



Rural & Remote Medical Services Ltd.

An Australian Health Charity Since 2001

Corporate Governance Charter

(as revised 22 December 2020)

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Corporate Governance Charter

Purpose

1. This document sets out the broad principles by which the Board will govern Rural and Remote Medical Services Limited (the **company**), the procedures relating to the management of the Board, and the nomination and appointment of directors and officeholders.

Preliminary

2. Governance is the system by which the **company** is directed, and by which management is held accountable, to ensure that the **company** ethically and effectively meets its strategic and charitable objectives and the expectations of its directors, stakeholders and the community.
3. In a complex and rapidly changing environment, the Board believes that:
 - a) management must be empowered with the authority and flexibility to drive the company towards the achievement of its strategic and charitable objectives; and
 - b) management should be exercised within a framework of effective accountability.
4. The primary role of the Board is to set the strategic direction of the **company** and to seek accountability from the management.
5. Within this framework, the Chief Executive Officer and staff of the **company** have the flexibility to focus their attention and energies on the effective operational management of the company to achieve the company's strategic and charitable objectives.

Principles

6. Obligation to Stakeholders and Beneficiaries

- 6.1. The **company** represents a range of interests including the people of the regions and towns which it serves.
- 6.2. The Board is responsible for advancing the objects for which the **company** was established, and for protecting and enhancing director value, as well as to ensuring that the **company** fulfils its obligations and responsibilities to its other stakeholders.

7. Transparency

- 7.1. The Board has a responsibility to explain its strategies, policies and associated actions to its directors and other stakeholders. Transparency implies a responsibility to ensure maximum appropriate disclosures without jeopardising the **company's** strategic interests. Internally, transparency means openness in the **company's** relationship with its directors, staff, stakeholders and patients as well as the conduct of its business in a manner that will bear scrutiny.

8. Delegation and Accountability

- 8.1. Delegation allows staff of the **company** to use and develop their skills and knowledge to its full potential. Delegation has the potential to unleash creativity and innovation throughout the **company** by truly vesting decision-making powers at the most appropriate levels in the organisation. With delegation comes a responsibility to account for decisions and actions. The Board is accountable

to the directors and stakeholders on behalf of the **company** and the management is accountable to the Board.

9. Internal Control

- 9.1. Internal controls are the range of policies, procedures and guidelines that are designed to provide a framework within which decisions can be made and by which reasonable assurance can be provided to the Board regarding the achievement of the company's objectives.
- 9.2. Internal control is an essential element of effective governance and provides a framework of appropriate checks and balances to prevent the misuse of power, facilitate timely management response to change and ensure that business risks are pre-emptively and effectively managed.

10. Ethical Corporate Behaviour

- 10.1. The Board believes that the **company**, as a not-for-profit and charitable business, has a responsibility to set exemplary standards of ethical behaviour, both internally within the **company** as well as in its external relationships.

Roles

11. Role of the Board

- 11.1 Under the **company's** Constitution the Board acts for and on behalf of the **company** in the exercise of its functions. It has the control and management of the affairs of the **company**.
- 11.2 As directors, the **company's** Board establishes a clear strategy, including measurable objectives for the **company** to demonstrate how it is meeting its charitable objects, and seeks accountability from management for their implementation.
- 11.3 The Board exercises an appropriate level of control, facilitated where appropriate through its committees, to ensure that the **company** is managed in a manner that meets the **company's** statutory obligations and stakeholder expectations.

12. The role of Directors generally

- 12.1 This section should be read in conjunction with Section 47 of the Constitution. Directors act as fiduciaries on behalf of the **company's** directors and stakeholders in setting the strategic direction of the **company**, and the control of the **company's** affairs.
- 12.2 In particular, Directors are responsible for:
 - (a) attending and contributing to all Board meetings, and meetings of committees, on which they serve;
 - (b) nominating for and serving on committees of the Board for which they are eligible;
 - (c) being informed about factors affecting the **company's** strategic and operating environment, and the governance of the company;
 - (d) complying with the law and company policies and procedures;
 - (e) informing themselves about their obligations as Directors, including asking questions when they are not sure about their responsibilities;
 - (f) spending the time needed and meeting as frequently as necessary to discharge their responsibilities properly;
 - (g) reading, questioning and understanding the written materials and

- financial statements distributed to the Board;
- (h) challenging, where necessary, assumptions or recommendations presented to the Board;
 - (i) maintaining the confidentiality of confidential information and deliberations of the Board;
 - (j) maintaining solidarity with respect to decisions of the Board;
 - (k) representing the **company** and the Board in external and internal forums, including attending functions where possible;
 - (l) participating openly in any director or Board evaluation process and the evaluation of management.

13. The role of Independent Directors

- 13.1 An independent director is a director who is not an employee of the **company**, and who is free from any business or other relationship which could materially interfere with the unfettered and independent exercise of his or her judgment.
- 13.2 Independent directors play an important role on the Board by providing:
- (a) independent and objective contributions to proposals and the development of strategic plans and objectives;
 - (b) a clearer or wider view of external factors affecting the **company** and its business environment;
 - (c) objectivity in monitoring the accountability and compliance of the **company**;
 - (d) independence in monitoring the performance of management, especially with regard to the progress made towards achieving the determined strategy and objectives; and
 - (e) helping to connect the **company** and the Board with networks of potentially useful people and organisations.

