
GLOBAL COMPACT NETWORK AUSTRALIA LIMITED
(ABN 95 147 380 998)

NOTICE OF ANNUAL GENERAL MEETING

DATE: Thursday, 21 November 2019

TIME: 2.30pm (Sydney and Melbourne) / 1.30pm (Brisbane) / 11.30am (Perth)

VENUE: **Sydney:** Lendlease, Level 14, Tower Three, International Towers Sydney,
300 Barangaroo Avenue, Barangaroo, NSW 2000

Melbourne: Lendlease, Level 6, One Melbourne Quarter
699 Collins St, Docklands, VIC 3008

Dial in details for Perth, Brisbane and Adelaide to be provided



Global Compact
Network Australia



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Members of Global Compact Network Australia Limited (the **Company**) will be held at 2.30pm (AEDT) on Thursday, 21 November 2019 at:

Sydney: Lendlease, Level 14, Tower Three, International Towers Sydney,
300 Barangaroo Avenue, Barangaroo, NSW 2000

Melbourne: Lendlease, Level 6, One Melbourne Tower, Collins Quarter
699 Collins St, Docklands, VIC 3008

Perth: TBC

Videoconference between Sydney, Melbourne and Perth and teleconference to other locations will be used to facilitate the meeting.

Notes

Explanatory Statement

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement is part of this Notice of Meeting.

Proxies

Please note that:

1. a Member of the Company entitled to attend and vote at the Annual General Meeting has the right to appoint a proxy in accordance with Rule 6.2 of the Constitution of the Company;
2. a proxy need not be a Member but must be nominated by and represent a Member of the Company; and
3. a Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is entitled to exercise.

A form of proxy accompanies this Notice of Meeting. For the appointment of a proxy to be effective, the following documents must be received by the Company before the meeting:

1. the proxy's appointment; and
2. if the appointment is signed by the appointer's attorney – the authority under which the appointment was signed or a certified copy of the authority.

Enquiries

If you have any queries in respect of the matters set out in this Notice of Meeting, please contact Kylie Porter, Executive Director on 0491 234 061 or Secretariat@unglobalcompact.org.au.

Items of Business

The business of the meeting will consist of the following:

Welcome, Introductions and Overview of Year

1. Receipt of 2019 Annual Report, Directors' Report and Financial Statements

To consider and, if thought fit, pass the following resolution:

"That the 2019 Annual Report and the Directors' Report incorporating audited financial statements of the Company for the financial year ended 30 June 2019, as laid before the meeting, be accepted."

Note: Further information about this resolution appears in **Item 1** of the Explanatory Notes to this Notice of Meeting.

2. Amendment of the Company's Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, with effect from the conclusion of the 2019 AGM of the Company, the constitution of the Company is amended in the manner outlined in the Explanatory Notes to this Notice of Meeting and set out in the amended constitution tabled by the Chair of the meeting and signed for the purposes of identification."

Note: Further information associated with this resolution appear in **Item 2** of the Explanatory Notes to this Notice of Meeting.

3. Election of Michael Vavakis as Director

To consider and, if thought fit, pass the following resolution:

"That Michael Vavakis (nominated by and representing Lendlease), who was appointed as a Director of the Company on 2 April 2019, in accordance with Rule 7.1(g) of the Constitution and who retired in accordance with Rule 7.1(i) of the Constitution, being eligible, be elected as a Director of the Company for a two-year term from the conclusion of the Annual General Meeting."

Note: Further information about this resolution appears in **Item 3** of the Explanatory Notes to this Notice of Meeting.

4. Election of Kylie Porter as Independent Director

To consider and, if thought fit, pass the following resolution:

"That Kylie Porter (Independent), who was appointed as a Director of the Company on 2 April 2019, in accordance with Rule 7.1(g) of the Constitution and who retired in accordance with Rule 7.1(i) of the Constitution, being eligible, be elected as a Director of the Company for a two-year term from the conclusion of the Annual General Meeting."

Note: Further information about this resolution appears in **Item 4** of the Explanatory Notes to this Notice of Meeting.



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5. Member Discussion and Feedback

Dated 15 October 2019

By order of the Board

A handwritten signature in black ink, appearing to read "David Cooke".

David Cooke
Director and Chair

Explanatory Statement

1. Receipt of 2019 Annual Report and Financial Statements

The 2019 Annual Report and Directors' Report incorporating audited financial statements of the Company for the year ended 30 June 2019 will be tabled for receipt.

During this item of business, members will have a reasonable opportunity to ask questions or make comments about the reports and the management of the Company.

2. Amendment of the Company's Constitution

An amendment to the Constitution is being proposed to align with changes to the way in which the UN Global Compact operates globally and the Memorandum of Understanding that the GCNA has with the Global Compact Office.

Refer to **Attachment A – Proposed Constitution** and **Attachment B – Summary of Changes**.

3. Election of Michael Vavakis

Michael has been a Director of the Global Compact Network Australia since 2 April 2019 when he was appointed to fill a vacancy created through the retirement of Celia Reynolds.

Michael was appointed Group Head of Human Resources in January 2010 and is based in Sydney, Australia. Since then, as Chief People Officer for Lendlease, Michael's role has expanded to include responsibility for Corporate Affairs and Marketing, Innovation and Organisational Transformation. He was appointed as a director of GCNA in April 2019.

Prior to joining Lend Lease, Michael spent 18 years with Hewlett Packard where he held many senior Human Resource executive positions in Australia, Singapore, Hong Kong and the USA. Michael has been instrumental in defining and supporting several business transformations and has led several merger and acquisition activities.

Michael majored in Accounting and Economics at Melbourne University. He has a Post-graduate qualification in Economics and has an Advanced Management Degree from Wharton University. Michael has also completed a Masters' Degree in Law – Dispute Resolution at the University of New South Wales. He is currently undertaking a Masters' degree in Law – International Relations. Michael is also an active member in the Australian Human Resource Institute and Corporate Leadership Council.

4. Election of Kylie Porter

Kylie Porter has been the Executive Director of the Global Compact Network Australia (GCNA) since August 2018 and a Director of the GCNA since 2 April 2019.

