

Board Charter

Guide Dogs NSW/ACT ABN 52 000 399 744 (**Company**) and its controlled entity (the Group)

Adopted by the Board on 26 October 2020

1 Board composition

1.1 Board composition and size

- The Board should comprise Non-executive Directors with a broad range of skills, expertise and experience from a diverse range of backgrounds.
- The Board, or a nominated Committee determines the size and composition of the Board, subject to the terms of the Company's Constitution.
- The Board or a nominated committee will consider the matters set out at Attachment 1 when assessing candidates for appointment as Non-executive Directors.
- The Board or a nominated committee will review the skills, experience, expertise and diversity represented by Directors on the Board and determine whether the composition and mix remain appropriate for the Company's strategy and covers the skills needed to address existing and emerging business and governance issues relevant to the Group. The Board and Nomination and Remuneration Committee will have regard to this review when considering Board succession planning and ongoing director education program.

2 Board role and responsibilities

2.1 Board role

The Board's role is to:

- facilitate the Company developing and implementing strategies and supporting policies to fulfil the objectives set out in the Constitution;
- protect and optimise Company performance in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and monitor compliance with the Company's values and governance framework (including establishing and observing high ethical standards and demonstrating leadership); and
- ensure members and stakeholders are kept informed of the Group's performance and major developments affecting its state of affairs as described in governance standard 5 of the regulations made under the ACNC Act.

2.2 Board responsibilities

The responsibilities of the Board include:

- selecting, appointing and evaluating from time to time the performance of, determining the remuneration of, and planning and approving succession of, the Chief Executive (**CEO**);
- approving the appointment of the executive leadership team;
- selecting and appointing the directors of related companies;
- developing and endorsing the Group's strategy, consistent with the Company's purpose, values, strategic objectives and operating budgets;
- approving performance indicators and monitoring the Company's performance and management's implementation of the Company's strategy and promotion of the Company's values;
- monitoring and approving systems for management of financial and non-financial risk, internal controls and legal compliance, including risk management policies relating to risk management;
- reviewing the risk management framework at least annually to satisfy itself that this continues being sound and that the Group is operating with due regard to the risk appetite set by the Board;
- monitoring the independence of external auditors
- approving the capital expenditure budget, capital expenditure priorities and individual expenditure items over \$100,000 which are not included in the current budget;
- monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- approving financial reports and other reports required at law to be adopted by the Board;
- approval of the following financial matters:
 - accounting policies;
 - any question of borrowing or giving security over assets;
 - bank accounts and signatories;
 - acceptance of audit reports, including management letters;
 - leases;
 - investment strategy; and
 - transfers from Endowment and Gift Accounts.
- approving the Company's values and Client Services Charter, and monitoring the Company's culture;
- setting and reviewing the Company's governance policies;
- receiving information about material breaches of the Client Services Charter;
- approving the Company's remuneration policy and ensuring alignment with the Company's purpose, values, strategic objectives and risk appetite;
- reviewing performance targets for the CEO and Executive Leadership Team considering performance against those targets and reviewing remuneration outcomes;
- evaluating, at least annually, the performance of the Board, its Committees and individual Directors;
- approving, on recommendation from the Nomination, Remuneration and Culture Committee, measurable gender diversity objectives on an annual basis
- reporting to members and arranging members' meetings as required by the Corporations Act 2001 (Cth) (**Act**) and the Australian Charities and Not-for-profits Commission Act 2012 (Cth) (**ACNC Act**); and
- performing such other functions as are prescribed by law or incidental to any of the above responsibilities.

2.3 Director responsibilities

- Directors will, at all times, act with honesty and integrity and demonstrate the highest standards of ethical behaviour.
- Directors will ensure that no decision or action is taken that has the effect of prioritising their personal interests over the Company's interests. Directors must declare all conflicts of interest and are expected to participate in discussion unless they have a material conflict of interest (as determined by the Board). Should a vote be required in relation to this interest, the Director concerned will abstain from voting where the conflict of interest is material.
- Directors will be expected to participate in all induction and orientation programs and any continuing education or training arranged for them.
- The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chair, or the Board as a whole.
- Unless resolved by the Board to the contrary, all Board discussions, papers and decisions are confidential unless the matter is already in the public domain.
- Decisions of the Board are decided by a majority of votes of directors present and entitled to vote, and that decision is taken to be a decision of the Board. All Directors will abide by the decisions of the Board and will support the decisions of the Board in discussions outside the Board. This requires Directors to maintain a balance between maintaining Board solidarity and our culture of open communication. For example, it is appropriate to acknowledge that a decision was difficult and that there were differing views but the Board made a decision which all Directors support. It is not appropriate to indicate how any Directors voted on the issue.
- Media comment will be made only by the Chair or the CEO in respect of corporate issues and by the CEO in respect of operational issues.
- Directors are expected to demonstrate their full support of organisation activities in recognition that they are viewed as a leader of the organisation.

