



SUNDALE

CREATING COMMUNITIES SINCE 1963

CORPORATE  
GOVERNANCE  
STATEMENT

8/2020

# Table of Contents

1.0	Corporate Governance Framework	3
2.0	Directors Duties and Responsibilities	5
3.0	Governance Structure	9
4.0	Board Skills and Experience	10
5.0	Induction of Sundale Directors	14
6.0	Director Remuneration and Expense Policy	16
7.0	Board Meetings	17
8.0	Board and Committee Annual Calendar	19
9.0	Delegations and Referral	20
10.0	Performance Monitoring	21
11.0	Director Protection	23
12.0	Board Performance Evaluation	24

# Corporate Governance Framework

The business of Sundale Ltd (Sundale or Company) is managed under the direction of the Board of Directors (Board). Sundale is committed to operating under the highest possible standards of corporate governance.

The Board governs the Company within this governance framework. In particular, good governance requires the Board to balance the need for short-term performance with the vision to deliver long term strategy and initiatives in accordance with the Company's Constitution (Constitution). The Board has resolved to operate under the Australian Charities and Not for Profit Commission (ACNC) standards, the Australian Institute of Company Directors (AICD) Not for Profit Governance Guidelines and the Australian Government Aged Care Quality Standards, in particular Standard 8 – Organisational Governance.

This document outlines the Board's Corporate Governance Framework, which defines the respective roles, responsibilities and authorities of the Board, both individually and collectively, and the Board's ability to provide guidance to Management with respect to strategy, development and direction of Sundale. It establishes the guidelines within which the Directors, the CEO and other senior officers are to operate as they carry out their roles. It does not in any way constitute legal advice or act as a substitute for legal advice.

The purpose of this Corporate Governance Framework is to document the policies upon which the Board has decided to meet its legal and other responsibilities including delineating the roles and relationship between the Board, the CEO and the Company Secretary. The Corporate Governance Framework should be read in conjunction with the Constitution.

Additionally, the Corporate Governance Framework seeks to address Sundale's commitment to good governance in the aged care sector and to meet the requirements of the Aged Care Quality Standards, particularly Standard 8 (Organisational Governance) and the Charter of Aged Care Rights by:

- a) engaging with our consumers in the development delivery and evaluation of the care and services Sundale provides;
- b) promoting a culture of safe, inclusive and quality care and services; ]
- c) ensuring Sundale has systems in place relating to:
  - information management;
  - continuous improvement;
  - financial governance;
  - workforce governance, including clear assignment of responsibility and accountability;
  - regulatory compliance; and
  - feedback and complaints;
- d) having effective risk management systems and practices, which include:
  - managing high-impact or high-prevalence risks associated with the care of our consumers;
  - identifying and responding to abuse and neglect of consumers;
  - supporting consumers to live the best life they can;
- e) a clinical governance framework, which include:
  - antimicrobial stewardship;
  - minimising the use of restraint; and
  - open disclosure.

The Sundale Board has a strong commitment to diversity and inclusion. Diversity and Inclusion are considered when making Board appointments.

Finally, Sundale has established three clear Values under which the organisation operates:

- a) Accountability;
- b) Dignity, Respect and Choice; and
- c) Make a Difference.

# Director Duties and Responsibilities

The business of Sundale is managed under the direction of the Board. The Board is accountable for the strategy, performance, compliance and risk management of the Company.

The Board is responsible for the overall governance of Sundale including ensuring the continuity of the business and the long-term viability of the Company. Directors are required to ensure they devote sufficient time to properly perform their duties to the Company.

Directors also have a responsibility to ensure that they have an appropriate understanding of the complexities of the industry in which Sundale operates together with the industry's structure, operations, controls, regulatory obligations, current technology, types of transactions and political/economic environment in order to adequately assess the opportunities and risks faced by the sector and Sundale.

The Board is responsible for, and has authority to determine, the policy, practices, management and operation of Sundale and shall do all such things as may be necessary to be done from time to time in order to achieve the objectives of the Company.