Kylie is a responsible business specialist holding over 15 years of experience in corporate affairs, sustainability and strategy roles across a broad range of industries. Her experience includes working for financial institutions in Australia and internationally, professional services and an international development NGO. Kylie's expertise is in stakeholder engagement, reputation risk management on environmental, social and governance issues and providing advice on responsible business practices and strategies.

Prior to joining the GCNA, Kylie was an Associate Director in the National Australia Bank's (NAB) Corporate Affairs team for the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry where she held responsibility for engagement with consumer advocacy organisations on their concerns about the financial services sector and advised senior management on opportunities to improve outcomes for customers. Kylie also worked in NAB's Corporate Responsibility team as the Associate Director, Stakeholder Engagement where she managed NAB's reputation and engagement on environment, social and governance (ESG) matters and provided strategic advice on sustainability issues, opportunities and risks across the nab group.



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Prior to this, Kylie worked for KPMG's Sustainability and Banarra practices in Melbourne and for Save the Children Australia as their Senior Adviser for Responsible Business. Kylie's experience includes expatriate work in London (UK), Singapore, Nigeria, Switzerland, France and South Africa where she collaborated with various global organisations in the financial services, mining and oil and gas sectors.

Kylie holds a Bachelor of Arts, Bachelor of Business (Management) and a Master of Social Science (International Development). Kylie was a Director of the Council for Single Mothers and their Children from 2017 to 2019.

Constitution of Global Compact Network Australia Limited

ACN 147 380 998

The Corporations Act

A company limited by guarantee

Registered in Victoria

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Melbourne VIC 3000 Australia
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Constitution of Global Compact Network Australia Limited, a not for profit organisation incorporated as a public company limited by guarantee.

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply in this Constitution unless the context requires otherwise:

Board means all or some of the Directors for the time being acting as a board.

Chair means the person occupying the position of chair of the Board under rule 9.6, being the highest officer of the Board, presiding over meetings of the Board.

company means Global Compact Network Australia Limited (ACN 147 380 998).

Corporations Act means the *Corporations Act 2001* (Cth).

Deductible Gift Recipient has the meaning given in the Tax Act.

Director means a person appointed or elected to the office of director of the company in accordance with this Constitution and, where appropriate, includes an alternate director.

Executive Director means the most senior executive of the Secretariat.

Expert Adviser means a person appointed as an expert adviser by the Board, under rule 7.7.

Global Compact Office means the principal office through which UN Global Compact policies, strategies and activities are developed.

Hosting Organisation means an existing organisation (e.g. UN agency, university or business association) that on an ongoing basis provides legal, administrative and/or logistical services to the company (for example, by providing office space and meeting rooms).

Independent Director means a person who does not represent a particular company or organisation (e.g. government representative, etc.) and who is appointed or elected to the office of Director in accordance with rule 7.2(d).

Member means a person admitted to the membership of the company in accordance with the provisions of this Constitution.

Member Present means, in connection with a meeting, the Member present at the venue or venues for the meeting, in person or by proxy, by attorney or by representative.

Secretariat means the person or persons responsible on an ongoing basis and paid for implementing the strategies and activities of the company, including recruitment, participant engagement, coordination and collaboration with the Global Compact Office.

Secretary means a person appointed as secretary of the company in accordance with this Constitution.

Tax Act means the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth).

United Nations Country Team means the United Nation's highest level inter-agency coordination and decision-making body in Australia.

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1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The following rules of interpretation apply unless any contrary intention appears in this Constitution or the context requires otherwise:
 - (i) The singular includes the plural, and conversely.
 - (ii) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iii) A reference to a **person** includes a corporation, trust, partnership, association, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (iv) A reference to a rule is a reference to a rule of this Constitution.
 - (v) A reference to legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it.
- (c) A word or phrase given a meaning in the Corporations Act has the same meaning in this Constitution.

1.3 Replaceable rules

The replaceable rules contained in the Corporations Act do not apply to the company.

2. Objects

2.1 Objects of the company

The objects of the company are to:

- (a) promote and encourage commitment to the principles and practices of the UN Global Compact including, without limitation, the Ten Principles of the UN Global Compact in the areas of human rights, labour standards, environment and anti-corruption and the broader societal goals of the UN Global Compact, including the UN Sustainable Development Goals (as may be applicable);
- (b) manage and protect the integrity of the UN Global Compact initiative and develop capacity to find solutions to dilemma situations involving members in the network;
- (c) engage UN Global Compact participants in Australia through local events and the fostering of a strong, supportive network of like-minded businesses; and
- (d) do all other things which the Board may decide from time to time is conducive to the attainment of, and not inconsistent with, the above objects.

2.2 Application of income and property to objects

- (a) Subject to rule 2.1(b), the income and property of the company must only be used to further the objects of the company set out in rule 2.1 and no part of that income or property may be paid or transferred, directly or indirectly, to any Member of the company by way of dividend, bonus or otherwise.

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- (b) Rule 2.1(a) does not prevent the company from making a payment in good faith to a Member:
 - (i) of reasonable and proper remuneration for services provided to the company;
 - (ii) for goods supplied in the ordinary course of business; or
 - (iii) of reasonable and proper rent for premises let by a Member.

3. Membership

3.1 Members of the company

- (a) Members are those persons admitted to the membership of the company whose names are entered into the company's register of members.
- (b) Two or more persons cannot be registered as holding a single membership interest, whether as joint tenants or as tenants in common.

3.2 Limited liability of Members

The liability of the Members of the company is limited.

3.3 Members' liability on winding up

Each Member undertakes to contribute to the assets of the company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, for payment of the debts and liabilities of the company and of the costs, charges and expenses of winding up, such amount as may be required not exceeding \$1.00.

3.4 Admission as a Member

- (a) A person who wants to apply for membership (the **applicant**) must:
 - (i) be a participant of the UN Global Compact or a subsidiary of a participant of the UN Global Compact, having completed the application requirements of the Global Compact Office from time to time; and
 - (ii) complete and sign the company's form of application to become a Member and return it to the Secretary.
- (b) The Board may determine whether or not to accept an applicant's application in the Board's absolute discretion, having regard to any eligibility criteria as determined by the Board from time to time and to the objects of the company as outlined in rule 2.1. If the Board determines not to accept an applicant's application, it is not required to give any reasons for its decision.
- (c) When an applicant is to be admitted, the Secretary must notify the applicant and request payment of the first annual membership fee, if any.
- (d) If the applicant does not pay the first annual membership fee, if any, within three months after the date on which the applicant is notified that the membership fee is payable:
 - (i) the Board may, in its absolute discretion, cancel the acceptance of the applicant's application for membership; and
 - (ii) the Secretary will notify the Global Compact Office.