14. The role of Chair of the Board

- 14.1 The Chair's primary role is to ensure that the Board is effective in exercising its responsibility for setting the **company's** direction and strategy and overseeing its implementation by management.
- 14.2 The main responsibility of the Chair is to provide leadership to the Board, including:
- (a) ensuring the Board focuses on its key tasks;
 - (b) ensuring an appropriate separation of governance and management responsibilities;
 - (c) acting in conjunction with the Chief Executive Officer as the **company's** representative which will involve the presentation of the **company's** aims to the outside world;
 - (d) chairing meetings of the Board including ensuring that the Board is fully informed and receives proper information;
 - (e) keeping track of the contribution of individual directors and ensuring that they are all involved in discussions and decision making;
 - (f) directing discussions towards the emergence of a consensus view and sum up discussions so that everyone understands what has been

agreed;

- (g) taking a leading role in determining the composition and structure of the Board;
- (h) advising and supporting directors in the performance of their responsibilities; and
- (i) supporting the Chief Executive Officer through regular weekly meetings to provide guidance, monitor performance and provide support.

14.3 The Chair is the official spokesperson for the **company's** Board and is the only director of the Board that may authorise a person to make public comment on the decisions of the Board or its internal procedures.

15. The role of Company Secretary

15.1 The primary role of the Company Secretary is to ensure that the all relevant business is put to the Board, the decisions of the Board are implemented and that the company complies with its legal obligations.

15.2 The Company Secretary is responsible for:

- (a) ensuring that the company maintains a list of the company's current policies, procedures and resolutions;
- (b) monitoring the company's compliance systems to ensure continuous compliance with its constitution and relevant legal obligations;
- (c) ensuring that the Board is provided with all necessary training (i.e. induction training and ongoing governance training);
- (d) maintaining a list of statutory reporting deadlines and ensuring the company complies with its reporting obligations to ASIC, the ATO and ACNC in accordance with the company's obligations;
- (e) overseeing the organisation of meetings of the Board (this includes the sending out of notices, the preparation of agendas, the compilation and distribution of board papers, the marshalling of proxies, and compilation of minutes);
- (f) ensuring compliance with the company's procedures of meetings, particularly the relevant provisions of the company's Constitution and replaceable rules regarding such things as quorum requirements, voting procedures and proxy provisions so as to be able to advise the Chair if the need arises;
- (g) ensuring an accurate record of declarations of interest or conflicts of interest made by directors to a Board meeting;
- (h) ensuring all newly appointed directors have signed a consent to their appointment, and retain those consents;
- (i) complying with the Board's instructions and communicate those instructions to other relevant company officers;
- (j) organising an annual general meeting;
- (k) ensuring that the register of directors is established and properly maintained;
- (l) maintaining the registered office of the company and ensuring that it is open to the public;
- (m) ensuring the company maintains appropriate (including directors' and

officers' liability) insurance and ensuring the company's property and assets are properly protected;

- (n) ensuring the execution by all directors and officers and the company of a Deed of Indemnity and Access;
- (o) monitoring statutory requirements that are relevant to the company's activities and ensure compliance with them.

15.3 The Company Secretary is appointed by the Board and is responsible to the Board on all governance matters. The Company Secretary advises the Board to ensure that the Corporate Governance Charter is duly followed, as well as the rules and regulations pertaining to the operation of the Board and governance of the **company**, and for coordinating the completion and despatch of Board and Committee agenda and briefing materials.

16. Role of Chairs of Board Committees

16.1 The Chair of each committee of Board has the same responsibilities as the Chair of the Board with respect to the operation of the committee.

17. Role of Chief Executive Officer

17.1 The Chief Executive Officer is accountable to the Board for promoting the interests and furthering the development of the **company** including:

- (a) providing strategic leadership to the **company**;
- (b) representing the **company** externally;
- (c) recommending the **company** strategy and associated plans to Board;
- (d) implementing the Board's approved strategy and associated plans consistent with the performance targets set by the Board;
- (e) reporting to the Board on the performance of the **company** against the **company's** strategy and associated plans;
- (f) reporting to the Board on all material matters that may affect the governance and management of the **company** or the achievement of the **company's** strategy and associated plans;
- (g) recommending to the Board policies and procedures relating to the staff of the **company** and the general supervision of all persons in the service of the **company**;
- (h) recommending to the Board policies relating to the administration and operation of the **company**, as well as the welfare of the patients and clients of the **company**;
- (i) managing risk and compliance consistent with statutory and organisational requirements;
- (j) ensuring the **company** complies with the law in Australia and all jurisdictions in which it operates;
- (k) implementing the resolutions of the Board and its committees;
- (l) ensuring there is an effective system of internal control over the financial and related operations of the **company**, including:
 - i) management policies and requirements;
 - ii) sound practices for the efficient, effective and economical management of functions by each area of the **company**;

- iii) a system of delegation, authorisation and recording of decision making and procedures adequate to provide accountability in relation to decisions, assets, liabilities, receipts and expenses;
- iv) proper segregation of functional responsibilities within the **company**;
- v) systems to ensure succession for key and other personnel;
- vi) procedures to review the adequacies of and compliance with the system

