



Australian Government

Indigenous Land and Sea Corporation



The ILSC GROUP

Indigenous Land & Sea Corporation Board Charter

Purpose

1. This Charter sets out the composition and key processes of the Board of the Indigenous Land & Sea Corporation (ILSC), its key responsibilities and relationship with management, and the authority delegated to Board Committees. The provisions of this Charter are derived principally from the Aboriginal and Torres Strait Islander Act 2005 (**ATSI Act**), and the *Public, Governance and Performance Accountability Act 2013* (**PGPA Act**).

Board composition and size

2. Directors are appointed by the Governor-General on the nomination of the Shareholder Minister.
3. The Board consists of:
 - the Chair;
 - the Deputy Chair; and
 - not more than five other members; and
 - the Chair and at least four of the members must be Aboriginal persons or Torres Strait Islanders.

Director independence

4. The Board will regularly monitor the ongoing independence of each Director and the Board generally, to ensure that Directors continue to exercise unfettered and independent judgement. Specifically:
 - the Board will ensure that a Director does not have any interest that derogates from carrying out the role intended with diligence and care; and
 - the Board will establish and maintain a formal register of Directors' interests to ensure potential conflicts can be identified and managed.

Terms of service

5. Directors hold office on a part-time basis appointed for terms no longer than four years. Directors continue to remain Directors until either they resign or are removed by the Shareholder Minister.

Board key responsibilities

6. It is the role of the Board to decide the objectives, strategies and policies to be followed by the ILSC and to ensure that the ILSC performs its functions in a manner that is proper, efficient and consistent with sound business principles whenever it performs its functions on a commercial basis. The Board derives its authority from section 191W of the ATSI Act.
7. Under Section 193T of the ATSI Act, the Board may delegate any or all of its functions and powers to the Chief Executive Officer (CEO) or a member of staff of the ILSC.
8. In discharging those broadly defined roles, the Board's primary tasks include:
 - setting the strategic direction of the ILSC and identifying strategic opportunities and risks;
 - appointing the CEO;
 - overseeing the performance of the CEO in carrying out the delegated duties, responsibilities and authorities of the CEO, and supervising and evaluating the



performance of the CEO via a Board approved annual performance statement setting out performance measures;

- approving and reviewing the ILSC's budget, performance measures, both financial and non-financial, and input into the Federal Government's portfolio budget statements (PBS);
- determining ILSC policies and Code of Conduct, including the policy principles for establishing, directing and monitoring Board Committees, ILSC subsidiaries and policies relating to workplace health and safety and staff terms and conditions;
- monitoring and reviewing ILSC's performance, including the performance of subsidiaries against set objectives
- reviewing Board and Board Committee performance; and
- preparing and presenting an Annual Report to the Minister including an annual performance statement and financial statements for tabling in Federal Parliament.

Directors

9. Directors receive a formal letter of appointment from the Shareholder Minister. An induction pack is provided to Directors. Directors are expected to participate in any induction or orientation programme on appointment, and any continuing education or training arranged for them.
10. Directors will act at all times with honesty and integrity and observe the highest standards of ethical behaviour and in accordance with the ATSI Act and the PGPA Act.
11. Directors will carry out their duties in accordance with the law and the ILSC's corporate governance policies and procedures.
12. Directors are expected to avoid any action, position or interest that would conflict with an interest of the ILSC. A Director who has a material personal or business interest in a matter that relates to the affairs of the ILSC, and may give rise to a real or perceived conflict, must give the other Directors notice of such interest.
13. The Board (and, if required, each Director individually) may seek any independent professional advice it considers necessary to fulfil its responsibilities and to exercise independent judgment when making decisions. Such advice may be obtained at the ILSC's expense and independent of ILSC management, provided the consent of the Chair or the Deputy Chair is first obtained in writing.

Board Committees

14. The Board may from time to time establish Committees to discharge its responsibilities and support the Board in matters that require more detailed review.
15. There are currently two Committees:
 - Audit & Risk Committee; and
 - Nomination & Remuneration Committee.
16. It is intended that each non-executive Director will be appointed to at least one of these Committees.
17. Directors may attend any Committee meeting they wish to attend.
18. Where it is practicable to do so, the Board will undertake site visits to ILSC properties each year.
19. The Board shall adopt a Charter for each Board Committee setting out the matters relevant to the composition, responsibilities and administration of that Committee.
20. The Board may also delegate specific functions to Committees, as needed.



