is implemented by the College to ensure the appropriate management of risk;
- appointing, supporting and removing the Chief Executive Officer (CEO), including delegating to the CEO the power and authority to implement the strategic plan and business plan in line with the Board's policies, and monitoring the CEO's performance, including compliance with the delegations provided;
- establishing Board committees to advise or exercise delegated powers, to support the role of the Board as appropriate;
- monitoring and assessing the financial performance and financial capacity of the College including assessing the College's financial and non-financial systems of operation and performance, responding promptly and effectively to business risks and opportunities, demonstrating fiscal responsibility and financial stewardship ensuring the College's financial sustainability and capacity;
- ensuring legal and regulatory compliance, including compliance with the College's policies and procedures and Purpose;
- ensuring an appropriate reporting and accountability framework is in place; and
- ensuring the College's accountability to Fellows, regulators, government,

partners, patients, the community and other stakeholders. The Board will ensure mechanisms for transparency, including public reporting, stakeholder engagement, and ethical decision-making.

The responsibilities and authority of the CEO, the responsibilities and authorities of the Council and the responsibilities and authorities of the Board are enshrined in the Constitution and prescribed in delegations of authority.

The Board may alter or amend the delegations of authority in accordance with the Constitution.

#### **5.4 The Reserve Powers of the Board**

Apart from anything specifically reserved for the Council either at law or under the Constitution, all of the powers of the College are able to be exercised by the Board. Under the Constitution, the Board can delegate any of those powers, apart from the power of delegation.

The Board delegates the day to day operation of the College to the CEO, subject to certain limits and constraints.

The Board reserves the following specific powers to itself such that decisions relating to these matters shall only be made by the Board:

- **Strategic and Operational planning**
  - Mission (Purpose) – in consultation with Council
  - Strategic direction (Vision) – in consultation with Council
  - Strategic plan and key performance measures
  - Business Continuity Plan (and Disaster Recovery Plans)
  - Annual Report
  - Strategic partnerships, including any binding commitment to enter into a strategic alliance, joint venture, or partnership or any other commercial relationship, which exceed the authority delegated to the Chief Executive Officer
  - Commencement of a new business
  - Ceasing an existing business
  - Any material changes to approved strategic plans
  - Moving the principal place of operations
  - Acquisitions or disposal of assets, which exceed the authority delegated to the Chief Executive Officer
  - Exceeding funding covenant thresholds
- **Financial Matters**
  - Financial Delegations
  - Annual Operating Budget and material changes to budget

- Annual Capital Expenditure Budget
- The maximum total value of RACS's borrowings and the overall maturity profile of credit facilities
- The taking out of a loan and the granting of a loan
- The terms and conditions required by lending institutions that provide the debt facilities and lines of credit
- The annual audited financial statements of the external auditor
- Appointment reappointment or removal of the external auditor to be put to Directors for approval commonly following the recommendation of the Audit and Risk Committee (or its equivalent).
- **Mergers and other ventures**
  - The commencement of discussions and the entering into of any memorandum of understanding
  - Mergers
  - Acquisitions and divestitures
  - Joint ventures
- **Delegations of authority**
  - The responsibilities of the Chair and the CEO
  - The delegations of authority (financial and non-financial) for RACS
  - Board Committees, including their terms of reference and membership
- **Other contracts**
  - The selling, licensing or commercialisation of intellectual property
  - Any business where there is, or is the potential for, a Director to have a conflict of interest.
- **Legal issues**
  - Potential legal action by the College, including the issuing of a summons
  - Oversight of legal action against the College
  - Granting and authority to sign documents under seal
  - Amendments to the Constitution
  - Approving changes to existing entity structure
  - Establishing a new entity, structure, or subsidy, such as special purpose vehicles
  - Granting or revoking a power of attorney
- **Communications and Reputation**

- Delegations of authority between the Chair and the CEO to manage critical incidents
- Changes to brand architecture
- **Human resources and culture**
  - The statement of values for the organisation
  - Chief Executive Officer selection, appointment, remuneration, and conditions of service, performance management, and termination
  - Ensuring effective succession plans are in place for Directors and the Chief Executive Officer
- **Board issues**
  - Regular reviews of this schedule of matters reserved for Board
  - Approving the release of material from the Board
  - Creation and disestablishment and terms applicable to any committee or special project committee of the Board
  - Board, Chair, Director, and Board Committee performance evaluations
- **Risk management insurance and internal controls**
  - Approving the Enterprise risk framework including the setting and monitoring of risk appetite and risk tolerances
  - Approving insurance renewal and placement, including levels of cover and retentions and exclusions
  - The appointment or removal of insurance brokers, commonly following the recommendation of an Audit and Risk Committee (or its equivalent).
- **Policies**
  - Approval of a policy framework, including the principles applicable to determining governance versus management policies.

