



HERBERT
SMITH
FREEHILLS

Board charter

UNICEF Australia

15 May 2024



Contents

Table of contents

	Board charter	3
1	Purpose of this charter	3
2	Entity type, charity and tax status	3
	2.1 Entity type and ABN.....	3
	2.2 ACNC.....	3
	2.3 ATO.....	3
	2.4 Key documents.....	3
	2.5 Committees.....	4
3	Purpose and activities of UNICEF Australia	4
	3.1 Purpose.....	4
	3.2 Relationship with UNICEF.....	4
	3.3 Not-for-profit.....	5
	3.4 Activities.....	5
4	Role, responsibilities and duties of the board	6
	4.1 Role.....	6
	4.2 Key responsibilities.....	6
	4.3 Governance Standards.....	7
	4.4 Reliance on others.....	8
5	Accountability	8
	5.1 Company members.....	8
	5.2 Accountability to company members.....	9
	5.3 The public.....	9
6	CEO	9
7	Chair	10
8	Secretary	10
	Schedule 1	
	Board member’s acknowledgment of board charter	12
	Schedule 2	
	UNICEF Australia Board Conflict of Interest Policy	13
	Schedule 3	
	UNICEF Australia Code of Conduct	16



Contents

Schedule 4	
UNICEF Australia Board Composition Policy	17
Schedule 5	
Audit and Risk Committee Charter	20
Schedule 6	
Governance, Remuneration and Ethics Committee Charter	23
Schedule 7	
Programs Committee Charter	26

Herbert Smith Freehills owns the copyright in this document and using it without permission is strictly prohibited.



Board charter

1 Purpose of this charter

The board of Australian Committee for UNICEF Ltd (**UNICEF Australia**) has adopted this charter to outline the manner in which it will exercise its powers and responsibilities.

This charter ensures compliance with principles of good governance, the Cooperation Agreement between UNICEF Australia and UNICEF, the Australian Charities and Not-for-profits Commission (**ACNC**) Governance Standards and applicable laws.

This charter includes an overview of:

- (a) UNICEF Australia's entity type, purposes and activities;
- (b) UNICEF Australia's relationship with UNICEF;
- (c) the role, responsibilities and duties of the board;
- (d) the composition of the board;
- (e) accountability to members and other stakeholders; and
- (f) the roles of the chair, secretary and CEO.

This charter and the charters adopted by the board for its committees have been prepared and adopted on the basis that strong corporate governance enhances the performance of the charity and builds confidence in the community.

2 Entity type, charity and tax status

2.1 Entity type and ABN

Australian Committee for UNICEF Ltd (ABN 35 060 581 437) is a company limited by guarantee.

2.2 ACNC

UNICEF Australia is on the ACNC register as a charity.

2.3 ATO

UNICEF Australia is endorsed by the ATO as a tax concession charity and an item 1 Deductible Gift Recipient (**DGR**) for the developing country relief fund and is applying for endorsement as a whole as a public benevolent institution.

2.4 Key documents

- Constitution
- Board policies:
 - Conflict of Interest Policy (Schedule 2);
 - Code of Conduct (Schedule 3);



- Board Composition Policy (Schedule 4);
- Membership Policy
- Audit and Risk Committee Charter (Schedule 5).
- Governance, Remuneration and Ethics Committee Charter (Schedule 6).
- Programs Committee Charter (Schedule 7).
- Cooperation Agreement with UNICEF.
- Annual budget and financial statements.
- Annual reports.

2.5 Committees

- Audit and Risk Committee.
- Governance, Remuneration and Ethics Committee.
- Programs Committee

3 Purpose and activities of UNICEF Australia

3.1 Purpose

The primary role of the board is to ensure UNICEF Australia carries out its purposes as expressed in rule 2 of the constitution, which are:

'...to advance the health, education and wellbeing of children in need by, without limitation:

- (a) *raising funds for and supporting international programs and aid activities in developing countries in compliance with the Cooperation Agreement with UNICEF;*
- (b) *raising funds for and supporting activities to advance the health, education and wellbeing of children both domestically and internationally;*
- (c) *making citizens, corporations and governments in Australia aware of, educated and interested in, the health, education and wellbeing of children throughout the world and the assistance available to them through UNICEF and the company;*
- (d) *promoting recognition that programs for the benefit of children should be an integral part of social and economic development.'*

3.2 Relationship with UNICEF

UNICEF Australia works in partnership with UNICEF, the United Nations Children's Fund. UNICEF operates under the mandate of the United Nations to uphold all rights of all children everywhere in accordance with the principles, values and commitments of the United Nations Convention on the Rights of the Child.

