

## Governance Policy

Policy no: 002

Version: 3

Approved on:

Approved by: Health Equity Matters Board

### 1. Purpose

This policy sets out the arrangements for Health Equity Matters' governance by the Health Equity Matters Board and its Directors, in accordance Health Equity Matters' Constitution, the *Corporations Act 2001* (Cth) and the *Australian Charities and Not-for-Profits Commission (ACNC) Act 2012* (Cth).

### 2. Policy Statement

Health Equity Matters' Board commits itself and its Directors to high standards of performance and to ethical, businesslike and lawful conduct, including the proper use of authority and appropriate behaviour when acting as Directors.

Health Equity Matters' Board acts in accordance with Health Equity Matters' Constitution, the *Corporations Act 2001* (Cth) and the *Australian Charities and Not-for-Profits Commission (ACNC) Act 2012* (Cth).

Health Equity Matters' Board approves this policy to guide and set out the standards for its own self-governance.

### 3. Definitions

Term	Definition
<b>Health Equity Matters or Health Equity Matters Ltd.</b>	Refers to the registered and incorporated entity of Health Equity Matters in Australia and is the primary entity by which the term 'Health Equity Matters' references.
<b>AFAO Foundation</b>	Refers to the legal entity registered in Thailand through which Thai-based staff are employed.
<b>Health Equity Matters Personnel</b>	All employees, volunteers, contractors, consultants and Board Directors of Health Equity Matters.

### 4. Scope

This policy applies to all Directors of Health Equity Matters.

It does not apply to the AFAO Foundation, which has its own Governance Policy.

## 5. Role of the Board

The Board derives its authority through Health Equity Matters' Constitution, the *Corporations Act 2001* (Cth) and the *Australian Charities and Not-for-Profits Commission (ACNC) Act 2012* (Cth).

Health Equity Matters' Constitution (clause 19) states:

- 19.1(a) Subject to this Constitution and the Corporations Act, the activities of Health Equity Matters are to be managed by, or under the direction of, the Board.
- 19.1(b) Subject to this Constitution and the Corporations Act, the Board may exercise all powers of Health Equity Matters that are not required to be exercised by Health Equity Matters in a general meeting.

The Board, that is, the Directors collectively, is responsible for:

- consulting with Health Equity Matters' members;
- enhancing Health Equity Matters' public standing;
- determining Health Equity Matters' mission and strategic policies;
- setting strategic directions and ensuring appropriate planning for Health Equity Matters;
- ensuring adequate resources and their effective management;
- identifying significant risks and reviewing how they are managed;
- selecting, appointing and reviewing the performance of the CEO;
- assessing the suitability of candidates for appointment to the Board, providing appropriate learning and development and assessing Board performance; and
- ensuring legal and ethical integrity and maintaining accountability.

The Board will monitor and assess its own performance and enforce whatever discipline it deems necessary upon its Directors in relation to matters such as attendance, participation, preparation, and capacity to contribute to appropriate governance.

## 6. Principles

The Board will govern with an emphasis on:

- outward vision rather than internal preoccupation;
- encouragement of diversity in viewpoints;
- strategic leadership, not operational detail;
- collective decisions;
- future focus rather than past or present; and
- proactivity rather than reactivity.

Accordingly, the Board will:

- cultivate a sense of group responsibility;
- enforce upon itself whatever discipline is needed to govern with excellence; and
- monitor and discuss its processes and performance.

## 7. Expectations of Directors

The Board commits itself and its Directors to ethical, businesslike and lawful conduct, including the proper use of authority and appropriate behaviour when acting as Directors.

Health Equity Matters Directors are required to comply with Health Equity Matters' Code of Conduct and Safeguarding Policy and Code of Conduct, and to complete initial and refresher Safeguarding training.

Health Equity Matters Directors are additionally required to complete training in the Australian Council for International Development's Code of Conduct. This is required as a condition of Health Equity Matters' membership of ACFID.

Directors must comply with their legal duties when discharging their responsibilities as Directors. Broadly, these duties are:

- to act in good faith and in the best interests of the organisation
- to act with care and diligence
- to act for proper purposes
- to avoid a conflict of interest or duty and
- to refrain from making improper use of information gained through the position of Director or taking improper advantage of the position of Director.