## 2.1 The Board responsibilities include:

### Strategy, policies and governance

- a) Establishing and observing high ethical standards and approving higher level policies of the Company;
- b) Approving the strategic direction of Sundale and monitoring the implementation of that strategy by the Chief Executive Officer;
- c) Approving Board policy documents;
- d) Establishing and determining the powers and functions of all Committees of the Board to ensure their effective operation and performance against their Terms of Reference;
- e) Through its actions, holding responsibility for setting the cultural norms expected to be reflected throughout the Company;

### Management

- f) Appointing and removing the Chief Executive Officer;
- g) Appointment and removal of Sundale's Company Secretary;
- h) Recommend the appointment of the external auditor to the Members
- i) Monitoring the performance of the Chief Executive Officer, including in relation to the implementation of strategy and policies and ensuring appropriate resources are available;
- j) Oversight of Sundale, including its control and accountability systems;

### Financial

- k) Input to, final approval of, and monitoring performance against the corporate strategy, annual business plan and budget;
- l) Approving and monitoring the progress of major capital expenditure, capital management and property acquisitions / disposals under the Financial Authority Matrix and Infrastructure Approval and Review Process;
- m) Approving and monitoring financial and other reporting to stakeholders;
- n) Ensuring the Company's assets are safeguarded;
- o) Approving expenditure outside the approved budget and delegations;
- p) Appointing, and monitoring performance of external auditors

### Compliance and risk

- q) Ensuring appropriate mechanisms are in place to monitor compliance with all legal and regulatory obligations;
- r) Reviewing and ratifying systems of risk management and internal compliance and controls, codes of conduct, legal compliance and other significant corporate policies; and

- s) At least annually, reviewing the effectiveness of Sundale's implementation of its risk management systems.

**2.2** In discharging their duties, each Director must;

- a) Exercise care and diligence;
- b) Act in good faith in the best interests of Sundale (including in regard to conflicts of interest);
- c) Undertake appropriate training, including an induction to the Company;
- d) Not improperly use their position or misuse information of Sundale; and
- e) Commit the time necessary to discharge effectively their role as a Director.

**2.3** Other significant duties under the Corporations Act 2001 include:

- a) Solvent trading - directors have a duty to ensure that a company does not trade whilst insolvent or where they suspect it might be insolvent;
- b) Financial information – directors are required to take reasonable steps to ensure that a company complies with its specific obligations with regard to the keeping of financial records and financial reporting;
- c) Disclosing directors' interests - a director is required to disclose matters relating to the affairs of the company in which he/she has a material personal interest; and,
- d) Lodging information and continuous disclosure – there are specific requirements with respect to the lodgement of specified information with ASIC/ ACNC.

**2.4** In the unlikely event that there is an issue of dispute between two or more Directors, the Directors should first seek to resolve the issue. Should further assistance be required the Chair should be approached to assist to achieve a positive resolution.

**2.5** Sundale Directors are expected, where appropriate, to pursue business contacts to further Sundale's interests. Directors are expected to actively promote the Company in external interactions, acting positively and proactively.

**2.6** The Board will carry out its activities through the Chief Executive Officer and delegates to the Chief Executive Officer specific powers and responsibilities. Delegations to the Chief Executive Officer are contained in the "Role of the Chief Executive Officer" and reflected within the Financial Authority Matrix and Human Resources Authority Matrix reviewed and approved by the Board annually.

**2.7 Duties of the Chair**

- a) The Board shall also elect a Chair, who shall be appointed by the Board annually at the first Board meeting following the Annual General Meeting for a term as determined by the Board.
- b) When considering the roles and responsibilities of the Chair that are over and above the Directors duties, Sundale has taken guidance from the Australian Institute of Company Directors (AICD).
- c) The Chair will:
  - (i) be the major point of contact between the Board and the Chief Executive Officer;
  - (ii) be kept fully informed by the Chief Executive Officer on all matters which may be of interest to Directors;
  - (iii) regularly review with the Chief Executive Officer and such other senior officers as the CEO recommends, progress on important initiatives and significant issues facing the Company;
  - (iv) provide mentoring for the CEO;
  - (v) in conjunction with the Governance Committee, oversee the CEO evaluation process and report the outcome to the Board;
  - (vi) ensure through the Corporate Governance Committee that the annual process of Board and Director evaluation is undertaken;
  - (vii) set the tone for the board, including establishment of a common purpose;
  - (viii) encourage contributions by all board members and seeking consensus when making decisions;
  - (ix) In conjunction with the Governance Committee, plan for the succession of senior executives, including the CEO;
  - (x) Assist with selection of board committee members;
  - (xi) Communicate with members and major stakeholders on matters of corporate governance; and
  - (xii) Chair member meetings, - annual and general meetings (AGMs and GMs).

