

## **INSEARCH LIMITED BOARD CHARTER**

### **1. OVERVIEW**

- 1.1 Insearch Limited (**INSEARCH**) is a public company limited by guarantee provided by its members, having no share capital and is governed by its constitution.
- 1.2 This Board Charter explains INSEARCH's commitment to corporate governance and sets out the role, responsibilities and conduct of the Board. It is not an "all inclusive" document and should be read as an expression of principle.

### **2. COMPLIANCE AND GOVERNING MATERIALS**

#### **2.1 Compliance**

The Board is responsible for ensuring that INSEARCH complies with the provisions of its Constitution and operates within the framework of applicable legislation and associated regulations and codes, including:

- (a) Corporations Act 2001 (Cth);
- (b) Public Finance and Audit Act 1983 (NSW);
- (c) Australian Charities and Not for profit Commissions Act 2012 (Cth);
- (d) University of Technology Sydney Act 1989 (NSW);
- (e) Education Services for Overseas Students Act 2000 (Cth);
- (f) Higher education Support Act 2003 (Cth);
- (g) laws and statutes applicable in jurisdictions outside Australia in which INSEARCH or its subsidiaries operate or conduct business activities.

If there is any inconsistency between this Charter and the Constitution or applicable legislation, the legislation and Constitution will prevail.

#### **2.2 Governance Materials**

The Board is responsible for approving all governance materials, including but not limited to:

- (a) this Board Charter;
- (b) Audit and Risk Committee Charter;
- (c) Remuneration and Nomination Committee Charter;
- (d) Academic Board Charter;
- (e) Code of Ethics;
- (f) Staff Code of Conduct;
- (g) Corporate Governance Statement (for inclusion in the INSEARCH Annual Report),  
and
- (h) Board Capabilities Matrix.

### **3. OBJECTIVES**

3.1 The overall role of the Board is to:

- set corporate strategic direction and goals;
- oversee the plans of management to achieve these goals; and
- receive and review reports from management and subcommittees of the Board.

3.2. The Board is responsible for ensuring that INSEARCH has an appropriate corporate governance structure to achieve the objects set out in clause 3 of the Constitution.

### **4. MEMBERSHIP**

#### **4.1 Number of Directors**

- (a) In accordance with the Constitution, the Board consists of 8 Directors, who must all be members of INSEARCH Limited.
- (b) Members of the Board must consist of the persons:
  - (i) appointed by the body or persons listed in clause 37 of the Constitution, , and
  - (ii) be elected in accordance with Part 9 of the Constitution.

#### **4.2 Board appointments**

When considering appointments under Part 8, Directors take into account the candidate's capacity to enhance the mix of skills and experience of the Board and to contribute to the ongoing development of the Company.

Candidates must be members of the Company and as per clause 8.1 of the Constitution, all nominations for new members are made by the University and as such, the membership of the Remuneration and Nominations Committee will have a majority of UTS representatives.

Before a new Director is appointed, the following procedure will be followed:

- The Board will agree on the qualifications, skills and experience it is seeking in the appropriate candidate, drawing on and updating the current Board Capabilities Matrix. .
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- The Remuneration and Nominations Committee will identify appropriately qualified members and propose a candidate or candidates to the Board.
- The candidate or candidates will be interviewed by the Chairperson and at least one other Director, who will then make a recommendation to the Board

#### **4.3 Managing Director/Chief Executive Officer (CEO)**

The Board may appoint a Managing Director/CEO in accordance with Part 10 of the Constitution.

#### **4.4 Tenure of Appointment or Election**

- (a) Each member of the Board appointed under rule 37 of the Constitution holds office until:
  - i. his or her appointment has been revoked in writing by Council (except the Managing Director/CEO) with immediate effect unless the notice specifies otherwise as per Clause 40.1; or
  - ii. he or she ceases to be a director in accordance with the Constitution.
- (b) No person, other than the Vice-Chancellor or the Managing Director/CEO, may be a member of the board for more than 8 years in the aggregate, provided that the University may extend that period for any person at its discretion under rule 40.2.
- (c)
- (d) At each annual general meeting, one of the persons elected as members of the Board, under rule 37.1(4) of the Constitution, must retire from office at the closure of that meeting and subject to the clause 42.4 of the constitution, a person retiring as an elected member of the Board is eligible for re-election.