## 5.5 The President and the Chair

The President is the leader of the Council.

The Chair is the leader of the Board. The Chair must be a Fellow of the College.

Whilst the President may also be the Chair, they are different roles.

The role of the Chair is to:

- preside at all meetings of the Board at which they are present and ensure that business is conducted efficiently and that meeting rules are adhered to;
- lead the development of an effective and cohesive Board
- support Directors to understand their roles, responsibilities and accountabilities and to

- build the skills and capabilities necessary for the Board to fulfil its obligations;
- ensure that the Board agendas cover all key issues, that issues raised by Councillors are included on the Board agenda as appropriate and that sufficient information is presented to Directors to facilitate good decision-making;
  - ensure that there is an effective process for identifying and managing conflicts of interest;
  - encourage and enable full participation by all Directors in the business of the Board;
  - ensure that decisions are properly understood by Directors;
  - ensure the appropriate induction of new Directors;
  - ensure appropriate administrative support arrangements are in place for the Board and Board committees;
  - establish and maintain a constructive and supportive working relationship with the Chief Executive Officer; serving as a mentor, sounding board and key link between the Board and the Chief Executive Officer. The Chair and the Chief Executive Officer will meet regularly and prior to each Board meeting or informally as otherwise agreed. The Chair shall advise the Board of the agreed outcomes of these meetings (see also 5.3);
  - represent the Board to key stakeholders and ensure that they are informed about significant issues;
  - actively encourage a culture of transparency, disclosure and accountability.

The Chair is appointed in accordance with the College's Constitution.

### **5.6 The role of the Board Secretary**

The role of the Board Secretary is to:

- support meetings of the Board, ensure that business is conducted efficiently and that Board meeting and decision making processes are adhered to;
- ensure the integrity of Board documents and the accuracy of official records of Board process and actions;
- maintain the completeness and currency of the declarations of interest made by Directors;
- support Directors to understand their legal and compliance roles, responsibilities and accountabilities;
- maintain compliance with disclosure and reporting obligations to regulators and statutory authorities.
- maintain official registers, including the Register of Conflicts, Declarations of Interest, and Delegations.
- oversee version control of Board policies, and ensure timely distribution of minutes, resolutions, and Board decisions.

The Board Secretary also has responsibilities to support the Council with its operations.

## 6 BOARD RELATIONSHIPS

### 6.1 Board teamwork

Directors shall treat their colleagues and other stakeholders with respect by:

- always acting courteously in their dealings with Directors and other stakeholders;
- not attempting to influence other Directors improperly;
- listening and giving appropriate consideration to the views of other Directors;
- demonstrating loyalty to the Board and to other Directors;
- consulting with stakeholders where appropriate; and
- raising concerns or ethical issues where necessary, with the Board or the Chair.

### 6.2 The relationship between the Board and the staff of the College

The Board will ensure it has appropriate policies and processes so that it retains its independence and ability to hold management accountable for the performance of the day to day operations of the College. The Board may meet at its discretion in the absence of management/staff. It is standard practice for in camera sessions to be held before and/or after meetings of the Board.

- The Chief Executive Officer shall be entitled to attend and speak, but not vote, at Board meetings.
- Responsibility for the day-to-day operations and management of the business of the College resides with the Chief Executive Officer.
- The Chair takes the primary role of leading the Board.
- The Chief Executive Officer takes the primary role of leading the management of the College and is accountable to the Board.
- The functioning and effectiveness of the Board and committees of the Board are supported by the skills and knowledge of the College staff. The Board shall ensure that the relationships between College staff and the Directors are constructive, supporting and enabling. The Board shall, through the Chief Executive Officer, ensure that adequate support is provided by College staff to enable effective governance of the College. Directors' contact with staff should be through the CEO or with their agreement.

### 6.3 The relationship between Board and the Chief Executive Officer

The Chief Executive Officer is an employee of RACS.

The relationship between the Board and the Chief Executive Officer is crucial to the ability of the College to achieve the strategic goals established by the Board, in a manner that is consistent with the Board's values and governance expectations.

The Chief Executive Officer is responsible to the Board for the management and day-to-day affairs of the College, in accordance with the College's delegation policy which authorizes and establishes limits on the Chief Executive Officer's authority. The Board is responsible for ensuring that the delegations are appropriate and are complied with.

