



BOARD GOVERNANCE

COMMITTEE

TERMS OF REFERENCE

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1. PUROSE OF THE TERMS OF REFERENCE

The Terms of Reference set out the purpose, composition, membership, meeting requirements and functions of the Board Governance Committee ('Committee').

2. AUTHORITY

The Committee is authorised by the Board to assist the Board to fulfill certain of its statutory, fiduciary and regulatory responsibilities. Accordingly the Committee exercises the authority delegated to it by the Board.

3 PURPOSE

The purpose of the Committee is to assist the Board to discharge its responsibility to ensure good corporate governance within the Community CPS Australia Group ('Group').

4 COMPOSITION

4.1 The Committee members are appointed by the Board at the first Board meeting following the Annual General Meeting.

4.2 The Committee will comprise three or more non-executive directors.

5. TERM

5.1 Each member will be appointed for a term of one year.

5.2 The performance of each member of the Committee will be peer reviewed annually by other members of the Committee prior to the Annual General Meeting.

6. CHAIRMAN

6.1 The Chairman of the Committee will be appointed by the Board.

6.2 Should the Chairman be absent from a meeting, the members present will choose one of their number to be Chairman for that particular meeting.

7. CONDUCT OF MEETINGS

7.1 Committee members may attend meetings in person or by electronic means.

7.2 The Committee should meet often enough to undertake its role effectively, but not less than quarterly.

7.3 In addition to the regular scheduled meetings, the Chairman of the Committee will call a meeting of the Committee if so requested by any member of the Committee or by the Chairman of the Board.

8. QUORUM

- 8.1 A quorum for a Committee meeting is two members of the Committee who must be present throughout the entirety of the meeting.

9. ATTENDANCE AT MEETINGS

- 9.1 The Chief Executive Officer and Deputy Chief Executive Officer are expected to attend each scheduled meeting of the Committee unless urgent Community CPS business commitments prevent either or both of them from attending. Other management personnel may attend on invitation from the Chairman of the Committee.

10. SECRETARIAT

- 10.1 The Company Secretary or a designate will be the Secretary to the Committee.
- 10.2 The Secretary, in conjunction with the Chairman of the Committee, will draw up an agenda for each Committee meeting.
- 10.3 The agenda, together with any explanatory documentation, will be circulated to Committee members at least one week prior to each Committee meeting, wherever possible.
- 10.4 Minutes of the proceedings and resolutions of Committee meetings will be kept by the Secretary. Minutes will be distributed to all Committee members after the preliminary approval has been given by the Committee Chairman.
- 10.5 The Secretary will, time permitting, submit a copy of the minutes of a Committee meeting to the Board at the next regular meeting of the Board following the Committee meeting.

11 ACCESS

- 11.1 The Committee will have unlimited access to senior management of the Group. Subject to approval from the Board, the Committee has authority to consult independent experts where this is considered necessary for the effective performance of the Committee's functions.

12 FUNCTIONS

- 12.1 The functions of the Committee are to:
- ensure an appropriate Board and committee structure is in place;
 - ensure there is a robust and effective process for evaluating the performance of the Board, Board Committees and individual directors;
 - maintain an induction process for new directors to make sure that they can effectively discharge their responsibilities;

- maintain the Policy: Board Member Professional Development and Education Policy, assess directors professional development plans and review professional development activities undertaken by directors;
- consider the skills, knowledge and experience currently represented on the Board to assess whether those current skills meet the skills requirements identified. Report to the Board on the assessment and, if needed, make recommendations regarding the means by which skills levels may be enhanced. Recommend policy on director succession planning and Board nominations;
- monitor developments in corporate governance and make recommendations to the Board regarding any changes to governance policies and practices of the Group that the Committee regards as necessary or desirable;
- monitor compliance with APS 510 Governance, the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council and other relevant governance principles and standards and provide guidance, as required, to individual directors and the Group as a whole on questions of corporate governance and ethics;
- ensure that the Corporate Governance Statement in the Community CPS Annual Report is accurate and compliant with guiding principles and standards;
- ensure that information on Board skills, experience and expertise disclosed to members through the annual report is accurate and compliant with guiding principles and standards;
- review management and business practices in light of the CU Movement’s Core Values and Guiding Principles (developed by CUSCAL Membership Council and adopted by Community CPS);
- develop and monitor annual budgets for Board expenditure;
- oversee the effectiveness of the Community CPS Constitution and make recommendations for changes;
- oversee the Director's Access, Indemnity And Insurance Cover Deed; and
- discharge any other responsibilities delegated to the Committee by the Board from time to time relating to governance generally.

13. RECEIPT OF INFORMATION

13.1 The Chief Executive Officer will keep the Committee informed of policies and procedures employed by the Group relating to corporate governance.

13.2 The Committee will receive relevant information (i.e. within the scope of the Committee's responsibilities) from management as to current developments both within the Group and externally which may substantially impact on the governance of the Group.

13.3 The Committee will consider the appropriateness of management's action with respect to 13.2 above.

14 GOVERNANCE POLICIES, SYSTEMS AND PROCEDURES

- 14.1 The Committee has the responsibility to ensure that adequate governance policies, systems and procedures are maintained and regularly reviewed by management.
- 14.2 The Committee will receive from management a copy of governance policies and procedures from time to time for information and review as necessary.

15 INSURANCE LIABILITY AND PROFESSIONAL INDEMNITY COVER

- 15.1 The Committee has the responsibility to ensure that adequate liability and professional indemnity insurance policies and covers are held by the Group at all times.
- 15.2 The Committee will receive from management on an annual basis a copy of insurance liability and professional indemnity policies for Directors and review them for adequacy.