#### **4.5 Remuneration of Directors**

Clause 57 of the constitution specifies that the directors are paid out of the funds of the Company as fees for their ordinary services as directors such sum, if any, as may from time to time be determined by a special resolution of the members in general meeting.

Remuneration of the Managing Director/CEO will be determined by the Board in accordance with clause 52 of the Constitution.

#### **4.6 Board Committees**

To assist in fulfilling their duties and responsibilities, the Board as per clause 78 of the Constitution has established an Audit and Risk Committee, a Remuneration and Nominations Committee, and an Academic Board. Each Committee has a formal Charter approved by the Board.

With the exception of certain limited delegations contained in their Charters, recommendations of the Committees are to be referred to the Board for approval.

#### **4.7 Conflicts of interest**

Directors are required to disclose any potential conflicts of interest in accordance with Part 17 of the Constitution and the provisions of the Corporations Act, for recording in INSEARCH's Conflict of Interest Register.

### **5. INFORMATION AND INDEPENDENT ADVICE**

#### **5.1. Appointment Letter**

Upon appointment, a new Director is given a letter of appointment setting out the key terms and conditions of their position and will be requested to complete a disclosure of interests form.

#### **5.2. Induction Pack/Program**

Upon their appointment, new Directors are provided with a range of information, including:

- the Constitution;
- Board and Committee charters;

- INSEARCH Operational Plan;
- INSEARCH Strategic Plan;
- most recent annual report;
- Code of Ethics;
- Staff Code of Conduct;
- Board profiles and contact details;
- Enterprise Risk Register;
- Board meeting schedule;
- recent Board and Committee meeting minutes.

In addition, new Directors must attend an induction program to gain an understanding of INSEARCH's:

- strategy, objectives and business;
- industry in which INSEARCH operates;
- corporate governance practices;
- current financial and business performance;
- key executives;
- remuneration strategy; and
- risk management framework.

Where possible, the induction program will include a tour of INSEARCH's office and classrooms, meeting INSEARCH staff and students, and meetings with key executives of INSEARCH.

### **5.3. Professional Development**

Directors are encouraged to undertake appropriate professional development activities to assist them in carrying out their duties and responsibilities. The Board will consider and may approve a program of development activities which may be undertaken collectively by all Board members, or approve professional development activities for individual Board members from time to time.

### **5.4. Requested Information**

Directors are entitled to request and receive such additional information as is reasonably necessary to support informed decision making. Unless a conflict exists or to do so would be inconsistent with the Director's duties, the Director is to request such information through the Chairperson or the Managing Director/CEO.

### **5.5. Independent Advice**

The Board and each individual Director, subject to discussing the requirement for advice with the Chairperson and acting reasonably has the right to seek independent professional advice from a suitably qualified advisor, at INSEARCH's expense, to assist them to carry out their responsibilities. Unless it would be inappropriate, a copy of this advice is to be made available to all other members of the Board.

## **6. MEETINGS**

- 6.1. The Board generally meets a minimum of 6 times per year or more frequently if circumstances require. Where the Chairperson considers appropriate, matters may be dealt with by the Board through special Board meetings or circulating resolutions.
- 6.2. According to clause 71 of INSEARCH Constitution, the minimum quorum for a Board meeting is 4 Directors and of those 4 directors the majority must have been appointed by

the University of Technology Sydney (UTS) and be entitled to vote on each of the resolutions put to the meeting.

- 6.3. The Managing Director/CEO is responsible for ensuring the Board receives papers including an agenda, at least 4 business days in advance of meetings.
- 6.4. The Company Secretary is responsible for taking minutes of the meetings.
- 6.5. Other members of executive management, at the discretion of the Board, are invited to attend Board meetings and are also available to be contacted by Directors between meetings. However, the Board will meet without executive management present on a regular basis.
- 6.6. Each director must attend Board meetings as well as the annual Board planning retreat and the Annual General Meeting, unless prior leave has been obtained from the Chairperson.