The Chief Executive Officer is also responsible for ensuring the Directors are informed about the activities of the College, government policies, regulations, amendments to legislation, and other critical information relating to the Board's functions and powers.

The Chief Executive Officer is responsible for the pursuit of RACS's goals and vision for the future in accordance with the strategies, policies, programs, and performance requirements developed and approved by the Board.

The Chief Executive Officer is required to establish and monitor an appropriate management structure and performance reporting framework.

The Chief Executive Officer must have the skills, knowledge, qualifications, experience, and credibility to fulfill the requirements of the role.

Broadly, the CEO is required to:

- Work closely with the Chair and the Board of directors to define RACS's goals.
- Implement RACS's vision and mission giving it direction.
- Identify and allocate resources appropriate to RACS's strategic and operational requirements.
- Mentor other leaders within RACS and evaluate their performance.
- Oversee and be responsible for a short and long-term strategy.
- Set the tone of corporate culture within and under the broad direction of the Board.
- Be the face of RACS and the key lead in all strategic external dealings.

The Chief Executive Officer's responsibilities are set out the Chief Executive Officer's employment contract and position description, as agreed with the Board.

The Chair is responsible for regular communication with and support of the Chief Executive Officer and for ensuring there is a formal annual performance appraisal and remuneration review process in place for the Chief Executive Officer. Whilst the Chair is responsible for ensuring there is an appraisal and review process in place, the Board as a whole must be consulted and given the opportunity for input into the appraisal and review process and the Board will receive reporting on the outcome of the process.

Although the requirement is for an annual appraisal and review process, interaction and feedback should be regular and periodic and not limited to an annual event. Performance appraisal training as required will be sought from HR. Consideration will be given to obtaining management and staff feedback when conducting CEO appraisals.

Directors shall respect and support the Chief Executive Officer. Directors shall ensure that any issue of concern about College operations is raised with the Chief Executive Officer through proper processes, and a process is agreed for the College to investigate the issue and report back to the Board. Specifically, Directors shall

- accept as a fundamental principle, that the Chief Executive Officer reports to the entire Board;
- respect the operational role of the Chief Executive Officer;
- support and cooperate with the Chief Executive Officer when Directors are interacting

with employees;

- not seek to establish direct avenues for employees to communicate about operational matters to the exclusion of the Chief Executive Officer other than in exceptional circumstances where the usual avenues for communication are inappropriate or not available.

## 7 DECISION MAKING

### 7.1 Board powers and delegations

The Board is empowered to exercise all of the powers of the College. The Board has the ultimate authority as the decision-maker of the College.

The performance of any function, power or duty of the College (other than the power to delegate, the power to make by-laws or any other power that is prescribed for the purposes of the Constitution) may be delegated by the Board to:

- a member of the Board or any other officer of the College; or
- any committee established by the Board or the College; or
- the Council or any committee of the Council or any Councillor; or
- the Chief Executive Officer.

Where, consistent with its commitment to good governance, the performance of a function, power or duty can be delegated safely and appropriately to the Chief Executive Officer, the Board will effect that delegation.

Delegations are made by Board approval, recorded in the Board Meeting Minutes and are to be reviewed annually.

The Board may exercise the delegated powers directly and make decisions itself as appropriate. The Board reserves the right to revoke or amend any delegation.

The Board shall maintain a formal Delegations of Authority Register, outlining decisions reserved for the Board and those delegated to the CEO and Executive. The Register shall be reviewed annually and updated following significant organisational changes.

### 7.2 The conduct of Board meetings

Subject to the Constitution, the Board regulates its own proceedings. Board meetings should be held as often as required to enable the Board to meet its obligations to the College. Notice and quorum requirements are specified in the Constitution.

Directors are required to make every reasonable effort to attend each meeting of the Board, strategic briefing sessions and the meetings of Board Committee(s) of which they are a member, and to remain in attendance for the full duration of such meetings. Where attendance, or remaining in attendance for the full meeting is not possible, leave of absence is to be sought, in advance, from the Chair or the Board Committee Chair (as appropriate).

#### Agendas

The agenda for each meeting will be prepared by the Chief Executive Officer and Board

Secretary in conjunction with the Chair.

Agendas will cover matters for information, noting, discussion, decision and disclosure and will also include a review of the status of minuted actions arising from previous Board meetings.

Agenda structure will ensure that the Board effectively prioritises the most important matters that warrant Board attention.

The Chair will ensure that all Directors have the ability to contribute to agendas should they wish to.

#### Board papers

Board papers shall be circulated to Directors 5 working days prior to the Board meeting.

