

Board Charter

Background

1. This Charter sets out the role, responsibilities, structure and processes of the Board of Directors of CoINVEST Limited ACN 078 004 985 (t/as **LeavePlus**). LeavePlus is a company limited by guarantee under the *Corporations Act 2001* (Cth) (**Corporations Act**). Each of the Directors of LeavePlus is also a member of the company. The liability of each member is limited under the Memorandum of Association to a maximum of \$1.00 (One Dollar).
2. This Charter addresses the role of the Board in the context of LeavePlus's role as trustee of the Construction Industry Portable Long Service Leave Fund (the **Fund**), which is part of a scheme for the provision of portable long service leave benefits for workers in the Victorian construction industry (the **Scheme**). The key responsibilities of LeavePlus in relation to the Fund and the Scheme are set out in the Construction Industry Long Service Leave Trust Deed (the **Trust Deed**), including the **Rules** in Schedule 2 of the Trust Deed, and in the *Construction Industry Long Service Leave Act 1997* (Vic) (the **Act**).

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Role of the Board

3. The role of the Board is to ensure the good governance of LeavePlus as trustee of the Fund, having regard to the Trust Deed, the Rules and the Act.
4. The Board is responsible for:
 - approving, and monitoring the implementation of, LeavePlus's **purpose, values, strategy and business plans**;
 - instilling a **culture of acting lawfully, ethically and responsibly** and monitoring the implementation of that culture;
 - approving LeavePlus's **Code of Conduct and other Governance and Compliance policies**, monitoring their effectiveness and addressing any material breaches;
 - approving and monitoring the effectiveness of LeavePlus's system of **corporate governance**, including the formation of Board committees and the terms of their applicable governing charters or terms of reference;
 - appointing a **Chair** and a **Company Secretary**;
 - **appointing and removing the CEO**, approving the **remuneration of the CEO** and overseeing the **performance review of the CEO**;
 - approving the **remuneration of other executives** and the **terms of enterprise agreements** with non-executive staff;
 - making provision for **succession planning** for the Board, for the CEO and for the executive team;
 - establishing a sound **risk management framework** and periodically review its effectiveness;
 - setting LeavePlus's **risk appetite** and monitoring and reviewing LeavePlus's **financial and non-financial risk management systems**, including **internal compliance and controls frameworks** to ensure major risks are identified and managed;
 - approving and monitoring **budgets**;
 - approving **major financial decisions**;
 - overseeing LeavePlus's **accounting and corporate reporting systems**, reviewing the effectiveness of these systems in ensuring they result in adequate, accurate and timely reporting and compliance with all aspects of the law;
 - appointing, re-appointing or removing **external auditors, internal auditors, asset custodians, asset consultants and actuary**, and approving their respective remuneration; and
 - overseeing the management of LeavePlus's interactions and communications with **stakeholders and the broader community**.

5. The Board will discharge its responsibilities in the best interests of beneficiaries of the Fund and in accordance with its other obligations at law and as trustee of the Fund, including under the Act, the Trust Deed and the Rules.

Role of Management

6. The day-to-day management of LeavePlus, including management of the Fund and the Scheme, is the responsibility of the CEO, supported by the executive team.
7. The Board delegates to the CEO all powers to manage the day-to-day business of LeavePlus, subject to those powers reserved to the Board in clause 4 and any specific delegations of authority approved by the Board.
8. The key responsibilities of the CEO are to:
 - manage and administer the day-to-day operations of LeavePlus in accordance with the purpose, values, strategy, business plans and policies approved by the Board;
 - develop strategies for LeavePlus, including the Fund and the Scheme, and make recommendations to the Board on such strategies;
 - develop LeavePlus's annual budget and conduct the company's activities within the approved annual budget;
 - develop and maintain LeavePlus's risk management systems, including internal compliance and control mechanisms and ensure LeavePlus is operating within the risk appetite set by the Board;
 - assign responsibilities clearly to the executive team and supervise and report on their performance to the Board;
 - recommend to the Board significant operational changes, and major capital expenditure, acquisitions and divestment, which are beyond delegated thresholds;
 - report regularly to the Board with accurate, timely and clear information, such that the Board is fully informed to discharge its responsibilities effectively;
 - implement the policies and processes approved by the Board;
 - together with the Chair, act as the public spokesperson for the Board and for LeavePlus;
 - exercise such additional powers as are delegated to the CEO by the Board from time to time; and
 - instil and reinforce LeavePlus's purpose and values to support a culture that promotes ethical and responsible behaviour.