Responsibilities

18. Delegation

- 18.1 The "control and management" of the **company** is vested in the Board under the law. The Board may legally delegate its functions, powers and authorities to any director or committee of the Board or to any officer, or class of officers, of the **company**.
- 18.2 The Board may not, however, delegate its power of delegation or its primary responsibilities under the Constitution, Corporations Act or related legislation.
- 18.3 The approved delegations of the Board will be recorded in a Delegations Matrix which will be maintained by the Company Secretary.
- 18.4 The following principles apply to delegations:
- (a) a delegate may not exercise an authority that the Board does not have or exceed the authority conferred on the Board;
 - (b) delegations will be exercised subject to the policies and procedures approved by the Board or Chief Executive Officer from time to time;
 - (c) the Board may exercise any delegation granted to an officer or committee in its own right, or vary any decision of a delegate, and any contrary exercise is invalid to the extent of inconsistency;
 - (d) delegations must be exercised consistent with the statutory, legal and related obligations of the **company**;
 - (e) delegates may not exercise a delegation in respect of themselves or an activity or transaction from which they may obtain a workplace or personal benefit (for example the approval of their own travel, promotion, bonuses, salary, recruitment and leave);
 - (f) delegations will be aligned as closely as possible to responsibilities,
 - (g) delegations must specify the body, officer or class of officers to exercise the delegation;
 - (h) delegations must not be sub-delegated (that is, the delegation may not allow the delegate to nominate another person or body to exercise the authority);
 - (i) a written record of the exercise of all delegations will be maintained by each business unit of the **company**;
 - (j) delegations may be revoked, or a delegate subject to disciplinary action, where a delegate is found to have exercised a delegation improperly; and
 - (k) the Board reserves the right to disallow a decision made by a delegate, to such an extent as is practicable in the circumstances, in exceptional circumstances.

19. Conduct

- 19.1 Directors have the following primary duties in addition to those specified in the Corporations Act and at law:
- (a) act always in the best interests of the **company** as a whole, with this obligation to be observed in priority to any duty a director may owe to those electing or appointing him or her;
 - (b) act in good faith, honestly and for a proper purpose;
 - (c) exercise appropriate care and diligence;
 - (d) not improperly use their position to gain an advantage for themselves or someone else; and
 - (e) disclose and avoid conflicts of interest.
- 19.2 In making decisions, directors will:
- (a) inform themselves about the subject matter of the judgment to the extent they reasonably believe to be appropriate; and
 - (b) rationally believe that the judgment is in the best interests of the **company**.
- 19.3 Directors will observe solidarity with the resolutions of the Board and committees and co-operate in their implementation.
- 19.4 Directors will not engage in conduct likely to bring discredit upon the **company** or the Board.
- 19.5 Directors will at all times comply with the spirit as well as the letter of the law and with the principles of this Charter.

20. Strategy

- 20.1 Strategic planning is the process of identifying, choosing and implementing activities that will enhance the long-term performance of the **company** by setting direction, and by creating compatibility between the internal skills and resources of the organisation, and the changing external environment in which it operates.
- 20.2 The Strategy is approved by the Board on recommendation of the Chief Executive Officer.
- 20.3 The Chief Executive Officer will consult with the Board at the commencement of the strategic planning process in formulating the priorities and recommendations for consideration of the Board.
- 20.4 The Board is responsible for ensuring that:
- (a) the **company** strategy and associated plans are consistent with the object of the **company** and the law;
 - (b) objectives and priorities are developed with appropriate analysis of the **company's** circumstances and external environment and with appropriate rigor;
 - (c) the objectives and priorities are consistent with organisational values and capabilities;
 - (d) resources are sufficient to implement objectives and priorities,
 - (e) there is a clear alignment between the **company's** objects and strategy;
 - (f) performance indicators contained in the plans are clear and measurable and provide the Board with a clear foundation on which to assess the

success of the **company** in meeting its objectives.

- 20.5 The Chief Executive Officer is accountable to Board for company performance as gauged by the Performance Indicators in the **company** strategy and associated plans.

21. Risk and Compliance

- 21.1 The Board is responsible for the approval and maintenance of the **company's** risk plan which includes the identification of significant business risks and risk tolerance. The Board approves the risk management policy and compliance management plan that sets out the tolerances of the Board to the assumption of risk and processes for the management and mitigation of risk and management of compliance. The Audit and Risk Committee reviews the major risks affecting the **company** and oversees management strategies to mitigate these risks. The Chief Executive Officer is responsible for immediately reporting any significant risk that arises to the Chair and to the Board.

22. Policies

- 22.1 The Board is responsible for the approval and maintenance of policies. The Chief Executive Officer is responsible for the approval and maintenance of associated procedures.

23. Confidentiality

- 23.1 Board directors must observe confidentiality regarding all Board and committee matters and all confidential information received by a Board director in the course of the exercise of their duties.
- 23.2 All information received by a Board or committee director in the course of fulfilling Board or committee duties must be regarded as confidential and remains the property of the **company**.
- 23.3 A Board or committee member will not disclose information, or allow it to be disclosed, to any other person unless that disclosure has been authorised by the **company** or is required by law to be disclosed.
- 23.4 Authorisation by the **company** will be presumed where and to the extent that Board or Committee minutes convey, either expressly or implicitly, that it is intended that disclosure should be made to third parties.
- 23.5 Any director in any doubt as to their obligations of confidentiality or in relation to any matter of disclosure should consult with the Company Secretary prior to making any disclosure.