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Board Process

21. The Board will meet at least eight times per annum, one of which is intended to be the Board Strategy Day. In addition, the Board will meet whenever necessary to deal with urgent matters which might arise between scheduled meetings. Part of each scheduled meeting may be set aside to allow the directors to meet in private session (with only the Non-Executive Directors present).
22. The Chair may at any time convene a meeting; and shall convene a meeting when requested by at least two other Directors or the Deputy Chair.
23. Directors will discuss, debate, challenge and critique key strategy and ILSC issues at Board meetings.
24. Subject to clause 26, the required minimum number of directors for quorum and voting purposes is four Directors.
25. If necessary, a question shall be determined by a majority of votes of the Directors present and voting. The Director presiding has a deliberative vote and, if there is an equality of votes, also has a casting vote.
26. If because of section 29 of the PGPA Act a Director is not present at a meeting of the Board during a deliberation of the Board in relation to a matter, but there would be a quorum if the Director were present, the remaining Directors present constitute a quorum for the purpose of any deliberations or decision of the Board at the meeting in relation to the matter in accordance with Section 192J(3) of the ATSI Act.
27. Directors will not participate in discussions and will not vote on any issues in respect of which there is an actual, potential or perceived conflict of interest.
28. Directors must keep Board discussions and resolutions confidential, except where they are required by law to be disclosed.
29. The Board may conduct meetings in person, by telephone or videoconference, or by any other means of communication.
30. Directors are expected to attend, to be adequately prepared for, and to participate in each Board meeting.
31. Members of management may attend Board meetings at the Board's request to provide information within their areas of responsibility. The Board may invite external advisers to attend Board meetings where necessary or desirable.
32. The Board may seek any information the Board requires, whether directly or via one of its Committees, from any ILSC staff member or subsidiary staff member, or any external party.
33. The Board will on an annual basis undertake an assessment of its performance. The review will cover the performance of the Board as a whole, its Committees, the Chair, individual Directors, and the governance processes which support the Board's work. Where resolved by the Board, the review will be facilitated by an independent, external consultant.

Role of Chair

34. The Chair is responsible for leadership of the Board and for the efficient functioning and proper process of the Board. The Chair is appointed by the Shareholder Minister.
35. The Chair presides at all meetings at which the Chair is present. The Deputy Chair presides when the Chair is unavailable for any reason. If the Chair and Deputy Chair are not present at a meeting, the Directors present shall appoint one of the Directors present to preside.



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Role of the CEO

36. The CEO is responsible for the management of the day-to-day administration of the ILSC. In managing the ILSC and in exercising any powers delegated by the Board or the ATSI Act, the CEO must act in accordance with the written policies and directions of the Board.

Role of Corporate Secretary

- 37. The Corporate Secretary acts as Secretary of the Board, attending all meetings of the Board as required.
- 38. The Corporate Secretary reports directly to the CEO and is accountable to the Board, via the CEO, on all matters relevant to the Board.
- 39. The Board (and, if required, each Director individually) shall have direct access to the Corporate Secretary for specialist governance advice, may raise matters confidentially, and can access advice independently of ILSC management.
- 40. The Corporate Secretary is responsible for:
 - organising Board meetings and Director attendance;
 - co-ordinating the completion and distribution of the Board agenda and briefing materials;
 - preparing minutes and actions of the Board and seeking the Chair’s approval;
 - co-ordinating access to any independent professional advice that the Board (and, if required, each Director individually) requests;
 - organising and facilitating the induction and professional development of Directors; and
 - being a point of reference for dealings between the Board and Management.

Review and Publication of Charter

- 41. This Charter will be reviewed by the Board at least every two years.
- 42. The Charter is available on the www.ilsc.gov.au website.

ILSC Charter Signed by:
Chair, ILSC Board

Date: 14 June, 2023