Composition, Size and Structure of the Board

9. **Composition** – The composition of the Board will be determined in accordance with Article 20 of the Articles of Association of LeavePlus.
10. **Size** – The number of Directors on the Board shall be determined in accordance with Article 20 of the Articles of Association of LeavePlus and the requirements of the Corporations Act.

11. **Structure** – The Board shall consist of A Class, B Class and C Class Directors in accordance with Article 20 of the Articles of Association of LeavePlus.

Role of the Chair

12. The Board shall appoint a Chair of LeavePlus in accordance with Article 20.1© and Article 24.1 of the Articles of Association. The Chair must be one of the three C Class Directors. The Chair holds office until removed from office by the Board (Article 24.2 of the Articles of Association) or until they resign from office or are no longer a C Class Board member.
13. The role of Chair must not be held by someone who is performing the role of CEO (Article 41.1 of the Articles of Association).
14. If no Chair has been appointed, or if the Chair is not present at any Board meeting within ten minutes after the time appointed for the meeting, the Directors present must nominate another Director to act as chairperson in the Chair's absence (Article 34 of the Articles of Association).
15. The responsibilities of the Chair include:
- leading the Board;
 - setting the tone for the Board including a common purpose;
 - promoting constructive and effective relations between the Board and management and between Directors;
 - together with the CEO, acting as the public spokesperson for the Board and for LeavePlus;
 - ensuring the efficient organisation and conduct of the Board's function;
 - in consultation with the CEO and Company Secretary, setting the agenda for Board meetings;
 - ensuring that Directors have access to appropriate education and training, including an induction program;
 - facilitating open and constructive communication between Directors and encouraging all Directors to contribute to Board deliberations;
 - liaising with, and counselling as appropriate, other Directors;
 - overseeing and facilitating Board and Committee evaluation reviews and succession planning;
 - identifying conflict at Board level and facilitating the resolution of conflict through professional and courteous discourse; and
 - exercising such specific and express powers as are delegated to the Chair by the Board from time to time.
16. At LeavePlus, as in other companies, the relationship between the Chair and the CEO is critical to the effective operation of LeavePlus and the Scheme.
17. The Chair is expected to maintain an effective professional relationship with the CEO. The relationship between the Chair and CEO should:

- be collaborative, with a focus on transparency and clear communication, promoting mutual support and respect;
- involve ongoing mutual feedback, both formal and informal; and
- facilitate the provision of mentoring, advice and support to the CEO by the Chair, for and on behalf of the Board.

Company Secretary

18. The Board must appoint at least one secretary in accordance with Article 41.2 of the Articles of Association.
19. Appointment and removal of the Company Secretary is subject to Board approval.
20. The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
21. Each Director has a right of access to the Company Secretary at all times.
22. The role of the Company Secretary includes:
 - a. advising the Board and Board Committees on governance matters;
 - b. monitoring that Board and Committee policy and procedures are followed;
 - c. co-ordinating the timely completion and dispatch of Board and Committee papers;
 - d. ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
 - e. helping to organise and facilitate the induction and professional development of Directors.

Board Committees

23. The Board may from time to time establish a Committee in accordance with Article 35 of the Articles of Association.
24. The Board is responsible for approving and reviewing the terms of reference and membership of each Committee including any delegation of powers to the Committee.
25. The Board has established the following Committees:
 - a. Investment;
 - b. Audit, Risk & Compliance; and
 - c. Remuneration, People & Culture.
26. The Board may also establish ad hoc Committees from time to time for a specific purpose and with a limited life.
27. All Directors shall be entitled to attend meetings of Board Committees where there is no conflict of interest.