## 2.8 Duties of the Deputy Chair

- a) The Board shall also elect a Deputy Chair, who shall be appointed by the Board annually at the first Board meeting following the Annual General Meeting for a term as determined by the Board.
- b) Like the Chair, the Deputy Chair shall be selected by the Board on the basis of the person's achievements and record as a leader.
- c) The role of the Deputy Chair shall include:
  - (i) to undertake the role and responsibilities of the Chair whenever the Chair is absent, inconvenienced or otherwise unable to undertake their role and responsibilities; and,
  - (ii) to act as a sounding board and confidant for the Chair.

b) The Board will appoint the Company Secretary from time to time.

## 2.9 Duties of the Company Secretary

- a) The duties of the Company Secretary are articulated in the Corporations Act 2001 (Cth), and amongst other things it requires that the Company Secretary will:
  - (i) be responsible for the maintenance of minutes of Board meetings;
  - (ii) ensure that all requirements for annual and general meetings of the Company are complied with;
  - (iii) subject to provisions for shorter notice of a Board meeting, notify the Directors of the annual schedule of meetings;
  - (iv) ensure that the Board complies with its responsibilities of incorporation and the Constitution; table items of correspondence addressed to the Board, and issue correspondence on behalf of the Board; undertake the responsibilities allocated to the Company Secretary position under the Corporations Act 2001, including but not limited to ensuring that as required the Company
    - where required notifies ACNC about changes to the identities, names and addresses of the Company's Directors and Company Secretary;
    - where required notifies ACNC about changes to the register of Members; and
    - responds, if necessary, to an extract of particulars received and responds to any return of particulars that it receives; and, undertake other duties related to the role as required by the Board.

### 3.0

# Governance Structure

The Board believes that its structure should reflect the need for independence, transparency, flexibility, diversity and community interest. Under Clause 12.3 of the Constitution members of the company appoint a member to be a Director.

**3.1** The structure of the Board should comprise a total of up to nine (9) Directors (including Chair) under Clause 12.1 of the Constitution. The Board is elected by the Members under Clause 12.2. In accordance with the Constitution (Clause 12.5), the Board may also appoint Directors to fill a casual vacancy.

**3.2** A Director is appointed for a three year period under Clause 12.2 (a) and can be appointed for a maximum of three terms under Clause 12.2 (c).

**3.2** A Director shall not be an employee, resident or client of Sundale. It is also expected that Directors should be free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the Director's ability to act in the best interests of Sundale, which may include being involved in the value chain of the Company either upstream or downstream and being an advisor to the Company for fees or for some other benefit.

**3.3** The CEO will not be a Director.

**3.4** The Board should contain a blend of expertise or experience in areas such as but not limited to:

- a) finance and accountancy;
- b) property management and development;
- c) legal;
- d) business;
- e) health, medical or aged care; or
- f) community service.

# Board Skills and Experience

Sundale's purpose is to enable people to live the life they choose to live within a community that cares and is supportive. This is achieved by supporting consumers make choices about care and personal and social life.

Sundale has a range of purposes to help consumers choose the type of care they need. This includes providing support for consumers to remain in their own home through in-home care and service, the provision of retirement living accommodation and residential aged care and housing.

Governance of Sundale includes providing guidance and strategic direction for long term plans and growth, oversight of business operations, resource and risk management, monitoring of corporate compliance and guiding the company in meeting its accreditation and registration requirements, together with a shared commitment to Sundale and the aged care sector. In order to successfully meet these requirements, a diverse range of skills and expertise are required including:

- a) Financial management
- b) Legal
- c) Organisational management
- d) Human resources management
- e) Risk management
- f) Asset management
- g) Strategic planning
- h) Project management
- i) Property planning, design and development
- j) Knowledge of the community sector – aged care
- k) Aged care support services
- l) Stakeholder management
- m) Understanding of public and private sector decision making
- n) Information and communication technology

Whilst all of the above skills should be available to the board, it is not essential that the Directors possess each and every one of these skills. There is a maximum of nine Sundale Directors and external independent advice is available to the Directors to supplement Board and in-house expertise.

As a core of available expertise, the Sundale Directors will collectively include members that possess the skills and experience as detailed in the Board Skills Matrix.

