

BOARD CHARTER

This charter sets out the role, responsibilities, structure and processes of the Board of directors of Karlka Nyiyaparli Aboriginal Corporation RNTBC (KNAC).

1. Roles and Responsibilities

1.1. The role of the Board is to approve the strategic direction of the KNAC, guide and mentor the management of KNAC in achieving its strategic plans, review, approve and monitor risk management and financial systems, and to oversee good governance practice throughout KNAC.

1.2. The Board is responsible for:

- a. Approving KNACs strategic and business plans, including annual budgets and policies;
- b. Monitoring KNACs strategic direction, financial position, activities and associated risks;
- c. Reviewing, approving and monitoring KNACs risk management systems, including internal compliance and control systems;
- d. Approving the annual report and financial statements in accordance with the CATSI Act and the corporations Rule Book;
- e. Approving and monitoring major capital expenditure;
- f. Approving and monitoring the effectiveness of KNACs corporate governance, including the formation of any Board sub-committees;
- g. Monitoring and guiding the culture, reputation and standards of conduct within KNAC including the Code of Conduct;
- h. Recruiting and monitoring the performance of the KNAC Chief Executive Officer (CEO) and approving the remuneration of the CEO.
- i. Determining and implementing the process of Board performance evaluation;
- j. Monitoring KNACs performance against strategic objectives;
- k. Other duties as determined by the KNAC Rule Book, the CATSI Act, PBC regulations and any other applicable legislation.
- l. Speaking with one voice outside of the Boardroom, supporting all majority decisions made through the open and democratic environment of the Boardroom.

2. The Role of Management

2.1. The day to day management of KNAC is the responsibility of the CEO.

2.2. The Board delegates specific responsibilities and powers to the CEO to manage the day to day business of KNAC, this is achieved through the CEO Delegation Policy.

2.3. The key responsibilities of the CEO are;

- a. Manage and administer the day to day operation of KNAC in accordance with the strategy, business plans, budgets and policies approved by the Board;
- b. Develop strategies and defined objectives for KNAC and make recommendations to the Board;
- c. Develop KNACs annual budget and conduct KNACs business within the Board approved annual budget;
- d. Develop and maintain KNACs risk management systems including the internal control and compliance systems;
- e. Clearly define, monitor and manage senior employees KPIs linked to achieving KNACs strategic objectives;
- f. Report regularly to the Board with accurate, timely and clear information, so that the Board is fully informed to discharge its responsibilities effectively;
- g. Lead and support the culture within KNAC that promotes ethical and responsible behaviour.
- h. Develop, manage and maintain effective working relationships with external KNAC stakeholders;
- i. Manage regular communications with the KNAC members through the implementation of the KNAC Communication and Media Policy.

3. Composition, Size and Structure of the Board

3.1. Composition: the composition of the Board is dictated through the KNAC Rule Book. There must be at least three directors, not more than seven member directors and not more than two independent directors. All directors must be eighteen years or older.

3.2. Qualifications: There are no specific qualification requirements for member directors, however, ORIC related governance training either before or during a director's term is recommended. Independent Directors must have completed or complete during their first year of term , the directors course provided by the Australian Institute of Company Directors, or similar.

3.3. Appointment: member directors are appointed by members at an Annual General Meeting. Any member director vacancies that occur during the year may be temporarily filled by the sitting member directors.

Independent directors may be appointed by member directors who have followed a merit-based selection process.

3.4. Tenure: all directors appointments are for a term of two years. Directors may be re-elected and/or reappointed in the case of member and independent directors, respectively.

3.5. Performance review: The Board is responsible for undertaking a formal evaluation process to review its performance and any committees, annually.

4. Appointment and Responsibilities of Chairman

4.1. The Board appoints the chairman in accordance with the KNAC Rule Book.

4.2. The role of Chairman cannot be held by the CEO of KNAC.

4.3. The responsibilities of the Chairman are to:

- a. Maintain effective communication between the Board and management.
- b. Lead the Board in its role of strategic and financial oversight of the corporation.
- c. Ensure the efficient running of Board meetings with specific reference to the conduct and input of the directors.
- d. Be a spokesperson for Board endorsed communications to members, external stakeholders and/or the media.
- e. Chair general meetings of the corporation.
- f. Exercise other specific powers as delegated to the Chairman by the Board from time to time

5. Corporation Secretary

The Corporation Secretary is appointed by the Board of KNAC. It is the responsibility of the Secretary to file all reports and notify all changes to Directors and Officers to the Office of the Registrar of Indigenous and Torres Strait Islander Corporations.

6. Committees of the Board

6.1. The Board may from time to time establish and delegate any powers to a committee of the Board.

6.2. The Board is responsible for approving and reviewing the charter terms and membership of each committee established by the Board.

6.3. Committees established by the Board may make recommendations but cannot make decisions on matters reserved for the Board.

7. Board Meetings

- 7.1.** The Board will meet on a monthly basis, unless determined otherwise. In any case the Board must meet as frequently as is required for the Board to fulfil their duties and responsibilities to the Corporation.
- 7.2.** A director may call a board meeting by giving reasonable notice to each individual director. Two or more Directors may convene a meeting of directors whenever they think fit
- 7.3.** The date, time and location of a directors meeting must not unreasonably prevent a director from attending.
- 7.4.** A quorum of the Board meeting is a majority of the Directors and the quorum must be present at all times during the meeting.
- 7.5.** The CEO is responsible for distributing Board meeting papers prior to the meeting.
- 7.6.** The minutes of the meeting will be completed and circulated by the CEO, as promptly as practicable following each meeting.

8. Ethical Standards and Legal Duties

- 8.1. Code of Conduct:** Each director will abide by the terms of the Corporations Code of Conduct and are expected to uphold the ethical standards and corporate behaviour articulated in the Code.
- 8.2. Duties:** The board will operate in a manner that reflects the Corporations values and in accordance with its agreed governance guidelines, the CATSI Act and any other applicable laws and regulations.

9. Independent Directors

The KNAC Rule Book has provision for KNAC to appoint up to two independent directors. When considering the appointment of independent directors, the Board will be cognisant of the skills, qualifications and experience that would add value to the board as a whole. Independent directors should be graduates of the Australian Institute of Company Directors, directors' course.

10. Confidentiality

The Board acknowledge that all proceedings of the Board and committees are strictly confidential and will not be disclosed to any person other than Board members, except as agreed by the Board and as required by law.

11. Review of Charter

The Board will review the charter as necessary to ensure that it meets best practice standards and all regulatory requirements.