3 Delegation of duties and powers

3.1 Delegation to Committees

- The Board from time to time establishes Committees to streamline the discharge of its responsibilities. The Board adopts a formal charter for each standing Committee setting out the matters relevant to the composition, responsibilities and administration of the Committee.
- The permanent standing Committees of the Board are the Nomination, Remuneration & Culture Committee, the Finance, Audit and Risk Management Committee and the Corporate Governance Committee. The Board may also delegate specific functions to ad hoc committees on an 'as needs' basis.
- The CEO will be an ex-officio member of these Committees, entitled to participate in discussions but not vote.
- All (non-Committee) Board members and other members of the executive leadership team will have standing invitations to attend Committee meetings and participate in discussions without any requirement to vote.

3.2 Delegation to management

- While the Board retains ultimate responsibility for the strategy and performance of the Group, the day-to-day operation of the Group is conducted by, or under the supervision of, the CEO as endorsed by the Board.
- The Board approves strategic objectives for the CEO to work towards and, jointly with the CEO, develops the duties and responsibilities of the CEO.
- The Executive Leadership Team team (being the CEO and other personnel to whom the management function is properly delegated by the CEO):

- is responsible for implementing strategic objectives, plans and budgets approved by the Board; and
- is accountable to the Board for matters within its delegated authority and for complying with any limits on that authority, including complying with the law and company policies.

The Executive Leadership Team must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

- The Board is responsible for satisfying itself that the Board reporting framework is appropriate. Directors are entitled to request additional information at any time when they consider it appropriate.
- The Board will regularly monitor the performance of the CEO and senior management team and where required, provide feedback to and challenge the CEO and the Executive Leadership Team.

4 Administrative matters and procedures

4.1 Meetings

- The Board undertakes to meet when necessary.
- Periodically, Non-executive Directors will meet without management present.
- The Company's Constitution governs the regulation of Board meetings and proceedings.

4.2 The Chair

- The Board will appoint one of its members to be Chair.
- It is intended that the Chair should be a Non-executive Director.
- The Chair represents the Board to the members and communicates the Board's position.
- The Chair is responsible for leading the Board, facilitating effective contribution of all Directors and promoting respectful and constructive communication between Directors and between the Board and management.
- The Chair is also responsible for developing and maintaining a strong and effective working relationship with the CEO.
- In the event of an equality of votes cast for and against on a resolution, the chairperson of the Directors' meeting has a second and casting vote.

4.3 The Company Secretary

- The Board will appoint at least one Company Secretary who is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies, and all statutory and other filings.
- The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
- All Directors will have direct access to the Company Secretary.

4.4 Review

This Charter is to be reviewed by the Board as required and at least annually.

Director candidate criteria

1.1 Criteria

Without limiting requirements set out in the Constitution and otherwise at law, the following must be considered in assessing a person's suitability for appointment as a director, and candidates are expected to possess a majority of the criteria listed below:

- (a) Personal and professional integrity, good communication skills and ability to work harmoniously with fellow directors and management;
- (b) Demonstrated and recognised knowledge, experience and competence in such areas as business, accounting, law, regulatory affairs, strategic planning, social policy, marketing, fundraising, and such other areas as the Board may prescribe from time to time in the Company's best interests;
- (c) Understanding of the roles, duties and responsibilities of directors under Corporations Act 2001 (Cth) (**Act**) and the Australian Charities and Not-for-profits Commission Act 2012 (Cth) (**ACNC Act**);;
- (d) Leadership & decision making skills, demonstrable strategic thinking abilities and an ability to take a long-term view;
- (e) Awareness and familiarity of contemporary Australian Securities and Investment Commission requirements, and standards relating to charitable and not for profit fundraising institutions and initiatives;
- (f) Willingness to devote appropriate time to prepare and attend Board meetings, Board sub-committee meetings and any other Board functions;
- (g) Previous experience as a director, including corporate governance and risk management experience; and
- (h) Such other criteria as may be prescribed by the Board from time to time, in the Company's best interests.