

# MEMBER CHARTER

The Hospitals Contribution Fund of Australia Ltd  
(ACN 000 026 746)

(the "Company" or "HCF")

**HCF BOARD APPROVAL DATE: 13 MARCH 2026**

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# 1. INTRODUCTION

## 1.1 COMPANY OVERVIEW

The Hospitals Contribution Fund of Australia Limited (HCF) is a not-for-profit entity. Founded in 1932, HCF is Australia's largest not-for-profit health fund providing hospital, ancillary and general insurance to over 2 million members nationwide.

## 1.2 CHARTER PURPOSE

The Member Charter ("the **Charter**") outlines:

- the roles and responsibilities of Members, and individual Elected and Director Members, when acting in their role as Members; and
- expected information which Members will have access to from HCF to assist them in the performance of their role and responsibilities.

The intent of this Charter is to provide a guide to the proper functioning of the Members as outlined in the Constitution of the Company (**Constitution**), but always subject to the Constitution. This Charter in no way alters the Constitution, nor the rights and obligations in it.

## 1.3 AUTHORITY

This Charter shall be approved, amended or otherwise varied only by approval of the Board of the Company (**Board**) following consultation with the Members.

If there is any conflict between this Charter and the Constitution, the Constitution will prevail.

Capitalised terms not otherwise defined in this Charter have the meaning given to them in the Constitution. In some places in this Charter, the term "full Members" are used. This term is not intended to create a new concept and merely refer to the Members as a group of people.

# 2. ROLE AND RESPONSIBILITIES

## 2.1. ROLE OF MEMBERS

Individuals appointed as Members serve as the legal members of HCF and are granted the rights and responsibilities set out in the Constitution and applicable law. Without limiting rule 13 of the Constitution, in exercising these rights and responsibilities, Elected Members should act in a manner that best promotes the Objects of the Company.

Except as set out in the Constitution, Members have no authority to make decisions, or speak, on behalf of HCF nor shall any Member views or determinations be binding upon the Company or the Board.

Members should have a variety of skills and experience relevant to their role and responsibilities.

## 2.2 STRUCTURE OF MEMBERS

Under the Constitution, there are:

- "Members" – who are the members of the HCF, comprising:
  - "Elected Members" – being those persons elected as such by Voting Policyholders or appointed to fill a casual vacancy or as an additional appointment (up to 16 persons); and
  - "Director Members" – being the Chair of the Board and each "Elected Director" (other than the Chair) appointed as a "Director Member" (up to 8 persons),

in each case, in accordance with the relevant provisions of the Constitution; and

- "Directors" – being the directors from time to time of HCF who together comprise the Board (up to ten persons). Persons who are Directors may also be Director Members. The business of HCF is to be managed by or under the direction of the Directors.

The number of Elected Members must not exceed double the number of Director Members, except where this is temporarily the case due to a Director Member ceasing to be a Director Member under the Constitution.

Except as the Board may otherwise determine, all appointments of Elected Members will be made by the Voting Policyholders in accordance with the rules of the Constitution.

## **2.3 RESPONSIBILITIES OF MEMBERS**

Members have the rights and responsibilities set out in the Constitution and at law and may exercise those in general meetings or as otherwise permitted by the Constitution and the law.

This includes:

- right to receive Notice of all Meetings of the Company;
- right to vote at any Meeting of the Company or on any matter as a Member of the Company and participate in any matters set before the meeting;
- specifically, to participate, and if required, vote on any matter at the Annual General Meeting, including:
  - consideration of the annual financial report, Directors' report and auditor's report;
  - the appointment and/or removal of Directors;
  - declaration of any election of Members;
  - the appointment and/or removal of the external auditor;
  - the fixing of the auditor's remuneration;
  - determination of the Director Members' (Directors) remuneration pool;
  - amendment to the Constitution (through special resolution); and
  - other matters as required.

As per the Members eligibility criteria's, Members must do each of the following:

- abide by the Constitution of the Company, this Charter, and any laws or regulations binding upon them;
- become a member of the Company;
- confirm that they meet the relevant eligibility criteria to remain a Member;
- in exercising any power or obligation conferred on them under the Constitution, act in good faith and in the best interests of the Company and for a proper purpose; and
- in exercising any power or obligation conferred on them under the Constitution, act in a manner that best promotes the Objects of the Company.

Members must also:

- attend information briefings convened by the Company;
- ensure that they have the skill, knowledge and expertise to fulfil their responsibilities;
- devote as much time and attention to meetings of Members for them to carry out their responsibilities;
- ensure the maintenance of independence so that the exercise of powers is not in accordance with instructions or directions of any other person or organisation;
- notify the Company of any changes to their personal details or ability to fulfil their responsibilities;
- provide views to the Board when requested;
- engage with the Board and Company through the Chair, as appropriate; and
- not engage directly with Policyholders of the Company, in the exercise of their role.

## **2.4 MEMBERS ATTENDANCE AT INFORMATION BRIEFINGS**

It is expected that Elected Members make themselves available to attend the scheduled general meetings or information briefings in person, including the AGM, as set out in Clause 4 "Conduct of Member Business". If necessary, Elected Member attendance at the scheduled information briefings may be satisfied by on line attendance.

Subject to continuing to fulfil the relevant eligibility criteria, Members may request a leave of absence from the Chair if they are unable to attend a general meeting or an information briefing. If three consecutive general meetings or information briefings are missed without leave having been sought, this may constitute grounds for expulsion.

### **3. ROLE OF THE CHAIR**

The Chair of the Board will chair meetings of Members. If the Chair is not available the Members will appoint a Director Member as Chair. The Chair is responsible for:

- managing the agenda;
- the general conduct of meetings and procedures to be adopted;
- maintaining adherence with the Constitution.