Composition of the Board

24. The Board will appoint directors to ensure that it has an appropriate balance of skills, qualifications and experience and a range of backgrounds. Each director should have a demonstrated understanding and commitment to the objects and values of the **company** and should add value to the work of the Board and work well with other directors.
25. The Board should comprise at least one director with financial skills and qualifications, and at least one director with commercial skills and qualifications, at all times.

26. Director skills, qualifications and experience

- 26.1 For effective performance, individual directors and the Board as a whole need to have a broad range of skills, qualifications, experience and key personal attributes.
- 26.2 Key personal attributes include:
- (a) accountability and integrity;
 - (b) innovative, entrepreneurial, and preparedness to take considered risks;
 - (c) strategic with sound judgment;
 - (d) self-confidence and personal reflectiveness;
 - (e) effective in working with a team;
 - (f) excellent networking ability that the director is actively prepared to engage on behalf of the **company**;
 - (g) commitment to the objects of the company and the health of rural, remote and Indigenous communities.
- 26.3 A majority of the Board will be independent directors who possess specific skills, qualifications and experience that are relevant to the achievement of the **company's** mission, the development of the **company** and the effective oversight of the performance of management.
- 26.4 The Board will discuss and agree selection criteria for appointment to each vacancy in the directorship of the Board prior to seeking expressions of interest from potential candidates and will appoint directors having regard to the selection criteria.
- 26.5 In deciding the skills, qualifications and experience needed by the Board the Nominations and Corporate Governance Committee will have regard to the **company's** long-term mission and the particular requirements of the **company**, including:
- (a) the role and objects of the **company**;
 - (b) the effective management and oversight of the **company's** financial, commercial and investment activities;
 - (c) the functions and primary responsibilities of the Board as set out in the law;
 - (d) the effective management conflicts of interests.
- 26.6 No director may participate in any decision with respect to his or her own appointment or re-appointment to the Board, including the recommendation or approval of selection criteria for appointment.
- 26.7 Directors will not be appointed solely on the basis of functional skills, qualifications or experience. All directors must demonstrate that they possess the key personal attributes required for effective board performance.

27. Participation by specific groups

- 27.1 The Board acknowledges that it works on the traditional lands of a wide range of Indigenous nations, and that more than 25 percent of its patients are Indigenous. The Board is therefore committed to ensuring that at least one director is an Indigenous person.

28. Re-appointment of Directors

- 28.1 Re-appointment to the Board or its committees is not automatic.

- 28.2 To be considered for re-appointment a director must meet the selection criteria determined by the Board and the directorship requirements set out in this Charter and have performed to a high standard during their previous term. This may include, but is not limited to, compliance with attendance requirements for meetings, the level of effective contribution and the extent to which the director has advanced the **company's** interests through their networks.
- 28.3 It is important that the Board facilitate a regular turnover of directors to inject fresh ideas and enthusiasm into the Board, while balancing the need to retain a proportion of directors with the necessary skills, qualifications, experience and corporate knowledge, and the need for succession planning or management of the **company** through periods of transition and change.

Board Committees

29. The Board may establish committees from time to time to assist it in the governance of the **company**.
30. The specific functions of committees will be set out in the committee charters approved by the Board. These charters are included in the appendices of this document.

Conduct of Meetings

31. All meetings are conducted in accordance with the rules established by the Constitution. The rules aim to ensure the fair participation of all directors in decision making and a clear and consistent process of authorisations under the law.

Executive Committee Charter

Roles and Responsibilities

The Executive Committee shall exercise the following functions for and on behalf of the Board, and in the name of the Board:

- a) Monitor and oversee the financial performance of RARMS including cash flow, creditors and debtors, investments, practice and business financial performance and solvency risks (operational financial oversight as opposed to systematic evaluation of the financial strategy and direction);
- b) provide advice on matters referred by the Chief Executive Officer between meetings of the Board;
- c) approve matters between scheduled meetings of the Board that are otherwise within the reserved delegated authority of the Board where:
 - i. a matter requires urgent approval, and
 - ii. the motion cannot be deferred to the next meeting of the Board.
 - iii. approve expenditure in regard to any single item that exceeds the delegated limit of the CEO;
 - iv. approve the affixing of the Common Seal of RARMS to a deed of agreement or other instrument.
- d) Despite the above, the Committee may not exercise the following functions of the Board:
 - i. approval of the appointment or removal of a member of the Board or Committee;
 - ii. approval of a delegation of any function that may not be delegated by the Board;

Other committee objectives

In relation to finance specific objectives of the Executive Committee are:

Other functions of the Committee are to:

- a) undertake a broad environmental assessment, which might identify emerging trends and other opportunities or threats, for further interpretation by the Board and/or management; and
- b) provide advice and recommendations to the Board and/or management in relation to key emerging issues to assist with future planning.

The Committee shall exercise such other functions as may be conferred on the Committee under a resolution of the Board.

Authority

The Board authorises the Executive Committee, through the Executive Committee chair, to:

- retain independent consultants to advise the Executive Committee or assist in the conduct of its business;
- seek any information it requires from employees, who are directed to co-operate with the Executive Committee's requests, or from external parties.

Composition

The Committee shall comprise 3 members:

- a) The Chair or Acting Chair (or the nominee of the Chair who must be a director)
- b) The Deputy Chair or the Acting Deputy Chair (or the nominee of the Deputy Chair who must be a director);
- c) A director appointed by resolution of the Board.

The Committee will be supported by an Executive Officer appointed by the Company Secretary.