Board meetings

28. The Board shall meet at least eight times per year and otherwise as often as the Directors determine necessary to enable the Directors and the Board to fulfill their duties and responsibilities to LeavePlus.
29. The Board will hold an in-camera discussion without management present at each Board meeting, unless the Board agrees that it is not required for a particular meeting.
30. The Chair, or any two Directors, may at any time convene a Board meeting in accordance with and subject to the Article 30 of the Articles of Association.
31. The Company Secretary is responsible for distributing Board meeting papers to Directors prior to each meeting.
32. Unless a different quorum is required under the Corporations Act for a particular resolution, a quorum for a Board meeting shall be six members of the Board for the time being including at least 1 A Class Director, 1 B Class Director and 1 C Class Director, as required under Article 30.6 of the Articles of Association.
33. Matters for decision at a Board meeting are to be decided by a simple majority of the Directors present and voting (Article 31.1 of the Articles of Association), unless the Trust Deed or the Corporations Act requires that the matter be decided by special resolution.
34. The Chair is responsible for the conduct of all Board meetings, including briefing all Directors in relation to issues arising at Board meetings. The Chair does not have a casting vote in addition to their deliberative vote (Article 31.2 of the Articles of Association).
35. The CEO and the Executive will attend Board meetings unless any individual has a conflict (in which case that individual will not attend) or the Chair determines otherwise. Other members of management and/or parties external to LeavePlus may be invited to attend all or part of any meeting of the Board, as the Chair thinks fit.
36. Draft minutes of each Board meeting shall be prepared by the Company Secretary promptly following the meeting for review by the Chair.

Ethical Standards and Legal Duties

37. **Code of Conduct** – Directors must comply with the Board's Code of Conduct and the LeavePlus Code of Conduct and are expected to uphold the ethical standards and corporate behaviour described in those documents.
38. **Duties** – The Board will operate in a manner reflecting the values of LeavePlus and in accordance with its agreed corporate governance guidelines, the Memorandum and Articles of Association, the Corporations Act, the Act, the Trust Deed and the Rules, and all other applicable laws and regulations.
39. **Conflicts of interest** – Each Director has a fiduciary and statutory duty not to place themselves in a position which gives rise to, or is perceived to give rise to, a real or substantial possibility of conflict, whether it be a conflict of interest or conflict of duties.

In accordance with LeavePlus's Conflicts of Interest Policy, each Director is required:

- a. *to ensure that the Board is notified (whether by formal standing notice or notification to the Company Secretary or Board immediately on becoming aware) of any such conflicts of interest; and*

b. *if any matter is or likely to be brought before the Board which could give rise to such a conflict of interest, then the Director:*

- *shall disclose this to the Board;*
- *shall continue to receive Board papers or other information which relates to the matter which is the subject of the conflict of interest, unless the Director requests, or the Chair determines, that they shall not receive any or all of those documents;*
- *shall withdraw from any part of a Board or Board Committee meeting for the duration of any discussion; and*
- *not vote on the matter,*

unless a majority of Directors who do not have an interest in the matter resolve that the disclosed interest should not disqualify the Director.

40. **Act as fiduciaries** – The Board must support LeavePlus in its role as trustee of the Fund. This includes performing their duties and exercising their powers as Directors in the best interests of the Fund's beneficiaries and with due regard to the impact on other stakeholder groups including employers.

In accordance with the Corporations Act, the directors' duties are owed by the directors to LeavePlus. They must perform their duties in a manner which enables LeavePlus to discharge its fiduciary responsibilities under the law of trusts to the beneficiaries of the Fund.

41. **Access to management** – Directors may request information from management relating to matters within the Board's responsibilities. Requests between meetings should be limited and should generally be directed through the CEO or the Company Secretary to support the efficient day-to-day operations of the company.

42. **Confidentiality** - The Directors acknowledge that all proceedings of the Board and its Committees are strictly confidential and will not be disclosed to any person other than Board members, except as agreed by the Board, or as permitted in this Charter, or as required by law.

