



HealingFoundation

Strong Spirit • Strong Culture • Strong People

CORPORATE GOVERNANCE CHARTER

**The Aboriginal and Torres Strait Islander
Healing Foundation Limited**

(Approved by the Board on 5 May 2017)

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1. The Purpose of the Aboriginal and Torres Strait Islander Healing Foundation Limited

The Aboriginal and Torres Strait Islander Healing Foundation Limited (hereafter referred to as the Healing Foundation) was established with the public charitable objects set out in its Constitution. These objects reflect the need to address the legacy of trauma and grief in Aboriginal and Torres Strait Islander communities as a result of colonisation, forced removals and other past government policies. This involves working with communities to heal and promote the spiritual, social, emotional, and physical health and wellbeing of individuals, families and communities through its core functions of:

- **Support and Capacity Building** - identifying and supporting the capacity building of Aboriginal and Torres Strait Islander healing initiatives, or gaps in healing services delivery, at the community level and in response to community needs, by providing funding and capacity development;
- **Healing Promotion, Education and Training** – facilitating the promotion and education of healing for Aboriginal and Torres Strait Islander people and their communities, including skills training in the prevention and treatment of trauma, and fostering a supportive public environment for healing;
- **Research & Evaluation** - contributing to an evidence base for Aboriginal and Torres Strait Islander healing through community-driven and culturally-appropriate research and evaluation.

As set out in its Constitution, the Healing Foundation is a not for profit company with its income and property applied solely towards promoting the Healing Foundation's purposes and no part of the income or property being able to be paid, transferred or distributed, directly or indirectly, by way of dividend, bonus or other profit distribution to any Member or Director.

2. Approach to Corporate Governance

The Board is responsible for the corporate governance of the Healing Foundation and for guiding and monitoring the business and affairs of the Healing Foundation on behalf of the members and Aboriginal and Torres Strait Islander people. The Board is dedicated to fulfilling these duties in a lawful and professional manner, with the utmost integrity and objectivity.

The Board is committed to pursuing good governance and achieving appropriate high standards of governance. Good governance policies and processes are critical for ensuring that the Healing Foundation is governed well and in the best interests of its stakeholders. With this in mind the Board has decided to articulate and formalise the corporate governance framework within which the Healing Foundation operates.

The purpose of this Charter is to document that governance framework. It defines the respective roles, responsibilities and accountabilities of the Board, both individually and collectively, as well as guiding the Healing Foundation's Chief Executive and management team in setting the direction, management and control of the organisation; it establishes guidelines within which the Healing Foundation's Directors, Chief Executive and management team are to operate as they carry out their respective roles.

This Charter is supported by more detailed governance policies, procedures and processes.

3. Guiding Values

Guiding values for the Healing Foundation in the conduct of its business are:

- Respect
- Spirit and Integrity
- Safety and Security
- Survival and Protection
- Reciprocity
- Professionalism
- Accountability and Responsibility
- Equity
- Human Rights

4. The Role of the Board

The Board acts in the best interests of the Healing Foundation as a whole and is accountable to the Healing Foundation Members¹ for the overall direction, management and corporate governance of the Healing Foundation to achieve the Objects of the Healing Foundation, taking account of and managing risk.

The Board's roles are to:

- provide leadership in the development of the Healing Foundation's vision, purpose, values, and strategic plan and related objectives, and
- ensure that appropriate management, policies, procedures and systems are in place to manage risk, optimize performance and maintain high standards of ethical behaviour and legal compliance.

5. The Functions of the Board

The functions of the Board are:

5.1 Strategy and Policy

- (a) Overseeing the development of, and approving, the Healing Foundation's vision, purpose and values, and its longer-term strategic plan and related strategic objectives/goals;
- (b) Overseeing the development of, and approving key organisational policies and operating procedures for the efficient, effective and ethical management of the organisation; and
- (c) Reviewing the progress and performance of the Healing Foundation in meeting its strategic plan and objectives/goals.