In selecting new members, the Board will also take into account its current growth and development strategies and the skills that might be required to oversee these business plans.

## 4.1 Responsibilities

Sundale's Directors have primary responsibility for the oversight of the operations of the Company, including:

- a) the strategic direction and culture of the Company;
- b) financial operations and solvency;
- c) the welfare and interests of consumers and employees; and
- d) to ensure compliance with relevant laws and Company policies.

Sundale Directors are expected to have an understanding of their fiduciary duties and responsibilities with the primary responsibility of serving the needs of the Company, and indirectly its customers, employees, community and other stakeholders.

## 4.2 Conduct

In accordance with statutory requirements, and in keeping with developments at common law, Sundale Directors:

- a) will discharge their duties in good faith and with honesty in the best interests of the Company with the level of skill and care expected of a Director of a major company;
- b) owe a fiduciary duty to the Company using the powers of their office for proper purposes, in the best interests of the Company as a whole;
- c) will act with required care and diligence, blending and demonstrating commerciality, caring and reasonableness in their decisions;

- d) will avoid (or where this is not possible, manage) conflicts of interest;
- e) will not make improper use of information gained through their position as a Director;
- f) will not take improper advantage of their position of Director;
- g) will not, through action or words, cause detriment to the Company or otherwise bring discredit upon the Company;
- h) will make reasonable enquiries to ensure that the Company is operating efficiently, effectively and legally towards achieving its goals;
- i) will undertake diligent analysis of all proposals placed before the Board; and
- j) will, at all times, comply with the spirit as well as the letter of the law, the Constitution and with the principles of this document.

The Sundale Code of Conduct and Ethics Policy applies to all directors, employees, contractors and consultants working with and for the the organisation and sets out expected standards of behaviour. The policy sets out the standards of conduct and obligations of duty of care so that the highest standards of professional and personal conduct are maintained. The Board is informed of any related breaches of these codes and policies.

### 4.3 Dealings with the Chief Executive Officer

Recognising the importance of the relationship between the CEO and the Board of Directors to the overall good governance and interests of the Company, Directors are expected to provide frank and honest advice to the CEO, and vice versa. In the unlikely event that there is an issue of dispute, the Director and CEO should first seek to resolve the issue. Should further assistance be required the Chair should be approached to assist to achieve a positive resolution.

### 4.4 Delegations

- a) Directors decide what Company matters are delegated to either specific Directors, Board Committees or management, and what controls are in place to oversee the operation of these delegated powers.
- b) Directors have no individual authority to participate in the day-to-day management of the Company, including making any representations or agreements with member companies, suppliers, customers, employees or other parties or companies unless

such an authority is explicitly delegated by the Board through resolution to the Director either individually or as a member of a committee.

### 4.5 Confidentiality

- a) Directors will keep Board discussions and deliberations confidential, and shall, on ceasing to be a Director, return all Sundale documents and materials (howsoever held) to the Company Secretary.
- b) Directors are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, fully canvass all aspects of any issue confronting the Company and cast their vote on any resolution according to their own personal and individual decision. However, outside the boardroom, Directors will support the letter and spirit of Board decisions in any discussions with any other parties.
- c) Confidential information received by a Director in the course of the exercise of their duties remains the property of the Company from which it was obtained, and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided or is required by law. Any such disclosure shall be reported to the Board at the earliest opportunity and not later than the next Board meeting.

### 4.6 Conflict of Interest

Directors must:

- a) disclose to the Board actual, potential or perceived conflicts of interest which may exist or might reasonably be thought to exist by no later than the next Board meeting after the conflict arises; and
- b) at the request of the Board, within seven (7) days or such further period as may be allowed, take such steps as are necessary and reasonable to remove any conflict of interest referred to above.

If a Director cannot or is unwilling to remove a conflict of interest as required then they must absent themselves from the room when discussing matters about which the conflict relates. This entry and exit from a meeting should be minuted.

Directors will indicate to the Chair any actual, potential or perceived conflict of interest situation as soon as it arises, but not later than at the commencement of the Board meeting.

#### **4.7 Good Faith**

A Director or an Officer of the Company may commit an offence if they:

- a) are reckless; or
- b) are intentionally dishonest; or
- c) fail to exercise their powers and discharge their duties; or
- d) fail to act in good faith in the best interests of the Company; or
- e) fail to act for a proper purpose.