43. **A and B Class Directors and keeping nominee organisations informed** – A and B Class Directors may keep members of their **nominee** organisations informed of Board discussions in a general sense without the Board's prior approval unless the Board makes a majority decision that the information is confidential and cannot be disclosed in any respect.

Information that is subject to legal professional privilege must not be disclosed even in a general sense to nominee organisations without the Board's prior approval.

Any disclosure of information to a nominee organisation must be done on the basis that a Director's overriding duty is to act in the best interests of LeavePlus, and that a Director is obliged to perform their role as a director of the company in a manner which is consistent with the fiduciary duties of LeavePlus (as trustee of the Fund) to act in the best interests of the Fund's current and future beneficiaries.

Similarly, considerations of commercial confidentiality and privacy law should take precedence when a Director is determining what matters are disclosed to their nominating body. Therefore, Directors should keep such discussions with their nominating body in 'general terms' and avoid reference to specific persons or employers.

A Director should seek permission from the Chair prior to discussing matters relating to specific persons or employers.

The Board may, by majority decision, declare that a matter before it is confidential and cannot be discussed with any person outside of the Board.

44. **Board documents** – Directors must not publish or disseminate Board documents without the Board's prior approval.

Documents that have been produced to, or by, the Board, including but not limited to minutes of the meetings of the Board of LeavePlus, may not be shown or distributed to any person not on the Board.

A Director may request permission from the Chair to distribute a document to another person not on the Board. The Chair may exercise their discretion not to provide such permission.

45. **Board information** – Directors must not transcribe information from Board documents into other documents, such as emails, for the purpose of communicating with other people who are not on the Board.

46. **Professional development** – Directors must be committed to continuous improvement in their performance as Directors of LeavePlus through formal and informal education relevant to the key areas of LeavePlus's operations, consistent with the Directors' Training and Development Policy (as updated from time to time).

Board Performance

47. LeavePlus will formally review Board performance every three years, through a formal external review process to be determined by the Board.
48. Board performance will be reviewed informally on each year that a formal review is not undertaken.
49. A review of Board performance will also include that of the Directors and the Board's committees.
50. The Board will formally review the performance of the Chair 12 months after their appointment, and every 24 months thereafter.

Access to records

51. Directors have access to copies of Board and Committee papers relating to their tenure as a director, both during that tenure and for a period of seven years after they cease their role as a director.
52. Directors have a right to access papers corresponding to the time they spend on the Board. There is no right of access to papers relating to the time before the Director joined the Board.

Directors and Officers insurance

53. LeavePlus will provide Directors with appropriate Directors and Officers insurance.
54. LeavePlus maintains and meets the costs of Directors and Officers insurance on an annual basis to protect against the risks and costs of legal action being taken against LeavePlus, its Directors and its officers. Clause 11 of the Directors Deed provides further explanation.

Access and Independent Advice

55. The Board has authority to conduct or direct investigations into any matters within its responsibilities. The Board will have access to management for the purpose of seeking explanations and additional information.
56. The Board collectively, and each Director individually, may obtain independent professional advice at LeavePlus's expense, as considered necessary to assist in fulfilling their relevant duties and responsibilities.
57. Individual directors who wish to obtain independent professional advice should seek the approval of the Chair (acting reasonably) and will be entitled to reimbursement of all reasonable costs in obtaining such advice.
58. In the case of a request made by the Chair, approval is required by the Chair of the Audit, Risk and Compliance Committee.

Review of Charter

59. The Board will review the Charter on an as needs basis (at least biennial) to ensure that it meets best practice standards and meets the needs of LeavePlus.

Version	Policy Owner	Reviewer	Comments	Approved		Next review date
				By	Date	
1.3	Board	CFIO	Removal of IC delegation for appointing of asset custodians and consultants.	Board	21/5/2024	Aug-25
1.2	Board	Company Secretary	Update to LeavePlus format	NA	NA	NA
1.1	Board	Company Secretary	Minor wording changes for ease of understanding	Board	9/8/2023	Aug 2025
1.0	Board	Company Secretary	Substantive update to Charter to reflect best practice guidelines	Board	9/8/2022	Aug 2023