On 27 September 2011, UNICEF and UNICEF Australia entered into the Cooperation Agreement which establishes the governing framework for the relationship between the two parties. Under the Cooperation Agreement, the role of UNICEF Australia (referred to as the National Committee) is to:



'...further the shared goals of the Parties, the primary role of the National Committee in accordance with this Agreement is to contribute to the advancement of children's rights globally. The National Committee will pursue this goal through the following means:

- i. primarily, by raising funds in the territory from the general public, the private sector and other sources, as provided for in Section 11 below.*
- ii. secondly, by advocating for children and promoting children's rights internationally and domestically through activities in the territory as provided for in Section 12 below; as well as*
- iii. by supporting UNICEF's relations with governments including facilitating and encouraging government contributions to UNICEF; and*
- iv. by being a valuable knowledge source for UNICEF with respect to the territory.'*

The roles of UNICEF under the Cooperation Agreement are:

- 'i. To provide overall global leadership, strategies and standards as part of an overall framework for action by the National Committee community and UNICEF;*
- ii. To develop quality programmes for children from the funds raised and given to UNICEF pursuant to this Agreement;*
- iii. To grant the National Committee the right to use the UNICEF Brand in the territory;*
- iv. To provide guidance, support and coordination for fulfilment of the National Committee roles in the context of overall UNICEF Policy;*
- v. To support the National Committee to ensure that fundraising and child rights advocacy in furtherance of UNICEF Policy are being undertaken in the territory;*
- vi. To report on programmes and their results for children to the National Committee in line with best practice and Annex B; and*
- vii. To ensure well-defined processes, and ongoing active adherence to those processes to monitor the implementation of this Agreement and to ensure ongoing evaluation of the relationship to assist both Parties in delivering on their objectives and ensuring results for children.'*

3.3 Not-for-profit

The board must ensure the not-for-profit nature of UNICEF Australia is maintained by not providing any profit, distribution or benefits to members or board members other than in carrying out the purposes.

3.4 Activities

The main activities of UNICEF Australia are:

- fundraising and supporting the delivery of long-term international development programs focused on education, child protection, child survival, nutrition, water, sanitation and hygiene; and
- fundraising and supporting the response to humanitarian emergencies by delivering short and long-term support and protection for children in crisis situations

- advocating to protect and promote the rights of children in need in Australia and overseas;
- engaging children in Australia in the concept of rights and how they can promote and respect the rights of other children, particularly those who are vulnerable or excluded.

4 Role, responsibilities and duties of the board

4.1 Role

- (a) The role of the board is to govern UNICEF Australia in such a way that it is able to pursue its purposes successfully and ensure it is compliant with the constitution and relevant law and:
- (1) is based on the principles of fairness, accountability, transparency and responsibility;
 - (2) places the welfare and safety of children everywhere, as expressed particularly in the UN Convention on the Rights of the Child, at the heart of everything it does;
 - (3) adheres to the ACNC Governance Standards and External Conduct Standards;
 - (4) ensures that UNICEF Australia meets its obligations to UNICEF as expressed in the Cooperation Agreement;
 - (5) is guided by the Principles of Good Governance in the Cooperation Agreement; and
 - (6) adheres to its regulatory and compliance obligations.
- (b) The board is responsible for and has the authority to determine all matters relating to the policies, practices, administration and operations of UNICEF Australia. This includes ensuring good corporate governance, determining and approving strategies and providing guidance and oversight to management.