## **7. DUTIES AND RESPONSIBILITIES**

- 7.1. The Board is responsible for overseeing the business and commercial affairs of INSEARCH including:
  - establishing and monitoring a set of governance roles and responsibilities;
  - providing leadership on strategy development and approving the strategy;
  - evaluating and approving the annual operating budget and operational plans;
  - evaluating, approving and monitoring the progress of major capital and operating expenditure;
  - appointing and when necessary replacing the Managing Director/CEO;
  - reviewing performance, employment terms and conditions and remuneration of the Managing Director/CEO;
  - appointing the Chairperson;
  - appointing the Company Secretary;
  - reviewing and monitoring the risk management and internal control framework;
  - establishing appropriate delegations to Board committees and the Managing Director/CEO;
  - ensure there are plans in place to manage the succession of the Managing Director/ CEO and other senior executives;
  - set the measurable objectives for achieving gender diversity and annually reviewing those objectives and the entity's progress towards achieving them;
  - developing financial controls and systems, reviewing their adequacy and ensuring that the assets of INSEARCH are adequately safeguarded;
  - evaluating and approving the financial reports;
  - overseeing INSEARCH's commitment to the health and safety of its employees, contractors and students;
  - overseeing INSEARCH policies, which are developed in line with the "Policy and Procedure Development Policy"; and
  - communicating clearly the Board delegations to management.
- 7.2. All Directors are entitled to be heard at all Meetings and to the extent practicable, should bring an objective judgment to bear in decision-making.
- 7.3. Management is responsible for implementing the strategic objectives and operating within the risk appetite set by the Board and for all other aspects of the day-to-day

running of INSEARCH. It is also responsible for providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

7.4. The Board should regularly review the division of functions between the Board and management to ensure that it continues to be appropriate to the needs of INSEARCH.

## **8. CHAIRPERSON**

The Chairperson is appointed by the Board and should be an independent director and, in particular, should not be the same person as the Managing Director/CEO of INSEARCH. The Chairperson is responsible for:

- ensuring compliance with this charter;
- managing the conduct of meetings;
- leadership of the Board;
- overseeing the Board in the effective discharge of its role;
- the efficient organisation and conduct of the Board's function and meetings; and
- facilitating the effective contribution of all Directors.

## **9. MANAGING DIRECTOR/CEO**

The Managing Director/CEO is responsible for the day to day management of the operation of INSEARCH in accordance with the general policies and specific directions of the Board. It is the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

More specifically, the Managing Director/CEO is responsible for:

- working with the Board to build an appropriate organisational culture and values;
- appointing the senior management team in consultation with the Board;
- authorising all employment contracts;
- developing INSEARCH's strategy for review and approval by the Board;
- working with the Board to determine long term and short term objectives;
- implementing the Board approved strategy; and
- keeping the Board appropriately informed of the operations of INSEARCH.

## **10. COMPANY SECRETARY**

The Company Secretary supports the effectiveness of the Board and its committees and is mainly responsible for:

- advising the Board and its committees on governance and legal matters;
- monitoring that Board and committee policy and procedures are followed;
- coordinating the timely completion and distribution of Board and committee papers;
- ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
- assisting with organising and facilitating the induction and professional development of directors.

Each director should be able to communicate directly with the Company Secretary and vice versa.

## 11. PERFORMANCE

To determine whether it is functioning effectively, the Board shall:

- review this Charter every two years;
- perform an evaluation of its performance at intervals considered appropriate by the Chairperson, but at least every two years;
- review the Director's performance including the Managing Director/CEO;
- review the Chairperson's performance via a suitable non-executive director after having canvassed the views of the other directors;
- review the Board Capabilities Matrix every two years; and
- review the performance of the Board subcommittees every two years.