



## **ALKIRA CORPORATE GOVERNANCE STATEMENT**

The Alkira Board of Directors is committed to maintaining high standards of Corporate Governance. This Corporate Governance Statement provides an outline of the main corporate governance practices that the Company had in place during the past financial year.

The Board believes that Alkira's policies and practices are consistent in all substantial respects with good corporate governance practice in Australia and appropriate for the circumstances of the Company.

The information in this Statement has been approved by the Board and is current as at June 2020.

### **Role of the Board and management**

The respective roles and responsibilities of the Board and management are detailed in the Board Charter.

The Board Charter also sets out the matters expressly reserved to the Board and those delegated to management.

### **Appointment, induction and training**

When new Directors are selected, the Board must use its best efforts to ensure that the candidate has the appropriate range of skills, experience and expertise to align to the Board Skills Matrix to ensure the Board's effectiveness.

Alkira ensures that appropriate background checks are undertaken regarding the potential new Director's character, experience, education and criminal record before appointing or putting forward a Director for election.

Directors are also provided with regular professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

### **Board performance**

Alkira believes it is important that the Board reviews its own performance to ensure it continues to perform at a high level. Under the Board Charter, the Board must conduct an annual performance review.

## Independence of the Board

The Board Charter and Constitution requires a minimum of at least 50% of Directors who have family members who are, or have been, participants of Alkira.

The remainder of the Board are independent Directors. The Board's assessment of the independence of each current Director and their appointment date is set out below.

Name	Status	Appointment date
Peter Harrison	Independent	September 1977
Chris Miller	Family Member	December 2003
Dianne Bassett	Family Member	December 2003
Michael Waymark	Independent	July 2016
Ramsay Gunasekera	Family Member	April 2019
Gordon Jacobs	Family Member	October 2004
Warrick Mitchell	Independent	February 2012
Lucinda Nolan	Family Member	April 2019
Lynn Scoles	Independent	December 2019
Charlie Xu	Independent	June 2020

## Board skills and experience

The skills and experience of the Directors is set out in the matrix below.

Experience	Industry
<ul style="list-style-type: none"><li>• Marketing</li><li>• Strategic business consulting</li><li>• Customer support</li><li>• Property</li><li>• Health and Medicine</li><li>• Risk management</li><li>• Knowledge of local area community &amp; business</li><li>• Communications &amp; Public Affairs</li><li>• Human Resources</li></ul>	<ul style="list-style-type: none"><li>• Finance</li><li>• Disability including NDIS</li><li>• Law</li><li>• "Not for Profit" sector</li><li>• Government</li></ul>

## Finance, Investment, Risk & Property Committee

The Board has a Finance, Investment, Risk & Property Committee, which has three members. The Committee is chaired by an independent Director who is not the chair of the Board.

Under its Charter, the Committee is required to review at least annually the effectiveness of Alkira's risk management and internal control systems. In addition, the Committee addresses the risks of the business on an ongoing basis.

The Committee Charter is available on the Alkira website. The Charter was adopted on May 2019.

The relevant qualifications and experience of the members of the Committee are set out in the Directors' Resumes section of the Alkira website.

The Committee meets at least four (4) times during the financial year.

## **Risk**

Alkira's exposure to economic, environmental and social sustainability risks, together with the approach to managing those risks, is outlined in the Risk Register, which is reviewed by the Finance, Investment, Risk & Property Committee.

## **Internal audit**

Alkira does not have an internal audit function, and due to its size and current activities the Board does not believe one is warranted at this time.

Alkira's management team prepares and presents to the Finance, Investment, Risk & Property Committee a Risk Register addressing potential areas where further investigations of an internal audit nature should be made. The management undertakes self-assessment and review of risk areas on an ongoing basis.

Regular reviews are undertaken by an external consultant regarding compliance with policies and processes required under Alkira's funding agencies. Such reviews are reported to the Board.

The Board works closely with the management team to identify and manage operational, financial and compliance risks which could prevent Alkira from achieving its objectives. The Finance, Investment, Risk & Property Committee actively encourages the external auditor to raise internal control issues, and oversees management's reviews to ensure the management and improvement of processes within the business.

## **External Auditor**

Alkira's external auditor attends the Annual General Meeting (AGM). The auditors' independence declaration is contained in the Directors' Report section of the Annual Report.

## **Management**

Alkira has a process for periodically evaluating the performance of senior management. This process is overseen by Alkira's Nominations and Remuneration Committee. Under the Board Charter, the Board must conduct an annual performance review of management.

## **CEO and Senior Finance Officer Declaration**

Before it approves the full year financial statements, the Board must receive a statement from Alkira's CEO and the Senior Finance Officer that the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Alkira, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

## **Code of Conduct**

Alkira is committed not only to complying with its legal obligations, but also to acting ethically and responsibly. Alkira expects a high level of honesty, care, fair dealing and integrity in the conduct of all business activities.

Alkira has a Code of Conduct which sets the minimum standards of conduct expected of all Directors, officers, executives, employees and contractors. The Code of Conduct is available on the Alkira website.

### **Diversity Policy**

Alkira is committed to ensuring an inclusive workplace that encourages and embraces diversity. The Alkira Diversity Policy which provides a framework for it to achieve workplace diversity and includes requirements for the Board to set measurable objectives. The Diversity Policy is available on the Alkira's website.

The respective proportions of men and women on the Board, in senior executive positions and across the Company are as below:

	<b>Men</b>	<b>Women</b>
<b>Board</b>	7	3
<b>Senior executive*</b>	1	3
<b>Across the Company</b>	61	95

\* Direct reporting line to the CEO

### **Stakeholder Communication**

Alkira is committed to regularly communicating with its stakeholders in a timely and accessible manner, and encourages stakeholder communication through its Participants Committee, Family Forum Group and the Community Relations and Fundraising Committee.

Alkira provides information about itself and its corporate governance to Stakeholders via its website.

Alkira has a Participants Committee, Family Forum Group and a Community Relations and Fundraising Committee to encourage effective two-way communication with Stakeholders. The Board encourages full participation of Stakeholders at the Annual General Meeting in order to promote a high level of accountability and discussion of the Alkira's strategy and goals.

Not only should all relevant information be provided, but Alkira considers the information must be presented in a clear and concise format.

Reviewed and approved by Alkira Board 23/06/2020