4.2 Key responsibilities

- (a) The key responsibilities of the board are to:
- (1) meet at least 5 times a year and set an annual schedule of meetings;
 - (2) set strategies, plans and policies for UNICEF Australia carrying out the purposes;
 - (3) approve operating budgets and sources of funding;
 - (4) implement, monitor and review systems of risk management and ethical and legal compliance to ensure UNICEF Australia meets its obligations to the Department of Foreign Affairs and Trade, ACNC, ATO, Australian Council for International Development and other regulatory authorities;
 - (5) monitor and review the performance of the board;
 - (6) ensure that UNICEF Australia is accountable to its stakeholders and provides disclosure to relevant stakeholders on all significant matters;



- (7) monitor and evaluate performance or impact against the purposes, strategies and plans;
 - (8) select and appoint a CEO and evaluate from time to time the CEO's performance;
 - (9) ensure there are adequate staff and resources within the strategy and budget;
 - (10) approve major capital expenditure, acquisitions and divestitures, and monitor capital management;
 - (11) monitor and review management processes aimed at ensuring the integrity of financial and other reporting; and
 - (12) making recommendations to members on the appointment and removal of the external auditors.
- (b) Board members must treat all board meetings, board discussions and information obtained in the course of performing their duties as a board member as confidential, and not disclose information or share board papers outside of the board, without the chair's permission.
- (c) Board members will operate on the basis of collective responsibility, i.e. no individual board member, including the chair, can exercise authority, instruct staff or make governance decisions unless empowered to do so by a specific decision of the board. All board members share responsibility for any decisions made, including those made under delegated authority.
- (d) Board members may not receive remuneration or recompense of any kind as a result of their holding office as board members, however board members may be reimbursed for reasonable out of pocket expenses, if any, necessarily incurred in attending board meetings or carrying out their duties as board members.

4.3 Governance Standards

- (a) Board members will:
- (1) exercise their powers and discharge their duties with the degree of care and diligence of a reasonable person in their position;
 - (2) act in good faith, in the best interests of UNICEF Australia and to further its purposes;
 - (3) not misuse their position e.g. not use the position as board member to gain an advantage for themselves or someone else or to the detriment of UNICEF Australia;
 - (4) not misuse information obtained in the performance of being a board member e.g. only use this information to further the charity's purposes in its interests and not for the benefit of the board member or someone else, nor for the detriment of UNICEF Australia;
 - (5) disclose perceived, potential and actual conflicts of interest in accordance with the policy and procedures and not vote or participate in board discussions unless permitted;
 - (6) ensure UNICEF Australia's financial affairs are managed responsibly; and
 - (7) not allow UNICEF Australia to operate while insolvent. The board members must adequately understand the finances and ensure there are sufficient resources to pay debts as and when they are due.



4.4 Reliance on others

Board members may rely on information, in good faith, when making decisions if:

- (a) the board member makes an independent assessment of the information;
- (b) the information is given by:
 - (1) an employee that the board member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
 - (2) a professional adviser or expert on matters the board member believes on reasonable grounds to be within their competence; or
 - (3) another board member or committee in relation to matters within their authority or area of responsibility.

4.5 Operating outside Australia – ACNC compliance

The board will ensure the company complies with the ACNC's External Conduct Standards. The intention of the standards is to minimise the risk of private benefit from the charity's funds, terrorism funding, use of the charity's funds for purposes other than the charitable purposes, uncommercial transactions and preventing the exploitation of or harm to vulnerable people.

Complying with the standards will require:

- (a) adequate reporting and careful record keeping when sending money or conducting activities outside Australia;
- (b) carrying out due diligence on the recipients of money and overseas partners;
- (c) depending on the closeness of the relationship, the location of, and the activities with, the overseas partner, including specific requirements in agreements with partners; and
- (d) enacting policies for the protection of vulnerable people.

5 Accountability

5.1 Company members

- (a) Company members are appointed pursuant to the company membership policy for one year with subsequent years subject to ongoing eligibility and payment of the subscription fee.
- (b) Directors are company members for the duration of their term of office without payment of the subscription fee.
- (c) Life company members are company members for life without payment of the subscription fee.
- (d) The subscription fee is decided by the directors and is currently \$35.
- (e) Donors and supporters may be referred to as 'members of UNICEF Australia' but unless they have been admitted as company members in accordance with

the membership policy they are not, and should not be lead to think they are, legally members of the company.