#### Minutes

Minutes of Board meetings are a legal record of the meeting. Draft minutes shall be circulated to the Directors by the Board Secretary within 5 working days of the meeting. Directors shall inform the Chair and Board Secretary of any errors or omissions within 5 working days of receipt of the draft minutes.

Approval of the minutes will be ratified at the next Board meeting.

#### Access to information

Directors have a right of access to the College's documents, including Board papers, Board Committee papers, the minutes of meetings and declarations of conflicts of interest, to assist them in performing their duties. The College has a digital Board framework for storing, distributing and providing access to information.

Directors are only entitled to use College information for permitted purposes related to their role as Directors.

Directors are permitted to retain their meeting papers and notes but have an obligation to maintain the security of information contained within the papers. Directors are required to return their retained meeting papers to the College after they step down as a Director or to destroy them if requested by the Board.

#### Annual agenda / calendar

The Board has an annual agenda / calendar to cover the work cycle for the Board. The annual agenda takes account of the financial planning and reporting cycle, strategic planning and risk management, committee reporting and the schedule of reporting on issues of particular interest to the Board, including compliance obligations.

During the course of the year the Board will address different agenda items, scheduled through the annual calendar. Although the Board will be guided by the annual agenda, the Board should respond to issues as they arise rather than just according to the calendar (as appropriate).

### 7.3 The establishment and operation of committees

The Board may establish:

- Board Committees to advise the Board; and
- Board Committees to exercise any power or perform any function, or discretion delegated to them by the Board.

All Board Committees must have a terms of reference expressly setting out the Board Committee's purpose, scope, responsibilities and decision-making powers as delegated by the Board.

Each Board committee will have an annual workplan.

Board Committees contribute to:

- the monitoring of information,
- reporting and control systems,
- the facilitation of stakeholder input into the Board, and
- enhancing the Board's capacity to make informed decisions.

Board Committees consume administrative resources and should only be established where there is a clear purpose and benefit for the Board.

The Board delegates work, not responsibility to Board Committees.

Committees reporting to the Board are normally chaired by a Board member, and all Board Committees shall have clear terms of reference incorporating:

- the Board Committee's composition, which will include a majority of Directors unless otherwise resolved by the Board and external members may be appointed based on skills and experience and shall have voting rights if so determined.
- specific delegations, if appropriate;
- procedures for meeting agendas, papers, minutes and reporting to the Board including an expectation that significant issues will be reported back to the Board for noting, discussion and resolution at the next Board meeting.

Procedures for Board Committee meetings shall echo the Board's procedures.

The agendas and minutes of Board Committee meetings shall be available to all Directors through the relevant channels.

Board Committee meetings shall ideally take place prior to the meeting of the Board to which the Committee reports, to enable adequate documentation, communication and preparation for the Board.

The role, function, resources, performance and composition of each committee will be reviewed on an annual basis as part of the Board assessment process.

The Chair is an ex-officio a member of any Board Committee or working party and may attend any meeting, propose a motion and vote.

Every Director may attend all Board Committee meetings, however, only a designated number of Directors are formally members of the committee with the capacity to formally vote and propose motions. To ensure that each Director's input is appropriately received, any Director who is not a formal member of the Board Committee can request the Chair to propose a motion on their behalf. The Director has the capacity to speak fully to the issue but is not entitled to vote.

The Chief Executive Officer is a standing invitee to all Board Committee meetings except where they have a conflict.

## **8 RISK**

The Board has a responsibility to ensure that it has a proactive and dynamic approach to the effective oversight of risk management. The Board shall formally adopt and review a Risk Appetite Statement annually, which aligns with the College's strategic goals. Risk and strategy shall be reviewed concurrently to ensure an integrated approach to decision-making, capital allocation and structure, and business continuity.

The Board holds management accountable for developing a strategy that correlates with the risk appetite of the College, while developing and maintaining a risk management process.

The risk management process recognises, prioritises, effectively mitigates and responds to risk. The Board should maintain an active and pro-active attitude to emerging and unforeseen risk. This should be attentive not just in the context of negative events, but also by taking into account the changing landscape of opportunities and threats and stakeholder opinions that could alter the effectiveness of the College's strategy or even the viability of the College.

The Board may establish an internal audit process / audit committee as an important tool to strengthen its capacity in overseeing risk. The responsibility for risk oversight rests with the Board and Directors should determine how the work of any internal audit process / audit committee integrates with the Board's discussions on strategy and risk.

## **9 CONFLICTS OF INTEREST**

Directors (and officers) have legal obligations to place the interests of the College above their own personal interests and duties and above the interests and duties of related parties and to ensure they do not use their position as a Director, or information they gain as a Director, for personal gain or to benefit a related party or to compete with or damage the College.