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- (e) When the company receives payment from the applicant of the first annual membership fee or, if there is no membership fee, when the Board determines to admit the applicant as a Member, the applicant will be registered in the company's register of Members and will immediately become a Member of the company.
- (f) At each Board meeting, the Secretary must provide the Board with an update of any new Members admitted since the previous Board meeting.

3.5 Categories of Members

The Board may determine and admit different classes or sub-classes of Members, including establishing at any time a new class or sub-class of membership.

3.6 Membership fee

- (a) The membership fees payable by Members may comprise:
 - (i) a fee for membership or for having access to the activities of the company; and/or
 - (ii) additional fees for special services and activities as well as opportunities for sponsorship.
- (b) The Global Compact Office may from time to time determine a membership fee for any class or subclass of Members (which may be a different amount to that payable by any other class or subclass of Members) and the terms of payment of the membership fee.
- (c) In respect of any membership fees which have not been determined by the Global Compact Office, the Board may from time to time determine a membership fee for any class or subclass of Members (which may be a different amount to that payable by any other class or subclass of Members) and set the terms of payment of the membership fee.
- (d) If a membership fee has been set for a particular class or subclass of members, each Member of that class or subclass must pay the membership fee when due.
- (e) The Global Compact Office and the Board may in their absolute discretion vary the amount of any membership fee.

3.7 Resignation of a Member

- (a) A Member may resign from the company by giving to the company notice in writing signed by a duly authorised representative of the Member, including specifying the reasons for resignation.
- (b) The resignation will be effective from the date it is received by the company.

3.8 Non-payment of membership fee

- (a) If any membership fee of a Member remains unpaid for a period of 60 days after it becomes due, the company will give notice to the Member of that fact.
- (b) If any membership fee remains unpaid more than 30 days after the date of the notice given under rule 3.8(a), the Board may cancel the membership of the Member, remove the Member's name from the register of Members and advise the Global Compact Office to delist the member from the UN Global Compact.

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3.9 Expulsion of a Member

- (a) The Board must expel from the company's Members (and remove the Member's name from the register of Members) any Member who is delisted as a participant of the UN Global Compact.
- (b) The Board may expel from the company's Members (and remove the Member's name from the register of Members) any Member who does not comply with the provisions of this Constitution, and remove the Member's name from the register of Members.

3.10 Ceasing to be a Member

A Member's membership of the company will automatically cease on the date that:

- (a) a liquidator is appointed in connection with the winding up of the Member; or
- (b) an order is made by a court for the winding up or deregistration of the Member.

3.11 Liability after a person ceases to be a Member

A person who ceases to be a Member must pay to the company:

- (a) all fees or other amounts owing to the company which are due and unpaid at the date that the person ceases to be a Member; and
- (b) amounts which the Member is liable to pay under this Constitution.

3.12 Register of Members

The register of Members must be kept by the Secretary and must contain the full name and address of each Member and any other information required by the Board.

3.13 Address of Members

Every Member must inform the Secretary in writing of any change in their address and any such change of address must be entered in the register of Members. The latest address in the register of Members is deemed to be the Member's registered address.

4. General Meetings

4.1 Power to call a general meeting

- (a) The Board may convene a general meeting of the company whenever they think fit, however a meeting must be convened at least once a year.
- (b) Each Member consents to the use of each of the following technologies for holding a general meeting:
 - (i) video conference;
 - (ii) telephone;
 - (iii) electronic mail;
 - (iv) any other technology which permits each Member Present to communicate with every other Member Present; or
 - (v) any combination of these technologies.

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4.2 Power to cancel or postpone a general meeting

The Board may cancel or postpone any meeting convened by the Board by notice in writing to all persons who were entitled to receive notice of that meeting, except where the cancellation or postponement would be contrary to the Corporations Act. Any failure to give notice of cancellation or postponement does not invalidate the cancellation or postponement or any resolution passed at a postponed meeting.

4.3 Notice of general meetings

- (a) Where the Board has called a general meeting, notice of the meeting may be given in the form and manner in which the Board determines, subject to the Corporations Act.
- (b) The fact that a person entitled to receive notice of a general meeting does not receive that notice, or is accidentally not given notice, does not invalidate the proceedings at or any resolution passed at the meeting.

4.4 Business of general meetings

- (a) The business of a general meeting of the company includes:
 - (i) to transact any business that, under this Constitution or the Corporations Act, is required to be transacted at any general meeting;
 - (ii) to provide Members the opportunity to raise and discuss issues of relevance to the company and the Members, and provide direction and feedback to the Secretariat and Board; and
 - (iii) any other business that may be transacted at a general meeting.
- (b) Unless all Members are present as Members Present and agree otherwise, the only business to be transacted at a general meeting will be that set out in the notice.

4.5 Right of others to attend general meeting

Any other person (whether a Member or not) requested by the Board to attend any general meeting is entitled to be present and, at the request of the Chair, to speak at that general meeting.

5. Proceedings at General Meetings

5.1 Number for a quorum

Except as otherwise provided in this Constitution, 20% of Members constitutes a quorum.

5.2 Requirement for a quorum

No business may be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.

5.3 No quorum

- (a) If there is no quorum at a general meeting within 30 minutes after the time specified in the notice of the meeting, the meeting is dissolved unless the Board adjourns the meeting to a date, time and place determined by the Board.

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- (b) If no quorum is present at any adjourned meeting within 30 minutes after the time appointed for the meeting, the meeting is dissolved.

5.4 Chair of general meetings

Subject to rule 5.5, the Chair is entitled to preside as chair at every general meeting.

5.5 Absence of Chair

Where a general meeting is held and:

- (a) a Chair has not been elected as provided by rule 9.6(a); or
- (b) the Chair is not present within 15 minutes after the time appointed for the holding the meeting or does not wish to act as chair of the meeting,

the Directors present may elect one of their number or, in the absence of all Directors or if none of the Directors present wish to act, the Members Present may elect one of their number to be chair of the meeting.