Directors must keep Board information, discussions, deliberations and decisions that are not publicly known, confidential unless otherwise agreed to by the Board.

Directors are expected to attend and participate in Board meetings and meetings of Committees and working groups on which they serve.

Directors are expected to spend the time needed, and meet as often as necessary, to properly discharge their responsibilities.

Directors are expected to review meeting materials before Board meetings and Committee meetings.

Directors are encouraged to ask questions of, request information from, and raise any issue of concern with the CEO.

Directors are encouraged, where possible, to ask any questions and raise issues of concern before a meeting so that the CEO or senior staff are prepared to address them.

Directors must exercise independent judgment when making decisions.

Directors are expected to act at all times in a proper and lawful manner, with integrity, fairness and honesty. In addition, they are expected to maintain an awareness of the impact of their professional and personal actions on the reputation and standing of the organisation with members, funding bodies, government and other important stakeholders.

Publicly, Directors are expected to support the letter and spirit of Board decisions.

While being a Director involves a number of obligations, there are also benefits. Directors have a positive impact on the response to HIV in Australia, Asia and the Pacific, particularly as it affects Health Equity Matters' communities. Directors contribute to the success of Health Equity Matters' members in all aspects of their work, including the wider health, wellbeing and human rights of LGBTIQ communities. They are also afforded the opportunity to develop themselves both professionally and personally while gaining valuable insights and unique experiences through their service to our communities.

### **Conflict of Interest**

Directors are expected to avoid any action, position or interest that conflicts with an interest of Health Equity Matters or gives the appearance of a conflict. However, if Directors do have a direct or indirect interest in a matter being considered at a Board meeting, and the interest appears to raise a conflict with the proper performance of that Director's duties, then the Director must, as soon as possible after the relevant facts have come to the Director's knowledge, disclose the nature of the interest at the Board meeting and the Board must determine the appropriate resolution of the interest.

For further information see refer to the [Conflict of Interest Policy](#), which should be read in conjunction with this policy.

### **Criminal Record Check**

Criminal record checks provide an important means by which Health Equity Matters can understand and manage any corporate risk from a Director having a criminal record. A criminal record, in and of itself, does not create corporate risk. Certain categories of record, such as corporate fraud or serious crime at the threshold of a serious indictable offence, may require management.

Directors must undergo a criminal record check at the commencement of their appointment as a Director.

Criminal record checks will be handled by the CEO and Business Operations and Finance Manager. An adverse check will be considered by the President who will determine a course of action in relation to the adverse check.

## **8. Board Capability**

To effectively govern Health Equity Matters, the Board requires a wide range of knowledge, skills and experience. This may include:

- governance, law, finance and marketing;
- media, sponsorship and funds development;
- member relations and wider networking;
- HIV, LGBTIQ health, health equity and social policy;
- the value of community-based organisations and community-led action; and
- regional and global responses to HIV and wider health and development issues.

### **Directors**

The following specific qualifications and experience are desirable:

- demonstrated relevant experience in a management or Director role;
- established networks in the health, corporate or media sectors;

- an understanding of HIV, its impact on people and communities and the needs of people living with HIV; and
- an understanding of health equity and health issues important to Health Equity Matters' members and communities.

## 9. Role of President

The responsibilities of the President, as chair of the Board, include:

- providing leadership to the Board and Health Equity Matters;
- promoting the efficient organisation and conduct of the Board's functions;
- facilitating Board discussions to ensure core issues facing Health Equity Matters are addressed;
- facilitating the effective contribution and ongoing development of all Directors; and
- promoting constructive and respectful relations between Directors and between the Board and CEO.
- chairing General Meetings.

The President has an important relationship with the CEO. The President is expected to:

- act as the contact and management point for issues raised by Board Directors or external stakeholders in respect of the CEO.
- act as a conduit for the CEO to raise issues with the Board (outside of Health Equity Matters' Board Committees).
- lead the CEO's performance planning and review processes. and
- provide informal support and advice to the CEO.

The President is an ex-officio member of each Board Committee.

In the President's absence the Vice President will chair Board meetings.

## 10. Induction

The President will ensure each new Director is provided with appropriate induction into their role and Health Equity Matters' governance and operations within three months of appointment.

