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Investor Group on
Climate Change

Board Charter and Code of Conduct

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Investor Group on Climate Change
ACN

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Document Version

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- (a) Board Members with an appropriate range of skills, experience, expertise, diversity and inclusion attributes;
- (b) Board Members who can understand and competently deal with current and emerging business issues; and
- (c) Board Members who can effectively review and challenge the performance of management and exercise independent judgment,

and the Board has established the Nomination Committee to assist with this process.

3.3 Each Board Member and senior executive is appointed by a formal letter of appointment setting out the key terms and conditions of their appointment to ensure that he or she clearly understands the IGCC's expectations of him or her including adherence to this Charter.

3.4 The Board will be comprised of Directors as follows:

- (a) four Officers (being the Chairperson, Deputy Chairperson, Treasurer and Secretary) comprised of Representatives of Full Members only, of which at least one must be an Asset Owner and one must be an Asset Manager;
- (b) a minimum of four and a maximum of ten Ordinary Directors appointed by resolution passed in General Meetings by Members entitled to vote at such meeting and comprised of Representatives of:
 - (i) a minimum of three and a maximum of six Full Members, of which at least one must be an Asset Owner and one must be an Asset Manager;
 - (ii) a minimum of one and a maximum of two Associate Members; and
 - (iii) a minimum of zero and a maximum of two Funding Partners; and
- (c) a minimum of one and a maximum of two AIGCC Full Members, being the chairperson and deputy chairperson of the AIGCC Board Committee who will sit ex-officio on the Board and who will be invited to attend the General Meetings by the Board in their capacity as Directors,

(together, the **Board Members**).

3.5 In accordance with the Constitution, the Board at a Board meeting will elect and appoint Directors to each of the Officer positions as follows:

- (a) only Directors who are Representatives of Full Members may nominate themselves for an Officer position;
- (b) if there is only one nomination for any Officer position then that Director shall be appointed to that office or if there is more than one nomination for any Officer position then the Board will hold a vote to elect and appoint a Director to that office;
- (c) all Officers must retire from office at the conclusion of the first Board meeting three years after the person was last elected or appointed to that office and is eligible for re-election or re-appointment in accordance with clause 3.5(b) above; and
- (d) no Director may hold more than one Officer position at any one time.

4. Purpose

As well as the legal and equitable duties owed by Board Members and senior executives, the purpose of this Charter is to:

- (a) assist the Board Members and senior executives to deliver effective governance by setting out their respective roles, responsibilities and authorities (both individually and collectively) and to assist in setting direction, management and control of the IGCC;
- (b) promote and articulate the high standards of corporate governance, honest integrity, ethical and law-abiding behaviour expected of Board Members and senior executives;
- (c) encourage the observance of those standards to protect and promote the interests of stakeholders of the IGCC (including Members, employees, customers, suppliers and creditors);

questions and raise issues of concern before a meeting so that management is prepared to address them.

- 7.5 Board Members must exercise independent judgment when making decisions.
- 7.6 The Board must have a standing agenda item with respect to AIGCC Board Committee matters.
- 7.7 At each Board meeting, time is to be allocated for the Board to meet without the presence of management (including any Board Member who is a senior executive of the IGCC).
- 7.8 Publicly, Board Members are expected to support the letter and spirit of Board decisions.
- 7.9 Board Members must keep Board information, discussions, deliberations, and decisions that are not publicly known, confidential.

8. Board Members' role and responsibilities

- 8.1 The Board acts in the best interests of the IGCC as a whole and is accountable to the Members of the IGCC for the overall direction, management and corporate governance of the IGCC.
- 8.2 The Board and the Board Members are responsible for:
 - (a) overseeing the IGCC, including its control and accountability systems, managing its finances and ensuring it operates transparently;
 - (b) appointing, removing and monitoring the performance of the chief executive officer, to whom day to day management and administration of the IGCC is delegated by the Board and if required of the senior executives;
 - (c) where appropriate, ratifying the appointment, removal and management remuneration of senior executives, organisational changes and senior remuneration policies and practices;
 - (d) monitoring senior executives' performance and implementation of strategy, and ensuring appropriate resources are available;
 - (e) providing strategic advice to management and approving management's corporate strategy and performance objectives and approving plans and policies;
 - (f) reviewing and approving applications for Membership in accordance with clause 8 of the Constitution;
 - (g) approving and monitoring the progress of major capital expenditure, and approving and monitoring financial and other reporting;
 - (h) reviewing and ratifying systems of risk management, internal compliance and control, and legal compliance to ensure appropriate risk compliance frameworks and controls are in place;
 - (i) monitoring and ensuring compliance with legal and regulatory requirements including reporting requirements and ethical standards and policies;
 - (j) reviewing and overseeing the implementation of this Charter for Board Members, senior executives and all other employees;
 - (k) monitoring and ensuring compliance with best practice corporate governance requirements; and
 - (l) taking reasonable steps to be accountable to the Members of the IGCC and provide the Members adequate opportunity to raise concerns about how the IGCC is governed by:
 - (i) communicating effectively with the Members;
 - (ii) as requested, providing Members with ready access to balanced and understandable information about the IGCC and its Objects; and
 - (iii) making it easy for Members to participate in General Meetings or any other meetings or communication forms between the Board and Members.
- 8.3 Together working as a Board, the Board Members must comply with their legal duties when discharging their responsibilities as Board Members. These duties are found under the [ACNC Governance Standards](#), specifically those found under Standard 5, being:

- 11.2 Where it establishes committees (including the AIGCC Board Committee), the Board must approve any charter or terms of reference of each committee setting out matters relevant to the composition, responsibilities and administration of the committee. Each committee will review its charter from time to time as appropriate.

12. Chairperson of the Board

- 12.1 The Chairperson of the Board:

- (a) is appointed by the Directors in accordance with the Constitution and this Charter; and
- (b) must not be the same person as the chief executive officer.

- 12.2 The division of the responsibilities of the Chairperson of the Board and the chief executive officer have been agreed by the Board and are set out in this Charter.

- 12.3 The responsibilities of the Chairperson, and in the Chairperson's absence, the Deputy Chairperson of the Board include:

- (a) providing leadership to the Board;
- (b) promoting the efficient organisation and conduct of the Board's functions;
- (c) ensuring the Board considers and adopts strategies designed to meet present and future needs of the IGCC;
- (d) ensuring the Board has an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (e) monitoring the performance of the Board;
- (f) facilitating Board discussions to ensure core issues facing the IGCC are addressed;
- (g) briefing all Board Members in relation to issues arising at Board meetings;
- (h) facilitating the effective contribution and ongoing development of all Board Members;
- (i) promoting constructive and respectful relations between Board Members and between the Board and management;
- (j) ensuring the Board regularly meets to consider the IGCC's performance and key issues facing it;
- (k) setting the agenda for the Board meetings after consulting with the chief executive officer; and
- (l) chairing General Meetings.

13. Chief executive officer

- 13.1 Responsibility for day to day management and administration of the IGCC is delegated by the Board to the chief executive officer and, where appointed, the executive team.

- 13.2 The chief executive officer manages the IGCC in accordance with the strategy, plans and policies approved by the Board.

- 13.3 The chief executive officer is appointed by the Board.

- 13.4 The chief executive officer must not be the same person as the Chairperson.

- 13.5 The responsibilities of the chief executive officer include:

- (a) developing and recommending to the Board strategies, business plans and annual budgets for the IGCC;
- (b) implementing the strategies, business plans and budgets adopted by the Board;
- (c) developing and managing resources, policies and systems to ensure the effective operation of the IGCC (including developing and implementing policies on risk management, internal controls and human resources);
- (d) managing resources within budgets approved by the Board;

17. Confidentiality

- 17.1 Any information acquired by a Board Member or senior executive while performing their duties is confidential information of the IGCC and must be kept confidential. Board Members and senior executives must not disclose the information to a third party except where that disclosure is authorised by the Board or required by law or a regulatory body.
- 17.2 Each Board Member's and senior executive's obligations of confidentiality continue after he or she leaves the IGCC.

18. Retirement of Board Members

- 18.1 Retirement of Board Members will be managed in accordance with the Constitution.
- 18.2 The Board will bear responsibility, or it may delegate such responsibility to a committee in accordance with the Constitution, for managing succession issues, seeking to balance continuity, corporate memory, collegiality, skill requirements, energy and other strategic factors and may do this on an ad hoc or structured basis.

19. Compliance with laws, regulations, policies and procedures

Each Board Member or senior executive must:

- (a) comply with the letter and spirit of any applicable law, rule or regulation;
- (b) comply with the protocols, policies and procedures of the IGCC; and
- (c) encourage other officers and employees to do the same.

20. Reporting of unlawful and unethical behaviour

The IGCC expects each Board Member and senior executive to report promptly and in good faith any actual or suspected violation by an officer or employee of the standards, requirements or expectations set out in this Charter.

21. Review of Charter

This Charter will be reviewed annually by the Board. Any changes to the Charter will be promptly communicated to all Board Members and senior executives.

22. Approved and adopted

This IGCC Board Charter was approved by the Management Committee of the Investor Group on Climate Change (Australian/New Zealand) on 11 November 2020, for immediate adoption at such time as IGCC Board is established


Date 20/5/2021
STEPHEN DUNNE
Chairperson of the Board of Investor Group on Climate Change