5.6 Conduct of general meetings

- (a) The general conduct of each general meeting of the company and the procedures to be adopted at the meeting are as determined at, during or prior to the meeting by the chair of the meeting.
- (b) The chair of the meeting may make rulings without putting the question (or any question) to the vote if the chair of the meeting considers action is required to ensure the orderly conduct of the meeting.
- (c) At any time the chair of the meeting considers it necessary or desirable for the proper and orderly conduct of the meeting, the chair of the meeting may demand the cessation of debate or discussion on any business, question, motion or resolution being considered by the meeting and require the business, question, motion or resolution to be put to a vote of the Members Present.
- (d) Any determination by the chair of the meeting in relation to matters of procedure (including any procedural motions moved at, or put to, any meeting) or any other matter arising directly or indirectly from the business is final (including any procedural motions moved at, or put to, any meeting). Any challenge to a right to vote (whether on a show of hands or on a poll) or to a determination to allow or disregard to vote may only be made at the meeting and may be determined by the chair of the meeting whose decision is final.
- (e) If a person purports to cast a vote in contravention of the Corporations Act, the chair of the meeting may determine that the vote be disregarded and treated as not having been cast.
- (f) Nothing contained in this rule 5.6 limits the powers conferred on a chair of a meeting by law.

5.7 Adjournments

- (a) During the course of a general meeting, the chair of the meeting may, and if so directed by the meeting must, adjourn the meeting or any business, motion, question or resolution being considered or remaining to be considered by the meeting or any debate or

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discussion either to a later time at the same meeting or to a meeting held at another time and place determined by the chair of the meeting.

- (b) If the chair of the meeting exercises a right of adjournment under rule 5.7(a), the chair of the meeting has the sole discretion to decide whether to seek the approval of the Members Present to the adjournment and, unless the chair of the meeting exercises that discretion, no vote may be taken by the Members Present in respect of the adjournment.
- (c) The only business that may be transacted at any adjourned meeting is the business left unfinished at the meeting from which the adjournment took place.
- (d) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting. Otherwise it is not necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

5.8 Voting at general meetings

- (a) Any resolution submitted to a general meeting is to be decided by a show of hands of the Members Present and entitled to vote unless a poll is demanded.
- (b) In the case of an equality of votes, the chair of the meeting does not have, both on a show of hands and on a poll, a casting vote in addition to the vote or votes to which the chair of the meeting may be entitled as a Member or as a proxy, attorney or properly appointed representative of a Member.
- (c) Unless a poll is demanded, a declaration by the chair of the meeting following a vote on a show of hands that a resolution has been passed or lost is conclusive.
- (d) A poll may be demanded by a Member in accordance with the Corporations Act (and not otherwise) or by the chair of the meeting. No poll may be demanded on the election of a chair of a meeting or, unless the chair of the meeting otherwise determines, the adjournment of a meeting. A demand for a poll may be withdrawn.

5.9 Special Meetings

All the provisions of this Constitution as to general meetings apply to any special meeting of any class of Members which may be held under the operation of this Constitution or the Corporations Act.

5.10 Procedure for polls

- (a) When demanded, a poll may be taken in the manner and at the time the chair of the meeting directs.
- (b) The result of a poll may be announced in the manner and at the time (whether during the relevant meeting or afterwards) as the chair of the meeting considers appropriate.
- (c) The result of the poll is the resolution of the meeting at which the poll was demanded.
- (d) The demand for a poll does not prevent a meeting from continuing for the transaction of any business other than that on which a poll has been demanded. A poll demanded on any question of adjournment is to be taken at the meeting and without adjournment.

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6. Votes of Members

6.1 Voting rights

Subject to this Constitution and any rights or restrictions for the time being placed on any Member or class or classes of Members:

- (a) at meetings of Members or classes of Members each Member entitled to attend and vote may attend and vote in person or by proxy, by attorney or by representative;
- (b) a Member is not entitled to vote at a general meeting unless all sums presently payable by the Member in respect of membership of the company have been paid; and
- (c) each Member has one vote both on a show of hands and a poll.

6.2 Right to appoint proxy

- (a) A Member may appoint one proxy.
- (b) A proxy must be nominated by and represent a Member.

6.3 Form of proxy

A form of appointment of a proxy is valid if it is in accordance with the Corporations Act or in any form (including electronic) which the Board may prescribe or accept.

6.4 Lodgement of proxies

An instrument appointing a proxy is not valid unless it and the power of attorney or other authority (if any) under which the instrument is signed is received at the registered office of the company or, if notice of a meeting provides for electronic lodgement of proxies, at the electronic mail address specified in the notice, at any time before the meeting commences.

6.5 Validity of proxies

- (a) A vote exercised in accordance with the terms of an instrument of proxy, a power of attorney or other relevant instrument of appointment is valid despite:
 - (i) the previous death or unsoundness of mind of the principal; or
 - (ii) the revocation of the instrument (or of the authority under which the instrument was executed) or the power,if no notice in writing of the death, unsoundness of mind or revocation (as the case may be) has been received by the company at its registered office at least 48 hours (or any shorter period as the Board may permit or specified by the Corporations Act) before the commencement of the meeting, or adjourned meeting at which the instrument is used or the power is exercised.
- (b) A proxy is not revoked by the principal attending and taking part in the meeting unless the principal actually votes at the meeting on a resolution for which the proxy is proposed to be used.

6.6 Where proxy is incomplete

- (a) No instrument appointing a proxy is treated as invalid merely because it does not contain:
 - (i) the address of the appointor or of a proxy;

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- (ii) the proxy's name or the name of the office held by the proxy; or
 - (iii) in relation to any or all resolutions, an indication of the manner in which the proxy is to vote.
- (b) Where the instrument does not specify the name of a proxy, the instrument is taken to be given in favour of the chair of the meeting.
- (c) A proxy may vote as the proxy thinks fit on any motion or resolution in respect of which no manner of voting is indicated.

7. Appointment, Removal and Remuneration of Directors

7.1 Number of Directors

The number of Directors (not including alternate Directors) must be not less than 7 and not more than 10 unless otherwise determined by general meeting (but subject to the minimum number of Directors not being less than 3).