Invitees

Non-members may attend meetings by invitation of the Executive Committee, including the:

- The Chief Executive Officer or Acting (who shall not be a voting member, or their nominee); and
- The Group Manager, Financial Sustainability and Management.

These people may take part in the business of, and discussions at, the meeting but have no voting rights.

Meetings

The Executive Committee will regularly but at least monthly and, additionally, as the committee considers necessary.

A quorum will be two voting members.

All Executive Committee members are expected to attend each meeting in person, or through other approved means, such as teleconference or video conference.

The Executive Committee may invite other people to attend as it sees fit and consult with other people, or seek any information it considers necessary, to fulfil its responsibilities.

Ordinary meeting of the Executive Committee will be by circular resolution.

Voting

Any matters requiring decision, will generally be decided by consensus, or if consensus is not achievable, then the matter will need to be referred to the Board.

Conflicts of interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to

have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

Secretariat duties

Ordinary minutes of the Executive Committee will be by circular resolution.

Minutes

A circular resolution should contain the necessary background in relation to the matter, a form of motion proposed in relation to the matter and a section which is to be completed by members and returned by a specified deadlines which states they agree or disagree with the motion.

A circular resolution will be conducted by electronic means.

Reporting to the Board

A member of the Committee may, where a matter is dealt with by circular resolution, move that the matter be referred to the Board by sending a copy of the motion to Company Secretary by electronic means requesting the matter is referred.

The chair of the Executive Committee is to report to the Board at its next meeting. Such reporting may be by distribution of a copy of the minutes, supplemented by other necessary information, including recommendations requiring Board action and/or approval.

Reviews

The Executive Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the chair. The assessment may seek input from any person. Training needs will be monitored by the chair.

The Executive Committee should review this charter and its composition annually, to ensure that it remains consistent with the Board's objectives and responsibilities. The Board should consider the committee's review and either approve or further review the committee's charter and/or composition.

Nominations and Corporate Governance Committee Charter

Roles and Responsibilities

The role of the board Nominations and Corporate Governance Committee is to assist and advise the board of directors in fulfilling its responsibilities to members of the company on:

- a) matters relating to the structure and composition of the board;
- b) board and committee remuneration;
- c) matters relating to chief executive remuneration, selection and performance;
- d) other matters as required

It is not a policy making body, nor does it have substantive executive function in its own right.

Other committee objectives

The objectives of the committee include:

- a) provide assurance that the board has the appropriate composition, size and commitment to discharge its responsibilities and duties;
- b) conduct searches for new board members and recommending preferred candidates to the board;
- c) assess the extent to which the necessary and desirable and desirable competencies are represented on the board;
- d) recommend required board competencies number and profiles of board members;
- e) ensure that the board succession plans are in place to maintain the required mix of skills and experience;
- f) review the nominations received by members who wish to be appointed to the board in accordance with the criteria and guidelines set out below;
- g) continually monitor board membership and structure to ensure that there is appropriate representation on the board from across the membership;
- h) develop a process for evaluating the performance of the board;
- i) conducting searches for the Chief Executive Officer (CEO) and recommending preferred candidates to the board;
- j) ensuring CEO succession plans are in place;
- k) evaluating the performance of the CEO.

Authority

The Board authorises the Nominations and Corporate Governance Committee, through the Nominations and Corporate Governance Committee chair, to:

- retain independent consultants to advise the Nominations and Corporate Governance Committee or assist in the conduct of its business;

- seek any information it requires from employees, who are directed to co-operate with the Nominations and Corporate Governance Committee's requests, or from external parties.

Composition

The Nominations and Corporate Governance Committee is a committee of the Board.

The Nominations and Corporate Governance Committee will consist of at least three members of the Board. The Board will appoint Nominations and Corporate Governance Committee members and the chair of the committee. The chair of the committee must be non-executive and independent.

Membership of the Nominations and Corporate Governance Committee will be reviewed annually and members are eligible for reappointment. Membership will be confirmed annually by the Board in alignment with the annual general meeting.

The Committee will be supported by an Executive Officer appointed by the Company Secretary.

Invitees

Non-members may attend meetings by invitation of the Nominations and Corporate Governance Committee, including the:

- Chief Executive Officer;
- Company Secretary;

These people may take part in the business of, and discussions at, the meeting but have no voting rights.

Meetings

The Nominations and Corporate Governance Committee will meet twice a year and, additionally, as the committee considers necessary. The Committee shall adopt an Annual Work Plan to address the matters within its scope and responsibility.

A quorum will be more than half the members. In the chair's absence from a meeting, the members present will select a chair for that particular meeting.

All Nominations and Corporate Governance Committee members are expected to attend each meeting in person, or through other approved means, such as teleconference or video conference.

The Nominations and Corporate Governance Committee may invite other people to attend as it sees fit and consult with other people, or seek any information it considers necessary, to fulfil its responsibilities.

The notice and agenda of a meeting will include relevant supporting papers.

Voting

Any matters requiring decision, will generally be decided by consensus, or if consensus is not achievable, then by a majority of votes of members present.

Conflicts of interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to

have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

Secretariat duties

The Company Secretary (or other appropriate designated person) will act as secretary to the Nominations and Remuneration Committee. The secretary will assist the chair to develop and distribute agendas, papers, minutes and calendar.

Minutes

Minutes must be prepared, approved by the chair and circulated to the members within two weeks of a meeting. They must be ratified and signed by the chair, at the next meeting of the committee.