#### **4.8 Meeting Attendance**

- a) The Constitution allows the Directors to meet and regulate their meetings and proceedings as they think fit. The Directors usually agree on a schedule of meeting dates annually in advance. Directors should be in attendance at all meetings and a leave of absence should be sought from the Chair should attendance not be possible. The Board also has a number of Committees and all Directors are expected to participate in at least one Committee.
- b) The time commitment for Board and Committee meetings as well as attending education and training including conferences is typically up to 20 days per annum including reading and preparation time.

#### **4.9 Continuing Professional Development**

- a) Consistent with good Corporate Governance Practice, Sundale maintains a Continuing Professional Development Program for Directors.
- b) Directors are expected to attend education and training annually including that identified and approved for the individual Director including generic governance training provided by organisations such as the Australian Institute of Company Directors; as well as that provided to the Board as a whole; and involvement in a minimum of one industry related conference per annum.
- c) The Board has established a Corporate Governance Committee that is responsible for making recommendations to the Board on matters relating to ongoing education and development of Directors, review of Board, Committee and Director performance and other matters pertaining to general Board governance.

# Induction of Sundale Directors

- a) New Directors will undergo a full induction into their role on the Board. Information conveyed to the new Director will include:
- Details of their role and responsibilities with an outline of the qualities required to be a successful Director;
  - Formal policies on Director appointment as well as conduct and contribution expectations;
  - Details of all relevant legal requirements where applicable;
  - The Company's Constitution
  - A copy of this Corporate Governance Framework;
  - Code of Conduct;
  - Privacy and Confidentiality Policy;
  - The most recent Annual Report;
  - The current Risk Management Framework;
  - Sundale's Work Health and Safety Policy;
  - Aged Care Standards;
  - Guidelines on how the Board processes function;
  - Details of past, recent and likely future developments relating to the Board including anticipated known regulatory changes;
  - Any significant complaints and/or outstanding legal matters;
  - Background information on and contact information for key people in the Company including an outline of their roles and responsibilities;
  - An analysis of the current Company including:
    - Core competencies of the Company;
    - An industry background briefing;
    - Details of past financial performance;
    - Current financial structure;
    - Any other important operating information; and
  - A copy of the current strategic plan and business plan.
- b) Similarly, each Director will be required to complete a Consent to Act and execute the Sundale Governance Undertaking and will receive a notice of appointment that details in conjunction with the Corporate Governance Plan:
- Their terms of appointment;
  - Remuneration and review policy;
  - Access to information via the Board portal;
  - Insurance cover; and
  - Expectations of the Board.
- c) All new Directors will undergo an induction program and where possible and where thought appropriate will be provided with a Mentor, who shall be an experienced Director and shall be selected by the Chair. The new Director and their Mentor shall meet as determined by the Mentor and Director.

# Director Remuneration and Expense Policy

## 6.1 Remuneration

- a) A fundamental element of the corporate governance system for Sundale is the decision to remunerate Directors and the process and level of Director remuneration.
- b) The level of Director remuneration shall be set so as to attract the best candidates for the Board while maintaining a level commensurate with boards of companies of similar size and type.
- c) The process of setting Director remuneration shall be undertaken by the Corporate Governance Committee and may take into account committee member composition and comparisons with similar company director remuneration.
- d) The proposed Sundale Director remuneration shall be submitted to the Board by the Corporate Governance Committee and when such total Director Remuneration is greater than the amount previously approved at an Annual General Meeting it will be included as part of the Annual General Meeting in accordance with the Constitution.
- e) The mechanism through which the Director remuneration is paid will be determined through agreement between the Chief Executive Officer and the Corporate Governance Committee Chair, aimed at ease of processing for the Company.

## 6.2 Director Expenses

- a) From time to time individual Directors may incur expenses in performing their duties as a Board Member of Sundale. Such occurrences are deemed to be rare however, where practicable any such expenses should be approved by the Chair prior to the incurring of the expenditure.
- b) In order to receive reimbursement for approved expenses, the Director must submit an expenditure reimbursement form to the Chair for approval and payment. In the case of the Chair any expense reimbursement is to be approved by the Deputy Chair.

# Board Meetings

**7.1** Meetings shall be formally structured and held in appropriate facilities, in line with the Constitution. All Directors are entitled to be heard at all meetings and should bring an independent judgement to bear in decision-making. The Directors shall meet in private session as often as is considered necessary, one of which will be to formally assess the CEO's effectiveness.