7.2 Appointment and removal

- (a) The first Directors of the company are the persons specified in the application to register the company lodged under the Corporations Act and who have consented to become Directors of the company.
- (b) Each Director must be approved by a resolution of the company in general meeting and, subject to this rule 7, the company in general meeting may by resolution:
 - (i) appoint any person as a Director either to fill a casual vacancy or as an addition to the Board, provided that the number of Directors (not including alternate directors) does not exceed the maximum number determined under rule 7.1; and
 - (ii) remove any Director from office.
- (c) At least 50% of the number of Directors shall, at any time:
 - (i) represent businesses or business associations, or in other ways represent the business community. This may include Independent Directors with significant experience in the private sector; and
 - (ii) represent participants of the UN Global Compact or a subsidiary of a participant of the UN Global Compact.
- (d) The Board may nominate for election a person who does not represent a particular company or organisation (e.g. government representative, etc.) to be an Independent Director. No more than 50% of the number of Directors shall be Independent Directors.
- (e) Subject to rule 7.2(b), one or more seats on the Board may be reserved for the representation of specific types of organisation types (such as a non-business organisation, Hosting Organisation, the Australian government, the United Nations Country Team or the Global Compact Office). In situations where this is not legally permitted or not possible, the company may formalise other opportunities for such types of organisations to provide input to the Board's decision-making.
- (f) An employee of a person cannot be a Director if that person is a participant of the UN Global Compact or a subsidiary of a participant of the UN Global Compact that is not in

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good standing as a result of not holding an 'Active' status with the UN Global Compact, including due to failure to submit an annual Communication on Progress report or to make a required financial contribution when due.

- (g) In considering the nomination and appointment of Directors, the Board shall:
 - (i) aim to achieve diversity in the composition of the Board with respect to gender (in line with the Women's Empowerment Principles), skills, expertise, experience, ethnicity and other factors that are likely to be of benefit to the company and which will otherwise complement the Board's current composition;
 - (ii) aim to achieve diversity in the composition of the Board with respect to representation from large and small sized organisations and different types of non-business organisations, including civil society, labour organisations and academic institutions; and
 - (iii) consider any potential conflicts of interest, which may include:
 - (A) furthering an individual's or organisation's agenda and not placing the best interest of the company first;
 - (B) the individual's and the company's reputation amongst peers and civil society organisations; and
 - (C) whether the organisation that the candidate is representing or associated with is upholding its commitment to the UN Global Compact's Ten Principles.
- (h) Subject to this rule 7, the Board may at any time appoint a person to be a Director to fill a casual vacancy or as an addition to the existing number of Directors, provided the total number of Directors does not exceed the maximum number under rule 7.2(b).
- (i) Any Director appointed under rule 7.2(h) may hold office only until the next annual general meeting of the company and is then eligible for election at that meeting.

7.3 Term

- (a) The term of a Director is two years. A Director may stand for re-election after any term served. A Director may also retire at an annual general meeting prior to the expiry of the term of appointment and may stand for re-election at this meeting.
- (b) The maximum aggregate term for a Director is ten years, with the Board holding discretion to extend such maximum aggregate term.

7.4 Remuneration

- (a) No Director is entitled to be paid a fee for his or her service as a Director, other than an Executive Director who may receive remuneration in accordance with rule 10.
- (b) The Directors will be entitled to be paid or reimbursed for all out-of-pocket expenses properly incurred by them in the performance of their duties as Directors where the amount payable has been approved by the Executive Director.
- (c) A Director may be engaged by the company in any other capacity (other than auditor) and may be appointed on such terms as to remuneration, tenure of office and otherwise as has been approved by the Board.

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7.5 Vacation of office of Director

- (a) In addition to the circumstances in which the office of a Director becomes vacant under the Corporations Act, the office of a Director becomes vacant if the Director:
 - (i) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
 - (ii) other than in the case of a non-Member Director, ceases to represent a Member;
 - (iii) resigns from the office of Director by notice in writing to the company;
 - (iv) is absent, without the consent of the Board, from three consecutive meetings of the Board held during a continuous period of 6 months; or
 - (v) dies.
- (b) The office of a Director who is an employee of the company is terminated on the Director ceasing to be employed but the person concerned is eligible for reappointment or re-election as a Director of the company.

7.6 Alternate Director

Subject to this Constitution, each Director may appoint any person (who, if there are other Directors, is approved by a majority of the other Directors) to act as an alternate Director in the Director's place, either for a stated period or until the happening of a specified event, whenever by absence or illness or otherwise the Director is unable to attend to duties as a Director. The appointment must be in writing and signed by the Director and a copy of the appointment must be given to the registered office or to a meeting of the Board. The appointment takes effect on (if there are other Directors) approval by a majority of the other Directors or, where the approval has been granted, at any later time specified in the appointment. The following provisions apply to any alternate Director:

- (a) the appointment of the alternate Director is terminated or suspended on receipt at the registered office of notice in writing from the Director by whom the alternate Director was appointed;
- (b) the alternate Director is entitled to receive notice of meetings of the Board and to attend and vote at the meetings if the Director by whom the alternate Director was appointed is not present;
- (c) the alternate Director is entitled to exercise all the powers (except the power to appoint an alternate Director) and perform all the duties of a Director, to the extent the Director by whom the alternate Director was appointed has not exercised or performed them or they have not been limited by the instrument appointing the alternate Director;
- (d) the alternate Director will be entitled to be reimbursed under rule 7.4(b) as if the alternate Director were a Director;
- (e) the office of the alternate Director is terminated on the death of, or termination of office by, the Director by whom the alternate Director was appointed;
- (f) the alternate Director is not to be taken into account in determining the number of Directors or rotation of Directors; and

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- (g) the alternate Director is, while acting as a Director, responsible to the company for the alternate Director's own acts and defaults and is not the agent of the Director by whom the alternate Director was appointed.

7.7 Expert Advisers

- (a) The Board may appoint, on the terms and conditions as determined by the Board, any person (whether a Member or not) with knowledge, skills or experience in academic institutions, government departments, not-for-profit organisations or peak industry bodies as an Expert Adviser.
- (b) The Board may request for an Expert Adviser to attend and address the Board at a Board Meeting as the Board thinks fit.

