

MEDIA RELEASE

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AICD launches updated guidance for the NFP sector

The Australian Institute of Company Directors (AICD) has updated its guidance for the not-for-profit sector, to reflect the demands of the changing governance environment.

This revised edition of the **Not-for-Profit Governance Principles (Principles)** reflects changes which have occurred in the sector since they were first released, more than a decade ago in 2013, and revised in 2019.

AICD CEO and Managing Director Mark Rigotti said, "In that time, the NFP sector has experienced significant regulatory reform and disruption, as well as an increase in community expectations."

"This has arisen, in part, from a series of Royal Commissions, the COVID-19 pandemic, and emerging risks such as cyber and climate."

The Principles have been refined; ten principles have been consolidated into eight, with new principles on sustainability and organisational culture and a short resource on how to elevate the client voice into board decision making.

The Principles also feature a governance checklist for smaller NFPs and real-life case studies from senior directors.

Mr Rigotti said, "Given the diversity of size, scope and scale of the NFP sector, it will be a matter for each NFP board to carefully consider how best to apply the Principles within their own context."

In developing this edition of the Principles, extensive consultation has been undertaken with directors, policymakers, legal experts and other stakeholders to ensure that it reflects the wisdom of the broader NFP sector.

The AICD is hosting a complimentary webinar to launch the new Principles and discuss how they can be applied to organisations. The webinar recording will be made available following the event. The AICD aims to support NFP directors with contemporary guidance, including in the 'care economy', most recently through the publication of [Governing for quality aged care – A director's guide](#).

NFP directors are also encouraged to read [Governing Through a Cyber Crisis – Cyber Incident Response and Recovery for Australian Directors](#) developed by the Cybersecurity Cooperative Research Centre and Ashurst in collaboration with the AICD, which highlights the unique threat posed to NFPs.

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