Reporting to the Board

The chair of the Nominations and Corporate Governance Committee is to report to the Board following each committee meeting. Such reporting may be by distribution of a copy of the minutes, supplemented by other necessary information, including recommendations requiring Board action and/or approval.

The chair is to organise the supply of information regarding the Nominations and Corporate Governance Committee which is to be included in the company's annual report. The report should include:

- a) a summary of the work the Committee performed to fully discharge its responsibilities during the preceding year;
- b) details of meetings, including the number of meetings held during the relevant period, and the number of meetings each member attended.

Reviews

The Nominations and Corporate Governance Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the chair. The assessment may seek input from any person. Training needs will be monitored by the chair.

The Nominations and Corporate Governance Committee should review this charter and its composition annually, to ensure that it remains consistent with the Board's objectives and responsibilities. The Board should consider the committee's review and either approve or further review the committee's charter and/or composition.

Audit and Risk Committee Charter

Roles and Responsibilities

The Audit and Risk Committee assists the Board in carrying out its duties by providing independent and objective review, advice and assistance in developing Board policy and monitoring corporate activity within the scope of its remit and making recommendations to the Board for resolution. It is not a policy making body, nor does it have substantive executive function in its own right.

The role of the committee includes assisting the Board in the **company's** governance and exercising of due care, diligence and skill in relation to risk assessment, treatment strategies and monitoring. Consistent with the **company's** determined appetite for risk, it includes assisting the Board to understand risks, which may:

- a) impede the **company** from achieving its goals and objectives;
- b) impact on the **company's** performance;
- c) affect the health, safety or welfare of employees, visitors and others in relation to the **company's** operations;
- d) threaten compliance with the **company's** regulatory and legal obligations;
- e) impact on the community and the environment in which the **company** operates;
- f) impact on the **company's** reputation and that of its people;
- g) result in personal liability for company officers arising from the **company's** operations

Clinical risk is a major risk for the **company**. For this reason the Clinical Governance Committee will be a subcommittee of the Audit and Risk Committee. This ensures the clinical governance risk framework aligns with the overall risk management approach of the **company**.

Other committee objectives

The **company's** risk policy objectives will be achieved by company-wide implementation of effective risk identification, management and mitigation programs, including

- a) Monitoring and reviewing issues that may impede the goals, objectives and performance of the **company**
- b) Maintenance of an enterprise risk management framework and appropriate operational risk management frameworks based on industry accepted standards
- c) Maintenance of internal control systems in order to provide accurate, relevant, timely and reliable financial and operational information
- d) Monitoring and reviewing safety systems throughout the company's operations
- e) Monitoring of operations and maintenance of records to ensure compliance with company policies and regulatory requirements
- f) The reporting to the Audit and Risk Committee and Board on significant circumstances and risk related issues, which may materially affect the company

- g) Implementation of management systems and loss prevention and control measures directed at managing the potential for loss and damage to the **company**
- h) Management of insurance programs to ensure appropriate coverage by reputable insurers at competitive premium levels with regard to the **company's** circumstance and need
- i) Ensuring an appropriate risk-aware culture has been embedded throughout the **company**.

Audit activity in relation to the **company** (both internal and external) is a method of achieving the company's risk policy objectives that is the responsibility of the Audit and Risk Committee including:

- a) From time to time consider and make recommendations to the Board as appropriate on whether or not the Company should appoint internal auditors.
- b) Review the appointment and annual fees for the internal auditor as required.
- c) Be involved in the development of the internal audit programme. Review and approve the internal audit programme (including the audit scope and testing plan).
- d) Review internal audit reports and management responses to audit findings.
- e) Review and recommend the plan, scope of work, appointment and annual fees for the external auditor.
- f) Consider financial matters relevant to the Annual Financial Statements and the accounting policies adopted with respect to these.
- g) Review the Annual Financial Statements and make recommendations to the Board as appropriate.
- h) Review external audit reports and management responses to audit findings.
- i) Monitor implementation of audit recommendations.
- j) Report to the Board on matters of financial significance arising from audit activity.
- k) Meet with the auditors without management present, annually and as required.

Whilst the Executive Committee is responsible for operational financial oversight the Audit and Risk Committee is responsible for the management of financial risk in relation to the Board strategy. The specific responsibilities of the Audit and Risk Committee in relation to financial risk are:

- a) Review strategies, and make recommendations to the Board as appropriate on:
 - Financial policy and practices in accordance with generally accepted accounting principles
 - Systems to report accurate and consistent financial information to the Board.
 - Systems in place for financial management and budgeting.
- b) Approve significant organisational policies relating to finance management.
- c) Review and make reports to the Board on:
 - Any significant change in accounting policy;

- Any significant adjustment made to the financial statements as a result of the external audit;
- Any proposed departure from generally accepted accounting practices;
- d) Review financial matters, including significant assumptions and estimates relating to Annual Financial Statements, Interim Financial Statements, Forecasting and Budgeting Statements and make recommendations to the Board as appropriate.
- e) Review the processes in place designed to ensure that financial information included in the Company's annual report is consistent with the signed financial statements

Authority

The Board authorises the Audit and Risk Committee, through the Audit and Risk Committee chair, to:

- retain independent risk, actuarial, insurance or other consultants to advise the Risk Committee or assist in the conduct of risk related issues;
- seek any information it requires from employees, who are directed to co-operate with the Risk Committee's requests, or from external parties.