The induction will be coordinated by the CEO and include the following:

- the duties to be performed by the Director;
- information about risk management; and
- information about workplace, health and safety.

In addition each new Director will receive the following:

- Health Equity Matters' Constitution;
- Health Equity Matters' Governance Policy;
- Health Equity Matters' Code of Conduct, and Safeguarding Code of Conduct for signing;
- safeguarding learning modules;
- a list of Health Equity Matters' corporate policies and how these can be accessed;
- a list of Board Directors;

- the most recent Health Equity Matters Strategic Plan and Annual Budget;
- the most recent Annual Report;
- the most recent Board Financial Reports; and
- details of Health Equity Matters' risk management system.

## 11. Meetings

The Board meets monthly, with each alternating meeting considering business 'by exception' only, such as matters requiring urgent decision or as otherwise determined by the President in consultation with the CEO. 'By exception' meetings may be cancelled if there is no business requiring discussion.

Meetings are generally held online. A face-to-face meeting, usually for a full day, will be held at the first practicable opportunity following the appointment of Directors at the Annual General Meeting.

Board meetings will be conducted in accordance with an annual workplan, approved by the Board.

The Board will ensure that Health Equity Matters has a Strategic Plan and will review performance against the Strategic Plan at least once each year.

The Board will ensure that Health Equity Matters has a risk management plan and will review the risk register and mitigation responses in accordance with Health Equity Matters' policies and the Board's workplan. The Board will additionally consider risk routinely in its deliberations.

The financial report will always be the subject of an oral report and a motion to receive the report.

The Board may make decisions outside of a Board meeting by signing a Circulating Resolution. This includes email approval. Separate copies of the resolution may be used for signing by Directors if the wording in the resolution and statement is identical in each copy. The resolution is passed when the last Director approves the resolution.

## 12. Agenda and Papers

Agendas and papers for Board meetings will be issued by the CEO at least five days prior to the scheduled meeting time.

The agenda for each Board meeting (other than those held 'by exception') will include:

- Attendance, apologies and conflicts of interest
- Confirmation of the previous minutes and review of actions arising
- Strategic priorities for discussion or decision
- Risk issues
- President's report
- CEO's report
- Financial report
- Committee reports
- Any other business and meeting evaluation.

The CEO's report will include information on:

- program performance; and
- operational issues, such as matters that must be reported to the Board under delegations.

As part of their Terms of Reference, Board Committees will be informed of the frequency and form of reporting required to the Board.

All Board papers are Board-in-confidence and must be handled confidentially.

Directors must ensure electronic Board papers are secure at all times and should not retain notes of Board discussions or hard copies of Board papers.

Board papers will be made available to Health Equity Matters managers and staff by the CEO in accordance with need.

## 13. Size, Composition and Term of the Board

Health Equity Matters' Board will have up to 13 Directors, comprised of:

- four national peak-nominated Directors;
- six elected Directors; and
- up to three co-opted Directors.

To ensure the clear delineation of governance and operational functions, Health Equity Matters staff shall not stand for election to the Health Equity Matters Board.

### Term of Appointment

Health Equity Matters' Constitution requires that a Director who has held office for a continuous period of nine years or more may only be re-appointed or re-elected by a special resolution at a general meeting.

## 14. Quorum

Under Health Equity Matters' Constitution, fifty per cent of members of the Board of Directors constitute a quorum for the transaction of Board business and no business of the Board may be transacted unless a quorum is present.

## 15. Decision Making

Decisions will be made by consensus where possible and practical. If a vote is required, each Director is entitled to one vote and decisions are taken by a majority vote. The Chair does not have a casting vote in addition to their deliberative vote.

## 16. Minutes

The Board is committed to ensuring the minutes of meetings accurately reflect the discussions and decisions of Directors, acting collectively as the Board. Good quality minutes assist Directors to demonstrate their compliance with legal duties and responsibilities and provide a historical record of decisions.

Minutes provide an official record of decisions made, including a summary of discussions that occurred and, if created consistent with the requirements of the *Corporations Act 2001* (Cth), can be relied upon as evidence of the discussions and decisions taken.

Minutes must be signed by the Chair within a reasonable time following a meeting. Noting that the Board meets for 'full' meetings every two months, signing will occur following the approval of the minutes by Directors at the following Board Meeting.