Directors shall familiarise themselves and comply with the College's Conflict of Interest Policy which outlines their responsibilities regarding conflicts of interest.

## **10 DIRECTOR SPECIFICATION, SELECTION, APPOINTMENT AND INDUCTION**

### **10.1 Director appointment**

Directors are appointed in accordance with the Constitution.

### **10.2 Director selection**

The Board must have a matrix identifying skills, experience and competence required to enable the Board to discharge its obligations to the College. The matrix should be reviewed and updated by the Board to accommodate changes to strategy, risk, compliance,

performance and succession. The matrix should be used to identify gaps and to guide the selection and appointment of Directors to help fill those gaps. Prior to appointing new Directors, a skills audit will be undertaken to identify capability gaps. Recruitment processes should be open, transparent and inclusive. Reappointments will not be automatic and must consider current and future needs.

### **10.3 Induction to the Board**

Each Director must complete a comprehensive induction program. The Chair, Chief Executive Officer and Board Secretary will be responsible for the induction program. The aim of the induction program is to support new Directors to understand and undertake their role by:

- making the Director welcome to the College;
- introducing the Director to the Board and the senior management team and enabling the Director to be briefed by the senior management team about their roles and responsibilities;
- providing relevant written information about the history of the College; its employees, strategy and operations; risk management; its performance; the composition and role of the Board, the composition and role of the Council; the duties and responsibilities of Directors; the duties and responsibilities of Councillors; the availability of training and support; protective indemnities and insurance; attendance requirements; and remuneration and reimbursement policies and protocols;
- visiting relevant College physical sites and facilities; and
- providing formal governance training.

### **10.4 Board performance assessment**

The Board is committed to regular reflection about its performance and to undertake regular, formal and constructive assessment of the performance of the Board and individual Directors.

The performance of the Board, its Committees, and individual Directors shall be reviewed annually, against performance criteria agreed to by the Board. Reviews will alternate between internal assessment and an independent external evaluation. The external process will be managed and facilitated by an independent, external specialist. The Board assessment process will lead to a development plan for the continuous improvement of Board and Director effectiveness.

Director-specific feedback will be led by the Chair, and outcomes will be used to inform future development and succession planning.

### **10.5 Remuneration and Reimbursement of Directors**

The Constitution does not allow the remuneration of Directors for any work undertaken solely in their role as Directors.

Directors can be reimbursed for reasonable expenses in accordance with the Constitution and relevant College policies.

### **10.6 Support provided by the College to Directors**

In support of their role as Directors the College will:

1. Indemnify Directors to the full extent permitted by the law. The College cannot provide indemnity for:
  - a. A liability owed to the College.
  - b. A liability for a pecuniary penalty order.
  - c. A liability arising out of conduct that is not in good faith.
  - d. Legal costs in defending criminal proceedings or actions if liability is established.
2. Provide adequate Directors and officers insurance.
3. Provide a letter of appointment to the Director.
4. Provide a deed of access and indemnity to the Director.
5. Provide induction and exit interviews.
6. Provide access to training and development opportunities for Directors.
7. Provide access to the records of the College on request.
8. Fund external advice on matters relating to their duties where this is agreed with the Chair and shared with all Directors.

#### **10.7 Deed of Access and Indemnity**

A deed of access and indemnity, in a form approved by the Board, shall be made available to each Director and, at the discretion of the Board, to external members of any Committee of the Board.

A deed of access and indemnity is an agreement between the company and a director or company officer and provides additional assurance and protection to a board director above and beyond those protections provided by the Constitution, as a matter of law, and through management liability or D&O liability insurance.

Each Director of the board is entitled to the benefit of such a deed and a register of duly executed deeds shall be maintained by the Company Secretary within approved company records and document management systems. A duly executed copy shall also be provided to each director, company officer, and, where relevant, to an external committee member.

### **11 COMMITTEE STRUCTURE AND REPORTING RELATIONSHIPS**

Board committees:

Audit Risk and Investment Committee

Foundation Committee

Governance and Remuneration Committee

### **12 REVIEW**

This charter shall be reviewed at least every three years.

**13 RESPONSIBLE OFFICER**

The Chair is the responsible officer for this charter.

**14 RELEVANT DOCUMENTS**

- The Constitution
- The Board skills matrix
- The terms of reference, for each of the Board's Committees

**15 AUTHORISATION AND COMMENCEMENT DATE**

This charter was approved by the Board.

Date: 20 August 2025

**Board Chair**