Composition

The Audit and Risk Committee is a committee of the Board.

The Audit and Risk Committee will consist of at least three, and usually no more than five, members of the Board. The Board will appoint Audit and Risk Committee members and the chair of the committee. The chair of the committee must be non-executive and independent and should not also be the chair of the Board.

Membership of the Audit and Risk Committee will be reviewed annually and members are eligible for reappointment. Membership will be confirmed annually by the Board in alignment with the annual general meeting.

Members should be conversant with risk management principles and standards, with the majority of members having a sound understanding of the business, operations and affairs of the **company** and the industry in which it operates.

The Committee will be supported by an Executive Officer appointed by the Company Secretary.

Invitees

Non-members may attend meetings by invitation of the Audit and Risk Committee, including the:

- Chief Executive Officer;
- Company Secretary;
- Group Manager, Financial Sustainability and Management.

These people may take part in the business of, and discussions at, the meeting but have no voting rights.

Meetings

The Audit and Risk Committee will meet bi-monthly with a minimum three times a year and, additionally, as the committee considers necessary. The Committee shall adopt an Annual Work Plan to address the matters within its scope and responsibility.

A quorum will be more than half the members. In the chair's absence from a meeting, the members present will select a chair for that particular meeting.

All Audit and Risk Committee members are expected to attend each meeting in person, or through other approved means, such as teleconference or video conference.

The Audit and Risk Committee may invite other people to attend as it sees fit and consult with other people, or seek any information it considers necessary, to fulfil its responsibilities.

The notice and agenda of a meeting will include relevant supporting papers.

Voting

Any matters requiring decision, will generally be decided by consensus, or if consensus is not achievable, then by a majority of votes of members present.

Conflicts of interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

Secretariat duties

The Company Secretary (or other appropriate designated person) will act as secretary to the Audit and Risk Committee. The secretary will assist the chair to develop and distribute agendas, papers, minutes and calendar.

Minutes

Minutes must be prepared, approved by the chair and circulated to the members within two weeks of a meeting. They must be ratified and signed by the chair, at the next meeting of the committee.

Reporting to the Board

The chair of the Audit and Risk Committee is to report to the Board following each committee meeting. Such reporting may be by distribution of a copy of the minutes, supplemented by other necessary information, including recommendations requiring Board action and/or approval.

The chair is to organise the supply of information regarding the Audit and Risk Committee (and its subcommittee) which is to be included in the company's annual report. This report should include:

- a) a summary of the work the Committee performed to fully discharge its responsibilities during the preceding year;
- b) a summary of the Company's progress in addressing the findings and recommendations made in internal and external reports;

- c) an overall assessment of the Company's risk, control and compliance framework, including details of any significant emerging risks or legislative changes impacting the Company; and
- d) details of meetings, including the number of meetings held during the relevant period, and the number of meetings each member attended

Reviews

The Audit and Risk Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the chair. The assessment may seek input from any person. Training needs will be monitored by the chair.

The Audit and Risk Committee should review this charter and its composition annually, to ensure that it remains consistent with the Board's objectives and responsibilities. The Board should consider the committee's review and either approve or further review the committee's charter and/or composition.

Clinical Governance Committee Charter

Roles and Responsibilities

The Clinical Governance Committee is a subcommittee of the Risk Committee.

The Clinical Governance Committee assists the Risk Committee in carrying out its duties by providing independent and objective review, advice and assistance in developing Board policy and monitoring corporate activity within the scope of its remit and making recommendations to the Risk Committee for resolution. It is not a policy making body, nor does it have substantive executive function in its own right.

The role of the Clinical Governance Committee includes assisting the Risk Committee in the **company's** governance and exercising of duty of care, diligence and skill in relation to clinical risk, consistent with the **company's** determine appetite for risk.

The **company's** clinical risk policy objectives will be achieved by company-wide implementation of effective clinical risk identification, management and mitigation programs, including

- a) Monitoring and reviewing clinical issues that may impede the goals, objectives and performance of the **company**
- b) Maintenance of a clinical risk management framework based on industry accepted standards
- c) Ensure risk assessment and management systems are in place; incident reporting and critical incident reviews are effective and in particular that lessons are being learned from the adverse events and near misses;
- d) Monitoring and reviewing clinical safety systems throughout the company's operations
- e) Monitoring of operations and maintenance of records to ensure compliance with company policies and regulatory requirements
- f) The reporting to the Risk Committee and Board on significant circumstances and clinical risk related issues, which may materially affect the **company**
- g) Ensuring an appropriate clinical risk-aware culture has been embedded throughout the **company**.

Authority

The Board authorises the Clinical Governance Committee, through the Clinical Governance Committee chair, to:

- retain independent risk, actuarial, insurance or other consultants to advise the Clinical Governance Committee or assist in the conduct of risk related issues;
- seek any information it requires from employees, who are directed to co-operate with the Clinical Governance Committee's requests, or from external parties.

Composition

The Clinical Governance Committee is a committee of the Board operating as a subcommittee of the Audit and Risk Committee.

The Clinical Governance Committee will consist of at least three, and usually no more than five, members of the Board. The Board, usually on the recommendation of

its Nomination and Corporate Governance Committee, will appoint Clinical Governance Committee members and the chair of the committee. The chair of the committee must be non-executive and independent.

Membership of the Clinical Governance Committee will be reviewed annually and members are eligible for reappointment. Membership will be confirmed annually by the Board in alignment with the annual general meeting.