8. Powers of the Board

The business of the company will be managed by the Board, which may exercise all powers of the company which are not, by the Corporations Act or this Constitution, required to be exercised by the company in general meeting.

9. Proceedings of the Board

9.1 Board meetings

- (a) The Board may meet together for conducting business and may adjourn and otherwise regulate its meetings as it sees fit.
- (b) The Board must meet at least 6 times each year.

9.2 Power to call for a Board meeting

A Director may at any time, and the Secretary must on the request of a Director, call a Board meeting.

9.3 Quorum for Board meetings

Unless otherwise determined by the Board, the number of Directors necessary to form a quorum at a Board meeting is 4 Directors.

9.4 Notice

Reasonable notice must be given to every Director of the place, date and time of every Board meeting. Notice of a Board meeting may be given by mail (electronic or otherwise), personal delivery or facsimile transmission to the usual place of business or residence of the Directors or at any other address given to the Secretary by the Director or by any technology agreed to by all the Directors.

9.5 Board meetings by technology

- (a) For the purposes of the Corporations Act, each Director, by consenting to be a Director (or by reason of the adoption of this Constitution), consents to the use of each of the following technologies for holding a Board meeting:
 - (i) video conference;

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- (ii) telephone;
- (iii) electronic mail;
- (iv) any other technology which permits each Director to communicate with every other Director; or
- (v) any combination of these technologies.

A Director may withdraw the consent given under this rule in accordance with the Corporations Act.

- (b) Where the Directors are not all in attendance at one place and are holding a meeting using technology and each Director can communicate with the other Directors:
 - (i) the participating Directors are, for the purpose of every provision of this Constitution concerning Board meetings, taken to be assembled together at a meeting and to be present at that meeting; and
 - (ii) all proceedings of the Board conducted in that manner are as valid and effective as if conducted at a meeting at which all of the participating Directors were physically present in one location.

9.6 Chair of the Board

- (a) The Board may elect one of their number as their chair and, subject to rule 9.6(b), may decide the period for which the Chair is to hold office as Chair.
- (b) The term of the Chair is two years. The Chair may stand for re-election after the term is served. The maximum aggregate term of the Chair is eight years.
- (c) Where a Board meeting is held and:
 - (i) a Chair has not been elected as provided by rule 9.6(a); or
 - (ii) the Chair is not present within 15 minutes after the time appointed for the holding of the meeting or does not wish to act as chair of the meeting,the Directors present may elect one of their number to be chair of the meeting.
- (d) The Executive Director cannot be elected as the Chair.

9.7 Directors' voting rights

- (a) Subject to this Constitution, questions arising at a Board meeting are decided by a majority of votes of Directors present and voting.
- (b) In the case of an equality of votes, the Chair does not have a casting vote in addition to the Chair's deliberative vote.
- (c) Subject to rule 9.9, a Director who has a material personal interest in a matter may vote in respect of that matter if it comes before the Directors and be counted as part of the quorum.

9.8 Conflict of interests

- (a) The Board must:
 - (i) maintain a conflict register of any conflicts of interest of the Directors and the Executive Director; and

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- (ii) seek guidance from the Global Compact Office where conflicts of interest risk undermining the interests or the brand of the company or the broader UN Global Compact.
- (b) A Director is not disqualified from contracting with the company in any capacity by reason of holding the office of Director.
- (c) In relation to a contract or arrangement in which a Director is in any way interested:
 - (i) the fact that the Director signed the document evidencing the contract or arrangement will not in any way affect its validity;
 - (ii) the contract or arrangement may not be avoided merely because the Director is a party to the contract or arrangement or otherwise interested in it; and
 - (iii) the Director will not be liable to account to the company for any profit derived in respect of the contract or arrangement merely because of the Director's office or the fiduciary relationship it entails.

9.9 Material personal interest

- (a) Subject to rule 9.9(b), a Director who has a material personal interest in a matter that relates to the affairs of the company must give the other Directors notice of his or her interest in accordance with the Corporations Act.
- (b) A Director with a material personal interest in a matter that relates to the affairs of the company is not required to give notice in the following circumstances:
 - (i) if all of the following conditions are met:
 - (A) the Director has already given notice of the nature and extent of the interest and its relation to the affairs of the company;
 - (B) if a person who was not a Director at the time the notice was given is appointed as a Director, the notice is given to that person; and
 - (C) the nature or extent of the interest has not materially increased above that disclosed in the notice;
 - (ii) if the Director has given a standing notice of the nature and extent of the interest in accordance with the Corporations Act and that standing notice is still effective in relation to the interest; or
 - (iii) as otherwise permitted under the Corporations Act.
- (c) A Director who has a material personal interest in a matter that is being considered at a Board meeting must not be present while the matter is being considered at the meeting or vote on the matter, except as permitted in accordance with the Corporations Act.
- (d) Nothing in this rule affects the duty of a Director:
 - (i) who holds any office or possesses any property whereby, directly or indirectly, duties or interests might be created in conflict with the Director's duties or interests as a Director, to declare at a Board meeting, the fact and the nature, character and extent of the conflict; or
 - (ii) to comply with the Corporations Act or any other law.

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9.10 Committees

- (a) The Board may delegate any of its powers to committees consisting of any one or more Directors or any other person or persons as the Board thinks fit and may revoke that delegation.
- (b) A committee to which any powers have been delegated under rule 9.10(a) must exercise those powers in accordance with any directions of the Board. These powers are then taken to have been exercised by the Board.
- (c) Subject to rule 9.10(b), the meetings and proceedings of any committee are to be governed by the provisions of this Constitution for regulating the meetings and proceedings of the Board so far as they are applicable.
- (d) Nothing in this rule 9.10 limits the power of the Board to delegate.

9.11 Written resolutions

- (a) A resolution in writing signed by all Directors or a resolution in writing of which notice has been given to all Directors and which is signed by a majority of the Directors entitled to vote on the resolution (not being less than the number required for a quorum at a Board meeting) is a valid resolution of the Board and is effective when signed by the last of all the Directors or the last of the Directors constituting the majority, as required.
- (b) For the purpose of this rule, the references to Directors include any alternate Director appointed by a Director who is not available to sign the document or is otherwise unable to sign the document within a reasonable time but do not include any other alternate Director.
- (c) The resolution may consist of several documents in the same form each signed by one or more of the Directors. A facsimile transmission or other document produced by mechanical or electronic means under the name of a Director with the Director's authority is considered a document in writing signed by the Director and is deemed to be signed when received in legible form.