More generally, the Chair is also responsible for:

- consulting with the Board on behalf of the Members;
- consulting with the Members on behalf of the Board either collectively or via the Elected Member Convenor (see Clause 4.7 "Elected Member Meetings";
- ensuring Members receive the appropriate induction.

### **4. CONDUCT OF MEMBER BUSINESS**

#### **4.1. FREQUENCY OF INFORMATION BRIEFINGS**

Members attend approximately three (3) information briefings each year at appropriate intervals and the Annual General Meeting and any other general meetings, as required. The information briefings are sessions where Elected Members receive updates from the HCF Board and management.

#### **4.2. QUORUM FOR GENERAL MEETINGS**

The quorum for a general meeting of the Company is at least 33.3% of the Members, comprising at least 25% of the Members who are Elected Members and at least 50% of Members who are Director Members.

#### **4.3. MEMBER CHAIR**

The Chair of the Company Board presides as the Chair at every information briefing of the full Members.

If the Company has no Chair, or the Chair is unwilling or unable to chair the meeting then the Board shall elect a Director Member to chair the meeting.

#### **4.4. SECRETARY**

Secretariat duties will be provided by the HCF Group Company Secretary or their delegate.

#### **4.5. CONDUCT OF INFORMATION BRIEFINGS**

General meetings and Member information briefings will be formally structured, held in appropriate facilities with timely notice, agendas, supporting papers and minutes of prior meetings/briefings distributed sufficiently in advance. Minutes of Member information briefings do not constitute minutes of meetings of the Company.

Members may only exercise their powers and voting rights as members at a general meeting and do so pursuant to the rules outlined in the Constitution.

Except as provided in the Corporations Act, no Member (acting as a member of the Company) may call a general meeting.

The business of the Annual General Meeting, as detailed in the Constitution, may include the following (even if not referred to in the notice of meeting):

- consideration of the annual financial report, Director's report and auditor's report;
- declaration of the result of any election of Elected Members;

- declaration of the result of any election of Directors;
- the appointment of the external auditor;
- the fixing of the auditor’s remuneration; and
- determining the Directors’ remuneration pool.

## 4.6. INFORMATION FOR MEMBERS

### Regular Information

The Board and Management of HCF will keep Members informed about the Company’s key operational and financial performance and strategic plans at the Information Sessions. The **Schedule of Matters** (Annexure 1) lists the information to be provided at Member information briefings and is to be amended from time to time by the Members.

HCF will provide other information to Elected Members, related to operational, environmental or regulatory developments or activities, as relevant.

### Other Information

HCF will share relevant information with Elected Members as appropriate, which may include:

- Non-Executive Remuneration benchmarking data, in relation to the setting of the director fee pool;
- Nominated non-executive director profiles and relevant Board composition information including the Board Skills Matrix.

## 4.7. ELECTED MEMBER MEETINGS

The Elected Members may choose to meet without Director Members to independently consider matters related to the Members including, but not limited to:

- efficient and effective administration of the Members;
- governance of the Company generally.

Any such meeting shall not carry any decision-making power, nor shall any views or determinations be binding upon the Company or the Directors. These meetings have no legal identity or authority.

Members may elect on an annual basis an “Elected Member Convenor” (Convenor) who will be an Elected Member. The Convenor shall act to facilitate meetings of the Elected Members absent the Director Members and shall work with the Chair and Group Company Secretary to facilitate discussions and raise matters that the Board and/or the Elected Members consider worthy of furtherance.

The Convenor shall be facilitatory in nature and shall not hold any inherent representative or authoritative power except as properly authorised by the Board and the Members.

At any meeting of the Members where the Director Members are absent, the Member Convenor shall preside. Where the Member Convenor is unable or unwilling to preside, the remaining Elected Members shall appoint any one of their number to preside at that meeting.

At a mutually convenient time, following any meeting of the Members where the Director Members are absent, the Member Convenor shall meet with the Chair and/or Group Company Secretary in a timely manner to discuss any matters arising from the discussions of the Elected Members for the benefit of the Board.

## 5. SUPPORT AND INFORMATION

Members shall be supported to fulfil their rights and responsibilities through:

- relevant support and guidance from the Chair;
- a process of induction sufficient to understand and allow them to fulfil the roles and responsibilities of a Member;
- provision of administrative support in a manner to be determined by the Chair from time to time;
- relevant support and guidance from the Group Company Secretary as required;
- such other supports as the Board may deem appropriate from time to time.

Members shall be entitled to:

- timely, efficient, and effective information sufficient to execute their responsibilities including but not limited to the type of information specified in the Schedule of Matters;
- support as required to fulfil the duty of Member at the reasonable expense of the Company, in the manner and to the extent determined by the Board from time to time;
- any other information that the Members (in their capacity as members in general meeting) and the Chair consider relevant to their responsibilities.

Elected Members shall not be entitled to:

- information concerning the business, trading, trade secrets, procedures or operational practices, customers, or other matters that in the view of the Board may be regarded as secret, or confidential, that would not otherwise be provided to members of a company, the public, or as required by the Constitution or at law.
- inspect any document of the Company other than the minutes of general meetings and other documents authorised for their inspection by the Directors or the Company or the law.

## 6. REVIEW OF CHARTER

A biennial review of this Charter shall be conducted by the HCF Board Chair, Company Secretary and Member Convenor and tabled at a Member meeting. The HCF Board approve any changes to the Charter.

I confirm that I have reviewed this Charter.

TITLE	DATE	SIGNATURE
Group Company Secretary	13 March 2026	<i>Nathan Francis</i>

**Do you have a question? Contact the HCF Company Secretary Team**



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