The minutes should reference the relevant Board paper that has been prepared by management for the purpose of the discussion as this can provide important background information and the issues considered.

The CEO will ensure minutes are taken at all Board meetings.

When reviewing the minutes, it is important that Directors check and confirm that the description of discussion is appropriate to the item considered. The minutes should adequately describe what occurred to a reader who was not in the room at the time.

Legal advice can be referenced in the minutes but caution should be exercised in recording the advice in detail.

To ensure they are properly recorded, Circulating Resolutions should be referenced in the minutes of the Board meeting immediately following their circulation and determination, with a result of the decision clearly recorded.

Once adopted by the Board, the minutes cannot be altered.

The minutes are to be signed by the President and pasted into the Minute Book within 30 days of being adopted. The Minute Book can be an electronic file.

*In camera* Board discussions shall not be recorded in the minutes, except in relation to any motions put and decided by the Board.

It is good governance practice to ensure there is only one official record of the discussions and decision of the Board. As such, it is important that once Directors have accepted and approved the minutes of a meeting all notes and records relating to the relevant meeting are destroyed or erased by Directors. It is for this reason that audio and video recordings of meetings should not generally be made.

## 17. Attendance Expectations

The dates and time for Board meetings will be set in advance for each calendar year. Directors are expected to attend the scheduled meetings.

If the Director is unable to attend, they must inform the President or CEO with as much notice as possible before the scheduled time.

If a Director is to be absent for a significant period of time, a request for approval of a leave of absence should be forwarded to the President for consideration by the Board. Any approved leave of absence will be noted in the Annual Report.

## 18. Board Succession Planning

The Health Equity Matters Board Finance and Audit Committee will be responsible for advising the Board on effective Board succession planning.

This will be informed by a skills audit of Board members and informed by an annual evaluation of Board performance.

## 19. Committees, Working Groups and Representatives

The Board may establish Committees and working groups and confer on them such structures, functions and powers as it sees fit. The Board and CEO may appoint individuals to represent Health Equity Matters.

The Board will specify in writing the Terms of Reference, period of operation and reporting requirements of Committees, working groups and representatives.

Committees are established for ongoing periods and may have delegated powers conferred on them. Working groups may also be established for time-limited periods and do not exercise delegated powers.

Any delegations to be exercised by a Committee or representatives shall be specified in Health Equity Matters' Delegations of Authority Policy.

If there are actions that need to be taken by Health Equity Matters arising from meetings attended by Health Equity Matters representatives, they shall advise the CEO or President as soon as possible after the meeting.

## 20. Reporting to Health Equity Matters Members' Meetings

General Meetings of Health Equity Matters members are held at least annually, including the Annual General Meeting.

The President, on behalf of the Board, and CEO, shall provide a report to the Annual General Meeting. This report will include information on:

- governance matters including Directors' attendance at meetings and financial matters (President's report); and
- program performance (CEO's report).

## 21. Support for Board and General Meetings

The CEO is responsible for resourcing and supporting Board meetings and General Meetings so that Directors and members are able to discharge their governance responsibilities effectively and efficiently.

The CEO's responsibilities include:

- circulation of agendas, minutes and papers, proposals for the Board, its Committees and General Meetings;
- ensuring Board and members' meetings are properly called and held;
- ensuring records of Board and members' meetings are kept in compliance with relevant law and Health Equity Matters' Constitution;
- ensuring legal requirements with the Australian Charities and Not-for-profits Commission and other regulators are met;
- providing advice to Directors regarding the *Corporations Act 2001* (Cth), *Australian Charities and Not-for-Profits Commission (ACNC) Act 2012* (Cth), Health Equity Matters Constitution and other legal and regulatory needs; and
- ensuring the Board has the information it needs to make informed decisions.

## 22. Board and Staff Relationship

The Board is primarily responsible for strategic leadership while the CEO and staff are responsible for internal management and execution.

The Board selects and appoints the CEO who is responsible for the operational management of Health Equity Matters and the implementation of Health Equity Matters' strategic directions and associated operational plans.

The CEO is responsible for communicating Board decisions to staff.

The Board may invite a staff member to observe Board discussions, with the exception of sensitive items relating to industrial matters, the employment or performance of the CEO, or as otherwise considered appropriate by the Board.