9.12 Defects in appointments

All actions at any meeting of the Board or by a committee or by any person acting as a Director are, despite the fact that it is afterwards discovered that there was some defect in the appointment of any of the Directors or the committee or the person acting as a Director or that any of them were disqualified, as valid as if each person had been properly appointed and was qualified and continued to be a Director or a member of the committee.

9.13 If less than minimum number of Directors

If the number of Directors is reduced below the minimum number fixed under this Constitution, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of calling a general meeting of the company but for no other purpose.

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10. Officers of the Company

10.1 Executive Director

- (a) The Executive Director may be appointed on terms as to term of office, remuneration and otherwise as determined by the Board from time to time. There may only be one Executive Director at any given time.
- (b) The Executive Director will be subject to oversight by the Board and will report to the Board on all matters related to the company.
- (c) The Executive Director may be appointed to the Board as an ex-officio member. If the Executive Director is an ex-officio member of the Board, he or she:
 - (i) will not have any voting rights and
 - (ii) must recuse himself or herself from discussions and decisions that may create a conflict of interest, including with respect to the Executive Director's performance and remuneration.

10.2 Appointment of Secretary

- (a) The first Secretary of the company is the person specified in the application to register the company lodged under the Corporations Act and who has consented to become the Secretary of the company.
- (b) There must be at least one Secretary who is to be appointed by the Board.

10.3 Qualification as a Secretary

Each Secretary must be nominated by and represent a Member.

10.4 Powers, duties and authorities of Secretary and Secretariat

- (a) A Secretary of the company holds office on the terms and conditions, and with the powers, duties and authorities, as the Board decides.
- (b) The Secretariat must, as requested by the Board, provide the Board with full access to relevant information about the company, including on financial matters.

10.5 Termination of appointment of Secretary

The Board may at any time terminate the appointment of a Secretary.

10.6 Appointment of other officers

The Board may from time to time:

- (a) create any other position or positions in the company with the powers and responsibilities as the Board may from time to time decide; and
- (b) appoint any person, whether or not a Director, to any position or positions created under rule 10.6(a).

10.7 Termination of appointment of other officers

The Board may at any time terminate the appointment of a person holding a position created under rule 10.6(a) and may abolish the position.

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11. Financial statements

11.1 Books of record and account to be kept

The company must keep proper books of record and account in which full, true and correct entries are made of all financial dealings and transactions.

11.2 Submission of annual financial statement to Global Compact Office

The company must, within four months after the end of its fiscal year, produce and submit to Global Compact Office annual financial statements in English that specifies the income and expenses. Such annual financial statements must be independently audited by a third party with relevant accounting qualifications and must clearly indicate income and expenses for the company separate from those of the Hosting Organisation (if any).

11.3 Approval of annual financial statements and provision to Members

The annual financial statements must be approved by the Board. A copy of the annual financial statements must be provided to all Members within a reasonable time following such approval.

12. Seals

The company may have a common seal and a duplicate common seal which are to be used by the company as determined by the Board.

13. Notices

13.1 Notices generally

Any Member who has not left at or sent to the registered office, a place of address or an electronic mail address (for registration in the register) at or to which all notices and documents of the company may be served or sent is not entitled to receive any notice.

13.2 How notice may be given

The company may give notice to a Member, in its discretion, by:

- (a) serving it on the Member personally;
- (b) sending it by post to or leaving it at the Member's address as shown in the register of Members or an alternative address supplied by the Member;
- (c) sending it to the fax number or electronic mail address supplied by the Member;
- (d) serving it in any manner contemplated in this rule 13.2 on a Member's attorney as specified by the Member under a notice given under rule 13.3.

13.3 Notices to an attorney

By written notice to the Secretary left at or sent to the registered office, a Member may request that all notices to be given by the company or the Board be served on the Member's attorney at an address specified in the notice and the company may do so in its discretion.

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13.4 Personal service or delivery

A notice served on a Member personally or left at the Member's address is conclusively considered to have been served when delivered.

13.5 Notice by post

A notice sent by post:

- (a) if sent to an address in Australia, may be sent by ordinary post; and
- (b) if sent to an address outside Australia, must be sent by airmail,

and in either case is conclusively considered to have been served at the expiration of 24 hours after the notice is posted, provided that it is properly addressed.

13.6 Notice by fax or electronic mail

Any notice sent by fax or electronic mail is conclusively considered to have been served on the day it is sent, provided that it is properly addressed.

14. Winding Up or Revocation of Endorsement of the Company

14.1 Winding up or revocation of endorsement

On the earlier of:

- (a) the winding up or dissolution of the company; and
- (b) if the company is endorsed as a Deductible Gift Recipient, the revocation of that endorsement,

any property whatsoever, that remains, after satisfaction of all debts and liabilities, must not be paid to or distributed among the Members but must be given or transferred to one or more organisations selected by the Members at or before the time of dissolution or revocation of endorsement:

- (a) having objects similar to the objects of the company set out in rule 2.1; and
- (b) which by its Constitution is required to apply its profits (if any) or other income in promoting its objects and is prohibited from distributing its income and property to its members.

14.2 Amalgamation

Where it furthers the objects of the company to amalgamate with any one or more other organisations having similar objects to the objects of the company, the other organisation or organisations must have rules prohibiting the distribution of its income and property to Members.

15. Indemnity

- (a) The company indemnifies each officer of the company out of the assets of the company to the relevant extent against any liability incurred by the officer in or arising out of the conduct of the business of the company or in or arising out of the discharge of the duties of the officer.

