Australian Institute *of*
Company Directors

Non-Executive Director Remuneration Policy

Policy:	Non-Executive Director Remuneration Policy
Board approved:	*26 November 2025*
Next review date:	*26 November 2028*

1. Purpose

The purpose of this Non-Executive Director Remuneration Policy (**Policy**) is to outline the policy and process for remunerating AICD's directors (other than the CEO Director) (**Non-Executive Directors**), in compliance with rule 8.8 of the AICD constitution.

2. Objective

This Policy:

(a) gives effect to the AICD's constitutional framework permitting remuneration of its Non-Executive Directors;

(b) sets clear, transparent and market-aligned parameters for determining, reviewing and disclosing payments to its Non-Executive Directors;

(c) supports AICD's ability to attract and retain directors with the requisite skills, experience and diversity to advance AICD's charitable purpose; and

(d) ensure member accountability, financial prudence, integrity and public trust in AICD's governance.

3. Policy

3.1. Guiding principles

AICD will:

(a) remunerate Non-Executive Directors fairly and responsibly, having regard to the time, expertise, duties and legal responsibilities assumed by directors;

(b) comply with the AICD constitution, the *Corporations Act 2001* (Cth), and any other applicable law or regulation;

(c) maintain transparent member accountability, including member approval of the aggregate remuneration pool and annual disclosure of payments made to Non-Executive Directors;

(d) benchmark remuneration periodically against objectively determined market data for comparable not-for-profit, charitable and professional bodies;

(e) apply appropriate governance practices; and

(f) ensure remuneration outcomes are justifiable and aligned with AICD's financial resourcing and organisational objectives.

3.2. Remuneration framework

3.2.1. Pool Amount

(a) The process for determining the remuneration of Non-Executive Directors is set out in rule 8.8 of the AICD's constitution and involves the directors proposing an aggregate amount of funds to be available for Non-Executive Director remuneration each financial year, with such amount to be approved by resolution of the members in general meeting (**Pool Amount**), with the Pool Amount to remain in effect each financial year until varied by further proposal of the directors and resolution of the members.

(b) The Pool Amount to be proposed and recommended by the directors should be sufficient to:

(i) remunerate all Non-Executive Directors holding office during the financial year at the levels contemplated by this Policy; and

(ii) include a modest contingency buffer (**Buffer**).

3.2.2. Individual remuneration

(a) Within the approved Pool Amount and having regard to any advice from the Nominations and Governance Committee (**NAGC**) or other AICD committee with relevant remit, the directors may determine individual fees for each Non-Executive Director.

(b) Subject to clause 3.2.3, fees are inclusive of all director time and commitments in performing their respective roles, including board meetings, committee meetings, related and other responsibilities.

3.2.3. Chair fee

The directors may determine for the Chair to receive an additional loading relative to other Non-Executive Directors recognising the greater time commitment, leadership and representational duties attaching to that office.

3.2.4. Superannuation

The Pool Amount and any determination of individual Non-Executive Director fees are to include employer superannuation contributions otherwise payable by the AICD on account of directors.

3.2.5. Payment frequency

Non-Executive Director fees will accrue daily and be paid consistent with the AICD payroll policy for its executive staff. Where a Non-Executive Director serves for only part of a financial year, annual Non-Executive Director fees will be adjusted and paid on a pro-rated basis.

3.2.6. Buffer and annual adjustments

The Board may, within the Pool Amount and with regard to any Buffer, determine annual Non-Executive Director fee adjustments after considering:

(a) changes in role, scope or complexity of the directors' responsibilities;

(b) movements in relevant remuneration benchmarks;

(c) the consumer price index and broader economic conditions; and

(d) AICD's financial performance and outlook.

3.3. Review and benchmarking

At least every three years, the NAGC or other AICD committee with relevant remit will facilitate:

(a) an internal review of Non-Executive Director fee levels, the sufficiency of the Pool Amount and the effectiveness of this Policy; and

(b) where considered necessary, external market benchmarking of director remuneration (which may include benchmarking for the Chair fee contemplated by clause 3.2.3),

and will submit recommendations regarding any variation or amendment to the directors for consideration.

3.4. Transparency, reporting and disclosure

The annual Directors' Report (or equivalent report to members) will disclose:

(a) the most recent Pool Amount approved by members;

(b) the aggregate Non-Executive Director fees paid during the year;

(c) confirmation that payments complied with the AICD constitution and this Policy; and

(d) the outcome of any review undertaken pursuant to clause 3.3.

3.5. Conflict of interest protocols

Director decisions regarding remuneration must comply with rule 8.9 of the AICD constitution and the AICD's Conflict of Interest Protocol, Code of Conduct and any related document.

3.6. Administration

The Company Secretary will:

(a) maintain records of member approvals, usage of the Pool Amount and determinations and payments of individual director remuneration;

(b) coordinate reviews and benchmarking processes; and

(c) ensure timely disclosure of remuneration information as required by the law and this Policy.

4. Scope

(a) This Policy applies to all directors of AICD, including the Chair. It does not govern remuneration of the Chief Executive Officer (an executive position), nor does it impact director eligibility for reimbursement of reasonable out-of-pocket expenses or benefits pursuant to rule 8.8(a)(ii) of the AICD constitution.

(b) If there is any conflict between this Policy and the AICD constitution, the terms of the AICD constitution will prevail to the extent of the inconsistency.

5. Definitions

Term	Explanation
AICD	means the Australian Institute of Company Directors.
Buffer	has the meaning given at clause 3.2.1(b) of this Policy.
CEO Director	has the meaning given at rule 8.2(c) of the AICD constitution.
NAGC	means the Nominations and Governance Committee.
Non-Executive Director	means a director of AICD that is not the CEO Director.
Policy	means this Non-Executive Director Remuneration Policy.
Pool Amount	has the meaning given at rule 8.8(b)(i) of the AICD constitution and as outlined in clause 3.2.1(a) of this Policy.

6. Policy information

Policy author:	*Company Secretary*	**Policy owner:**	*Company Secretary*
Status:	*Approved by Board*	**Review period:**	3 years
Version:	1	**Expiry date:**	*26 November 2028*
Effective date:	*26 November 2025*	**Document location:**	*Unily > Company Policies*

7. Document history

Version	Effective date	Policy author	Description of revision
1	*26 November 2025*	Company Secretary	New Policy