



**SENATOR THE HON KATY GALLAGHER**  
**Minister for Finance**

**THE HON ED HUSIC MP**  
**Minister for Industry and Science**

PDR: MS23-001697

Mr Glenn Thompson

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Dear Mr Thompson

### **Appointment as Board Member of the National Reconstruction Fund Corporation**

We are pleased to appoint you as a Board Member of the National Reconstruction Fund Corporation ('**NRFC**') for a 4 year term. The conditions of the appointment as determined under section 27 of the *National Reconstruction Fund Corporation Act 2023* ('**the Act**') are set out below. Attached to this letter is a copy of the Instrument of Appointment.

#### ***The NRFC's role***

The NRFC is a corporate Commonwealth entity established to provide finance in the form of debt and equity for projects in priority areas to diversify and transform Australia's industry and economy. The Department of Industry, Science and Resources will send you a Conflict of Interest Declaration and Confidentiality Deed Poll. Once you have completed and returned these documents, you will receive a preliminary briefing pack which contains background to the role of the NRFC. Staff from our Departments will provide you with verbal briefings, as required, to supplement the information contained in that preliminary briefing pack and prepare you for your role as Board Member.

#### ***The Board's role***

The role of the Board is to provide stewardship, strategic leadership, governance and oversight of the NRFC. The Board is accountable to us, as the Ministers under the Act, for:

- governance and reporting;
- promoting accountability for Government resources; and
- ensuring sound financial management and commercial operation by the NRFC.

The Board has ultimate fiduciary responsibility for the performance of the NRFC. The Board will decide the strategies and policies to be followed by the NRFC, and ensure the NRFC performs its functions in a manner that is proper, efficient and consistent with sound commercial practice. To that end, we expect the NRFC Board to

monitor the integrity and effectiveness of the NRFC's governance processes and to manage potential financial and operational risks.

### **Your role**

We are appointing you to the office of Board Member part-time for a period of 4 years from the commencement of the appointment.

The remuneration payable to you by the NRFC will be in accordance with the determination of the Remuneration Tribunal, as required by the *Remuneration Tribunal Act 1973*. As a Board member, your remuneration is currently set at \$63,690 per annum with Tier 1 travel allowance, as specified under the *Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination (No.2 2023)*.

In accepting the position of Board member to the NRFC Board, you consent to the publication of your name and remuneration, consistent with the reporting requirements. Your remuneration will also be disclosed in the NRFC's Annual Report.

The NRFC will make superannuation contributions to the superannuation fund chosen by you or your existing "stapled" fund in accordance with legislative requirements. As a Board Member you are eligible to join the PSS accumulation plan administered by Commonwealth Superannuation Corporation which has a higher employer contribution rate than generally required under the superannuation guarantee legislation. You should seek your own advice on your superannuation arrangements.

You would be aware that in certain circumstances, Board Members may find it necessary to seek independent professional advice to carry out their duties. In such cases, you should discuss your requirements with the Chair who will advise the procedures involved and the basis on which the NRFC will bear the costs.

### **Governance**

It is important that you familiarise yourself with the Act which includes provisions that are relevant to your appointment as Board Member.

As a non-executive Board Member of the NRFC your fiduciary duties are prescribed in the *Public Governance, Performance and Accountability Act 2013* ('**PGPA Act**'). For the purpose of the PGPA Act, we remind you of the positive obligation as a member of the Board to govern the NRFC in a way that promotes the proper use and management of public resources for which the Board is responsible. Accordingly, you are required to acquaint yourself with public governance requirements through the NRFC's induction processes. The Department of Finance is available to brief you on the PGPA obligations. It is also the Government's expectation, as good governance practice, that you receive ongoing updates or refresher training on these obligations.

As a corporate Commonwealth entity, the NRFC may be subject to both Parliamentary and Commonwealth audit processes. The NRFC is also subject to general public sector performance and accountability obligations, including but not limited to, those set out under the PGPA Act.

### **Confidentiality**

Until a Deed of Access, Insurance and Indemnity is entered into, you should treat any information provided to you or which you may receive by virtue of your role as a member of the NRFC Board as confidential to the NRFC and the Commonwealth. Such

information may not be disclosed to any person except as specifically authorised by the Board, the Commonwealth (as relevant) or according to legislative requirements, unless that information is already available in the public arena. The obligation to ensure and maintain confidentiality will continue after you cease to be a Board Member.

To address confidentiality requirements, you are asked to submit and comply with the Confidentiality Deed Poll provided to you by the Department of Industry, Science and Resources.

### ***Security clearance***

Please note that you will be required to obtain an Australian Government security clearance to perform your role on the NRFC Board. In accepting this position, you agree to take all necessary steps to obtain at least a Baseline level security clearance. You should let us know immediately if you have any concerns about your ability to obtain a Baseline level security clearance.

### ***Conflicts of interest***

As a Board Member, you have been asked to submit a Conflict of Interest Declaration in the form provided to you by the Department of Industry, Science and Resources. If you become aware of any conflict, potential conflict or perceived conflict of interest, you are required to declare any such conflict immediately. You should make the circumstances known immediately, and follow any relevant policies.

In addition, you must follow relevant policies and provide notice before accepting any subsequent directorships or appointments with another company or entity as well as any changes in your personal circumstances that might impact your ability to perform your role as a Board Member of the NRFC.

### ***Response***

We would appreciate a response to this letter within 5 days confirming your acceptance of your appointment as a Board member of the NRFC. In responding, we ask that you provide an undertaking to advise us of any changes in your personal circumstances that might impact your ability to perform the role.

Congratulations on your appointment and we look forward to working with you in your role as Board Member of the NRFC.

Yours sincerely

Katy Gallagher  
**Minister for Finance**

Ed Husic  
**Minister for Industry and Science**

**Attachment 1: Copy of Instrument of Appointment**