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- (b) Where the Board considers it appropriate, the company may execute a documentary indemnity in any form in favour of any officer of the company, provided that such terms are not inconsistent with this rule 15.
- (c) Where the Board considers it appropriate, the company may:
 - (i) make payments by way of premium in respect of any contract effecting insurance on behalf or in respect of an officer of the company against any liability incurred by the officer in or arising out of the conduct of the business of the company or in or arising out of the discharge of the duties of the officer; and
 - (ii) bind itself in any contract or deed with any officer of the company to make the payments.
- (d) Where the Board considers it appropriate, the company may:
 - (i) give a former Director access to certain papers, including documents provided or available to the Directors and other papers referred to in those documents; and
 - (ii) bind itself in any contract with a Director or former Director to give the access.
- (e) In this rule 15:
 - (i) **officer** means:
 - (A) a director, secretary, general manager or Executive Director;
 - (B) any person appointed as an officer under rule 10.6; or
 - (C) a person appointed as a trustee by, or acting as a trustee at the request of, the company,and includes a former officer.
 - (ii) **duties of the officer** includes, in any particular case where the Board considers it appropriate, duties arising by reason of the appointment, nomination or secondment in any capacity of an officer by the company or, where applicable, a subsidiary of the company to any other corporation.
 - (iii) **to the relevant extent** means:
 - (A) to the extent the company is not precluded by law from doing so;
 - (B) to the extent and for the amount that the officer is not otherwise entitled to be indemnified and is not actually indemnified by another person (including, but without limitation, a subsidiary or an insurer under any insurance policy); and
 - (C) where the liability is incurred in or arising out of the conduct of the business of another corporation or in the discharge of the duties of the officer in relation to another corporation, to the extent and for the amount that the officer is not entitled to be indemnified and is not actually indemnified out of the assets of that corporation.
 - (iv) **liability** means all costs, charges, losses, damages, expenses, penalties and liabilities of any kind including, in particular, legal costs incurred in defending any proceedings (whether criminal, civil, administrative or judicial) or appearing before any court, tribunal, government authority or other body.

ATTACHMENT B: Constitution of Global Compact Network Australia Limited - Summary of Key Proposed Amendments

Various rules are proposed to be amended and updated in the constitution of GCNA, including to reflect various requirements under the UN Global Compact Memorandum of Understanding (**MOU**). The table below sets out a summary of key proposed amendments to the constitution of GCNA.

Rule	Subject	Summary of Proposed Amendments
1.1	Definitions	These have been amended to reflect the defined terms now used throughout the proposed amended Constitution, including to reflect various definitions and requirements under the MOU.
3.3	Member's liability on winding up	To note that this rule is a standard provision in a constitution for a company limited by guarantee which governs the liability of the members on a winding up. As members of a company limited by guarantee, the liability of Members of GCNA is limited to the amount they undertake to contribute to the property of the company in the event of a winding up, as set out in the constitution – this is usually a nominal amount, e.g. \$1.00 as set out in this rule.
3.4, 3.5, 3.6	Admission as a Member, Categories of Members, Membership fees	The requirements under Requirements I.A.2, I.A.3 and I.A.4 of the MOU have been reflected in the proposed amendments to these rules. Rule 3.4 has been amended to reflect that a member of GCNA must be a participant of the UN Global Compact, or a subsidiary of a participant. The language has been drafted broadly to provide for flexibility in any future changes to membership requirements for participants and subsidiaries of participants of the UN Global Compact. The drafting to provide for this flexibility has also been reflected in the amendments to rule 3.5 (in relation to categories of Members) and rule 3.6 (in relation to Membership fees).
3.9	Expulsion of a Member	The drafting of this rule has been streamlined to reflect that membership of the GCNA follows from the Member being a participant in the UN Global Compact. To the extent that a Member does not satisfy the requirements to be a participant in the UN Global Compact and is delisted as a participant in the UN Global Compact, then they must be removed as a Member of the GCNA. The Board's discretion to remove a Member where the Member does not comply with the provisions of the GCNA constitution have been retained.
3.10	Ceasing to be a Member	This rule has been amended to reflect the fact that individuals cannot be Members of the GCNA.
4.1, 4.4, 5.1	General meetings	Rule 4.1 has been updated to reflect that general meetings must be held at least once per year and may be held by way of technology, in accordance with Requirement I.B.2 of the MOU. Rule 4.3 has been updated to reflect that notices can be given to Members in a manner determined by the Board (e.g. by email).

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Rule	Subject	Summary of Proposed Amendments
		<p>Rule 4.4 has been updated to reflect language that a constitution would typically refer to, and the proposed amendments to Rule 4.4(a)(ii) reflect the requirements under Requirement I.B.1 of the MOU.</p> <p>The quorum for a general meeting has been reduced to 20% of Members (from 35% of Members). This change is intended to facilitate the holding of general meetings in light of the GCNA's growing member base.</p>
7.2	Appointment and removal of Directors	<p>This rule has been amended to reflect various requirements under the MOU in relation to the Board composition and nomination process, including Requirements I.B.4, I.B.5, I.B.6, I.B.7, I.B.9 and I.B.11, and Recommendation I.B.3.</p> <p>Rule 7.2(e) provides the Board with flexibility in relation to reserving seats on the Board for specific types of organisations in line with any changing requirements of the UN Global Compact.</p>
7.3	Term of Directors	<p>The proposed amendments provide for a maximum aggregate term for a Director of 10 years (with each individual term being for 2 years, subject to re-election), with the Board having the discretion to extend that maximum aggregate term.</p>
9	Proceedings of the Board	<p>The proposed amendments:</p> <ul style="list-style-type: none"> • require the Board to meet at least 6 times per year; • provide for a quorum of 4 directors (given that the minimum number of directors is 7 directors); and • provide for a maximum aggregate term for the Chair of 8 years (with each individual term being for 2 years, subject to re-election) – reflecting the requirements for the election and maximum term of the Chair under Requirements I.B.14 and I.B.15 of the MOU.
9.8	Conflicts of interest	<p>The proposed amendments reflect the requirements under Requirement I.D.4 of the MOU, requiring a conflicts of interest register to be maintained and for guidance to be sought from the UN Global Compact where required.</p>
10	Officers of the Company	<p>The proposed amendments reflect the requirements under Requirements I.B.7, I.B.8 and I.C.7 of the MOU, and Recommendation I.B.1 of the MOU (including in relation to Executive Director).</p>
11	Financial statements	<p>The rules have been amended to reflect the requirements under Requirement II.A.3 under the MOU.</p>