**7.2** The Sundale Board will meet as frequently as is necessary for efficient and effective oversight of the company with a minimum of eight meetings per year.

Time, place and attendees:

- a) The Board will meet on days and dates as determined by the Board:
- b) Alternatively, a Board meeting can be convened when:
  - the Board or Chair determine and/or;
  - three (3) Directors call for a meeting.

In such situations, a minimum of seven (7) days' notice must be given.
- c) The meeting will occur at the Sundale Headquarters or other locations as determined by the Board.
- d) Attendees will comprise all Directors, the CEO as well as Executive Management Team members or other parties invited by the Board.
- e) A quorum of four Directors is required under the Constitution to convene a Board Meeting

## 7.3 Flying Minutes

- a) Any urgent decision that cannot wait until the next Board meeting can be dealt with through a "Flying Minute" or "Circular Resolution" which in essence is intended to be a teleconference or a meeting by email (an e-Meeting).

- b) Under an e-Meeting all Directors shall be notified via email of the issue(s) to be considered along with any supporting documentation, including the motion or recommendation upon which a vote is required.
- c) The requirements relating to Director "conflict of interest" considerations shall apply to all such meetings as if it was a normal Board meeting.
- d) Votes on the motion or recommendation are to be returned via email to the Company Secretary or designate within the prescribed time, at which time he / she shall advise Directors of the result of the vote by return email.
- d) The outcome of the vote shall be noted at the next Board meeting.

**7.4** Documents that the Board needs to consider:

- a) The Corporate Governance Framework
- b) Code of Conduct
- c) The Board Annual Agenda
- d) The Strategic Plan
- e) The Annual Business Plan
- f) The Annual Budget and performance against it
- g) The Risk Management Framework and reports on the effectiveness of Sundale's risk management
- h) Reports from the Audit Finance & Risk Committee
- i) Reports from the Chief Executive Officer on company performance against targets, budgets and key performance indicators
- j) Reports from the Corporate Governance Committee
- k) Reports from the Quality and Safety Committee
- l) Reports from the Infrastructure and Development Committee
- m) Policies requiring approval by the board
- n) Any notifications impacting on Accreditation and Registration

- o) An Annual Compliance Report
- p) The draft Annual Report
- q) Reports relating to breaches of the Code of Conduct
- r) Any complaints that have the potential to impact on Sundale's reputation
- s) Reports of non-compliance with legislative requirements.

Written records of meetings will be maintained in accordance with the Corporations Act and Sundale's Constitution.

Board papers will be distributed at least seven days in advance of any meeting.

**The Audit Finance and Risk Committee** will meet a minimum of four times a year. Terms of reference have been agreed by the Board.

**The Corporate Governance Committee** will meet a minimum of four times a year. Terms of reference have been agreed by the Board.

**The Quality and Safety Committee** will meet a minimum of four times a year. Terms of reference have been agreed by the Board.

**The Infrastructure and Development Committee** will meet a minimum of four times a year. Terms of reference have been agreed by the Board.

Other Board Committees may be established depending on Sundale current strategies and development and growth plans.

Written records of all Committee meetings will be kept as if they are full Board meetings and will be made available to the Directors at the next full board meeting.

8.0

# Board and Committee Annual Calendar

Towards the end of each calendar year the Board will set a Board and Committee programme for the following year. The programme will detail the reporting requirements and activities to be conducted by the Board and its Committees in order to meet the corporate governance requirements of the organisation.

9.0

# Delegations and Referral

**9.1** The Board, through the approval of the Delegations of Authority Policy and the Delegations Authority Matrix delegates responsibility throughout the Company. Decisions reserved to the Board are outlined in the Delegations of Authority.

# Performance Monitoring

## 10.1 Performance Indicators

The Board shall ensure that reporting functions required of the CEO address the performance indicators determined by the Board. It is noted that many issues outlined are covered through the Authority Matrices, or the Monthly Report.