5.2 Accountability to company members

- (a) UNICEF Australia must be accountable to its company members within the terms of the law, including the Corporations Act, the ACNC Act and the constitution.
- (b) Accountability to company members on the register means ensuring company members are informed of UNICEF Australia's financial matters, governance and activities including annual accounts. It also means allowing members adequate opportunity to ask questions and raise concerns.
- (c) The board members intend to be accountable to the company members by:
 - (1) providing an annual report with an overview of the activities and financial statements for the previous financial year;
 - (2) ensuring there is at least one opportunity each year for the company members to ask questions of the board on the activities, financial statements and governance of UNICEF Australia, either at a meeting or through other means eg webinar;
 - (3) holding annual elections for the directors in accordance with the retirement by rotation process outlined in the constitution, where each year one third of directors are eligible for reappointment to ensure accountability to company members, continuity of corporate knowledge and the opportunity for new appointees to the board;
 - (4) responding as reasonable to ad hoc queries and issues raised with the chair or the secretary by the company members.

5.3 The public

The board will ensure UNICEF Australia makes available the following documents to the public by lodging them with the ACNC for the ACNC public register:

- (a) constitution;
- (b) annual reports;
- (c) annual financial statements; and
- (d) annual information statements.

6 CEO

- (a) The board may employ a CEO for the term, at the remuneration and on the conditions the board sees fit.
- (b) The CEO leads UNICEF Australia and is ultimately responsible and accountable to the board for its operational management.
- (c) The board sets the role and performance expectations of the CEO and monitors the performance of the CEO.
- (d) The CEO is responsible for:

- (1) developing strategic and business plans for approval by the board;
- (2) implementing strategic and business plans;
- (3) being the public face and speaking for UNICEF Australia;
- (4) maintaining an effective organisational structure that clearly assigns responsibility and delegations;
- (5) maintaining a values driven culture and engaged workforce;
- (6) developing and implementing appropriate risk management strategies including implementing and monitoring segregation of duties;
- (7) ensuring all contractual commitments entered into by UNICEF Australia are in line with UNICEF Australia's strategic direction and evidenced by appropriate documentation;
- (8) maintaining an efficient administrative cost structure to maximise operational effectiveness while maintaining high performance standards;
- (9) development of staff capabilities, accountabilities and remuneration; and
- (10) providing regular and reliable reports to the board which allow it to monitor performance and management of UNICEF Australia.

7 Chair

- (a) The board will appoint one of its members to be chair for a term of up to 8 years, unless the term is extended for a maximum of one year for a particular chairperson by the directors.
- (b) The chair is responsible for:
 - (1) providing leadership and promoting cohesive, effective teamwork by the board;
 - (2) ensuring the board is meeting its functions, duties and responsibilities;
 - (3) setting the board meeting agendas, with the CEO;
 - (4) leading board meetings;
 - (5) ensuring the minutes correctly reflect the meetings;
 - (6) guiding, supporting and mentoring the CEO;
 - (7) ensuring the board maintains an effective relationship with the CEO.

8 Secretary

- (a) The board must appoint at least one secretary.
- (b) The secretary is accountable to the board.
- (c) The secretary is responsible for:

- (1) carrying out the administrative functions of UNICEF Australia, including coordinating all board business and ensuring compliance with reporting and reporting obligations.
- (2) preparing, compiling and distributing agendas and board papers;
- (3) maintaining minutes of board meetings and following up on action items;
- (4) ensuring the necessary paperwork and resolutions are effective for change in the composition of the board, change to auditors and any changes required to be submitted to the members;
- (5) maintaining member registers or other registers as required;
- (6) communication with regulatory bodies and all statutory, financial and other necessary filing;
- (7) ensuring compliance with legislation and reporting requirements, as applicable; and
- (8) undertaking any other roles clearly delegated to the secretary or required by the board.