The CEO may be required to absent themselves from matters before the Board which concern their performance or the instrument which governs their employment.

The Board sets the performance agreement for the CEO and assesses their performance annually.

The Board delegates responsibility for operational and staff matters to the CEO through Health Equity Matters' Delegations of Authority Policy and other Board policies.

Directors should not approach staff directly to seek information or perform any task or function without the knowledge of the CEO. Likewise, staff should not approach Directors without the knowledge of the CEO unless the matter directly concerns the CEO.

## 23. Evaluation of Board Performance

The Board is committed to continuous improvement.

Each Board meeting will include an item for Directors' discussion of the conduct of the meeting and for the identification of improvements that can be made to support the Board's performance.

The President will additionally liaise with Directors to discuss their and the Board's performance from time to time.

The CEO will ensure an annual Board evaluation is conducted and provide the results of the evaluation to the Board. The evaluation will consider:

- roles and responsibilities;
- meetings and Board information;
- monitoring activities of the Board;
- setting strategy and policy; and
- Board composition.

## 24. Cost of Governance

Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability. In setting the annual budget the Board will establish the annual allocation for:

- the Board's development;
- the Audit and other third-party monitoring of organisational performance; and
- its own meeting costs.

## 25. Payments to Directors and Out-of-Pocket Expenses

Health Equity Matters will not pay fees to a Director for acting as a Director.

Upon approval by a majority vote of the Directors, Health Equity Matters may pay a Director for work they perform for Health Equity Matters other than as a Director if the amount is no more than a reasonable fee for the work done.

Board members may claim reimbursement of out-of-pocket expenses only if they are approved prior to the event giving rise to the expense in accordance with Health Equity Matters' Finance Policy, Health Equity Matters' Delegations of Authority Policy and policies established by the CEO.

## 26. Signing Contracts

Health Equity Matters' Delegations of Authority Policy sets out the authorities for the signing of contracts.

## 27. Media

Health Equity Matters' Delegations of Authority Policy set out authorities for media and public comment on behalf of Health Equity Matters. Among Directors, only the President has standing authority to respond to media enquiries.

Directors should refer any media contact to the President or CEO.

## 28. Insurance

Health Equity Matters shall maintain appropriate insurance cover for Directors.

## 29. Roles and Responsibilities

Who	Responsibility
<b>President</b>	<ul style="list-style-type: none"> <li>• Leadership of the Board including overseeing the performance of Directors and the Board.</li> </ul>
<b>Directors</b>	<ul style="list-style-type: none"> <li>• Ensure diligent governance, as outlined in this policy.</li> <li>• Approve updates to this policy.</li> </ul>
<b>CEO and as Delegated</b>	<ul style="list-style-type: none"> <li>• Support the application of this policy.</li> <li>• Lead periodic reviews of this policy.</li> </ul>

## 30. Related Policies and Documents

Policy	Title and Hyperlink
	<a href="#">Constitution</a>
011	<a href="#">Anti-Fraud and Financial Wrongdoing Policy</a>
006	<a href="#">Code of Conduct Policy</a>
045	<a href="#">Conflict of Interest Policy</a>
040	<a href="#">Counter-Terrorism and Money Laundering Policy</a>
001	<a href="#">Delegations of Authority Policy</a>
007	<a href="#">EEO, Discrimination, Bullying and Harassment Policy</a>
003	<a href="#">Finance Policy</a>
032	<a href="#">Human Rights, Diversity, and Inclusion Policy</a>
037	<a href="#">Risk Management Policy</a>
041	<a href="#">Safeguarding Policy and Code of Conduct</a>
<b>0005</b>	<a href="#">Work Health and Safety Policy</a>

## 31. Policy History

Date of update	Version	Key changes	Endorsed by	Approved by	Next review
11 July 2024	3	Policy updated to remove detailed conflict of interest information, transfer into new, stand-alone Conflict of Interest Policy, and add in references to the new Conflict of Interest Policy.	Finance and Audit Committee	Board	July 2027
October 2022	2	General revisions in preparation for new Board cycle and reflecting changes to Health Equity Matters' Constitution	CEO	Board	October 2025
June 2020	1	Establishment of inaugural policy.	CEO	Board	June 2022