Members should be conversant with clinical risk management principles and standards, with the majority of members having a sound understanding of the business, operations and affairs of the **company** and the industry in which it operates.

The Committee will be supported by an Executive Officer appointed by the Company Secretary.

Invitees

Non-members may attend meetings by invitation of the Audit and Risk Committee, including the:

- Chief Executive Officer;
- Company Secretary;

These people may take part in the business of, and discussions at, the meeting but have no voting rights.

Meetings

The Clinical Governance Committee will meet bi-monthly with a minimum three times a year and, additionally, as the committee considers necessary. The Committee shall adopt an Annual Work Plan to address the matters within its scope and responsibility.

A quorum will be more than half the members. In the chair's absence from a meeting, the members present will select a chair for that particular meeting.

All Clinical Governance Committee members are expected to attend each meeting in person, or through other approved means, such as teleconference or video conference.

The Clinical Governance Committee may invite other people to attend as it sees fit and consult with other people, or seek any information it considers necessary, to fulfil its responsibilities.

The notice and agenda of a meeting will include relevant supporting papers.

Voting

Any matters requiring decision, will generally be decided by consensus, or if consensus is not achievable, then by a majority of votes of members present.

Conflicts of interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

Secretariat duties

The Company Secretary (or other appropriate designated person) will act as Secretary to the Clinical Governance Committee. The secretary will assist the chair to develop and distribute agendas, papers, minutes and calendar.

Minutes

Minutes must be prepared, approved by the chair and circulated to the members within two weeks of a meeting. They must be ratified and signed by the chair, at the next meeting of the committee.

Reporting to the Board

The chair of the Clinical Governance Committee is to report to the Risk Committee following each committee meeting. Such reporting may be by distribution of a copy of the minutes, supplemented by other necessary information, including recommendations requiring Risk Committee action and/or approval.

The chair is to organise the supply of information regarding the Clinical Governance Committee to the Audit and Risk Committee to enable it to meet its annual reporting obligations.

Reviews

The Clinical Governance Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the chair. The assessment may seek input from any person. Training needs will be monitored by the chair.

The Clinical Governance Committee should review this charter and its composition annually, to ensure that it remains consistent with the Board's objectives and responsibilities. The Board should consider the committee's review and either approve or further review the committee's charter and/or composition.

Advisory Board Charter

Roles and Responsibilities

The role of members of the Advisory Board will be to:

- a) Attend Advisory Board meetings (usually no more than once or twice a year)
- b) Promote the mission, aims and activities of RARMS where you can within your networks and in particular:
 - Provide strategic advice to the Chair and CEO on the **company's** Strategy and various initiatives in order to successfully achieve the **company** mission and **company** initiatives
 - Assist in the provision of advocacy and strategic support to the **company**
 - Assist in the development of strong collaborative links (national and State) with relevant industry, business leaders, the community, government agencies, universities and research centres
 - Provide advice on potential funding opportunities, activities and strategies
 - Assist the **company** to maintain high visibility, partnerships and collaborations, and reputation in government, business and public domains

Authority

The Advisory Board members shall act in an advisory capacity only and will have no binding decision making authority or executive function in relation to the **company** and must comply with any regulations that may be approved for the Board of the **company**. All advice given to the **company** by the Advisory Board or its members is non-binding.

Composition

The Chair of the **company's** Board will act as the Chair of the Advisory Board.

Membership of the Advisory Board is voluntary and is by invitation only.

The Advisory Board will consist of at least three, and there is no set upper limit on membership.

Membership of the Advisory will be reviewed annually and members are eligible for reappointment. Membership will be confirmed annually by the Board in alignment with the annual general meeting.

Invitees

Non-members may attend meetings by invitation of the Advisory Board, including the:

- Directors;
- Chief Executive Officer;
- Company Secretary;
- Executive officers.

Meetings

The Advisory Board will meet no more than twice a year and, additionally, as the Advisory Board considers necessary.

The notice and agenda of a meeting will include relevant supporting papers.

Meetings will either be face to face or by such electronic means as are reasonably practicable. The Advisory Board may also make decisions out of session electronically.

A quorum for a meeting of the Advisory Board shall be 50% of its members. Issues arising at any meeting will be determined by a majority of votes of the members present. In the case of an equality of votes the chair shall have a second or casting vote.

Conflicts of interest

Members should act in the best interest of the organisation and not for personal gain.

Confidentiality

All information received by a member of the Advisory Board in the course of fulfilling their duties must be regarded as confidential and remains the property of the **company**.

A member will not disclose information, or allow it to be disclosed, to any other person unless that disclosure has been authorised by the **company** or is required by law to be disclosed.

Authorisation by the **company** will be presumed where and to the extent that Advisory Board minutes convey, either expressly or implicitly, that it is intended that disclosure should be made to third parties.

Any member in any doubt as to their obligations of confidentiality or in relation to any matter of disclosure should consult with the Company Secretary prior to making any disclosure.

Secretariat duties

The Company Secretary (or other appropriate designated person) will act as Secretary to the Advisory Board. The secretary will assist the chair to develop and distribute agendas, papers, minutes and calendar.

Minutes

A summary of discussion items will be prepared by the Secretary.

Reporting to the Board

The chair of the Advisory Board is to report to the Board following each meeting. Such reporting may be by distribution of a copy of the minutes, supplemented by other necessary information.