## 10.2 Compliance

- a) The CEO is charged with implementing appropriate compliance systems within the Company, aspects of which may be delegated.
- b) In particular, the CEO is responsible for ensuring the Company is meeting its legal and regulatory requirements under all relevant laws and regulations and will notify the Directors of any issue or concern.
- c) The CEO will report exceptions to compliance where material at each Board meeting.
- d) Areas for coverage include but are not limited to exception reporting on matters involving:
  - Aged Care Quality Standards;
  - ASIC / ACNC requirements and compliance issues;
  - Financial (including short-term solvency and long-term sustainability);
  - Workplace health and safety;
  - Environment;
  - Taxation requirements or ATO compliance issues;
  - Trade practices;
  - Award and other workplace agreements;
  - Insurance;
  - Privacy.

## 10.3 Risk Analysis

- a) The CEO is charged with implementing appropriate risk systems within the Company reflecting the Risk Management Framework.

- b) The Board, through the Audit Finance and Risk Committee, is responsible for overseeing the implementation and use of an effective Risk Management Framework.
- c) Any issues of concern in relation to corporate risk will be raised at each Board meeting. Reporting shall be on an exception basis and focused upon those risks with a residual rating of "extreme" however management will continue to monitor residual rating of "high" and advise unforeseen developments.

## 10.4 Consumer Care

- a) The CEO is charged with implementing appropriate systems within the Company to ensure Sundale provides care and services in line with Sundale's Clinical Governance Framework and benchmarked to the requirements of the Aged Care Quality Standards reflecting the following:
  - providing safe, inclusive and quality, care and services across the Company;
  - engaging with Sundale's consumers in the development, delivery and evaluation of its care and services and providing mechanisms for feedback and complaints;
  - providing Sundale's staff, particularly senior officers and those directly engaged in the provision of care and services to consumers, with opportunities for continuous improvement.
- b) The Board, through the Clinical Governance Committee, is responsible for overseeing the implementation and use of an effective Clinical Governance Framework.

## 10.5 Information Technology

- a) The CEO is charged with implementing appropriate information technology systems within the Company to support the delivery of Sundale's services in accordance with the requirements of Sundale's Information Technology Framework.

## 11.0

# Director Protection

## 11.1 Information Seeking Protocol

Directors will adhere to the following protocol when seeking information:

- a) Approach the CEO or relevant Executive;
- b) If this is unsuccessful, discuss the issue with the Chair;
- c) If a resolution is still not forthcoming, write a letter to all Directors and the CEO detailing the information required, purpose of the information, and who the Director intends to approach in order to obtain the information; however
- d) A decision responding to the access question is concluded when voted upon at a Board meeting, with consequent and appropriate follow up action concluded.

## 11.2 Indemnification of Directors and Access

- a) The Constitution indemnifies each Director to the fullest extent permitted by law and is documented further in a Deed of Indemnity to be executed by each Director individually and the company.
- b) In addition, all Directors are assured through:
  - The Company Secretary ensuring that a complete set of Board papers for access by Directors is held for a period of at least seven years;
  - Directors being entitled to access papers relevant to their term as a Director on request, even if they have ceased to be Directors;
  - All documentation containing or seeking legal advice on matters relating to the interests of the Directors clearly stating that the legal advice is sought both in relation to the Company and to the Directors in their personal capacity; and
  - The Company maintaining each Director's 'Directors and Officers Insurance' for seven (7) years from the date at which they ceased to be a Director.

## 12.0

# Board Performance Evaluation

**12.1** The Corporate Governance Committee under the guidance of the Chair shall develop and maintain a Board evaluation process, including evaluation of Committee performance and effectiveness and be responsible for ensuring compliance and reporting of same.

**12.2** The Board shall conduct an annual evaluation of its performance under the auspices of the Corporate Governance Committee. An independent external assessment will be carried out as determined by the Board.

**12.3** The annual review will include but is not limited to:

- How effectively Board meetings were conducted;
- The timeliness of Board responses to important issues;
- The effectiveness of the Board in monitoring and maintaining financial control;
- The effectiveness of the Board in giving guidance to the development of strategic plans, growth strategies and risk management;
- Board processes and organisational structure against the current Sundale Strategic Plan;
- The effectiveness of Board / CEO delegations;
- The company's effectiveness in meeting legal and regulatory requirements;
- The company's effectiveness in meeting accreditation and registration and regulatory requirements relating to governance;
- Attendance and individual assessment of Director's understanding of their role and contribution to the Company;
- The effectiveness of the Board working together;
- Potential for corporate innovation;
- Any stakeholder, feedback relating to Sundale governance; and
- The effectiveness of current Board Committees.