5.2 Governance and Management

- (a) Reviewing and approving the annual operational plan and related objectives/goals ('Operational Plan'), which must support the strategic plan and related objectives/goals;
- (b) Monitoring and reviewing the implementation of the Operational Plan;
- (c) Approving and regularly monitoring and reviewing the Healing Foundation's operating and cash flow budgets;
- (d) Approving the financial and administrative governance framework for the Healing Foundation, including an effective budget and financial control framework;
- (e) Reviewing and approving the Healing Foundation's approach to managing the Healing Foundation's risks;
- (f) Appointing the Chairperson and any deputy chairpersons of the Healing Foundation;
- (g) Cultivating a climate amongst members and stakeholders that nurtures a common sense of direction and commitment to achieving the Healing Foundation's objects and strategy;
- (h) Overseeing the Healing Foundation's Chief Executive, including:
 1. Appointing the Healing Foundation's Chief Executive and approving his/her remuneration package;
 2. Providing advice and counsel to the Chief Executive;
 3. Approving performance goals and targets for the Chief Executive;
 4. Providing formal reviews and feedback on the performance of the Chief Executive against the agreed performance goals and targets;
 5. Undertaking succession planning for the Chief Executive;
 6. Overseeing the development or removal of the Chief Executive, where necessary;
 7. Ensuring that there are appropriate human resource management systems in place to ensure the well-being and effective contribution of all employees, including in relation to remuneration and occupational health and safety

¹ As specified in the Aboriginal and Torres Strait Islander Healing Foundation Limited's Constitution

- (i) Monitoring the appointment and remuneration of the Chief Executive's direct reports
- (j) Appointing (and removing) the Healing Foundation's Company Secretary and approving his/her remuneration
- (k) Providing key links to external stakeholders – including potential funders
- (l) Ensuring that the Healing Foundation is accountable to its stakeholders and funders through an effective communication and reporting strategy, encouraging effective participation at annual general meetings and through strategic and active engagement by the Chairperson, the Board and the management of the Healing Foundation with its stakeholders and funders. The Healing Foundation will produce an Annual Report.

5.3 Accountability and Compliance

- (a) Overseeing the control and accountability systems that ensure that the Healing Foundation is progressing towards its strategic and operational goals in line with the Healing Foundation's purpose, vision, values, legislative requirements, compliance framework and program;
- (b) Monitoring regulatory compliance by the Healing Foundation;
- (c) Ensuring that the Healing Foundation has adequate internal controls and appropriate monitoring of compliance activities;
- (d) Establishing Board Committees to assist the Board on (i) audit, risk, finance and compliance matters and (ii) governance matters;
- (e) Ensuring that satisfactory arrangements are in place for auditing the Healing Foundation's financial affairs - the Healing Foundation will have its annual financial statements audited.

6. Membership of the Board

6.1 Director appointment

The membership, Chairperson and any Deputy Chairperson of the Board will be appointed and will hold office in accordance with the Constitution of the Healing Foundation. Subject to the Constitution, Directors hold office for a period of three years and may be eligible for automatic re-appointment as Directors for one further three-year term. Subject to the Constitution, a Director may be re-appointed for a third term, up to a maximum of nine years, where the Board is satisfied that this re-appointment is in the best interests of the Healing Foundation.

Subject to the Constitution, a Director who is appointed as either Chairperson or Deputy Chairperson may serve up to a maximum total of four terms of office, that is for no more than twelve years.

6.2 Board size

As provided in the Constitution, until otherwise determined by the Directors, the number of Directors shall not be less than four nor more than eleven. The Board views the appropriate Board size as being approximately 6, which is of sufficient size to provide the combined skills and experience required but is balanced by the aim of optimizing board efficiency and effectiveness.

6.3 Succession planning

In director succession planning, the Board will aim to appropriately stagger individual director terms of office so as to optimize retained knowledge, skills and experience on the Board while also permitting board 'renewal'.

The Board will maintain a director skills matrix document, summarizing the skills and experience of current directors. In the director recruitment process, the Board will have regard to the director skills matrix with the aim of ensuring that any gaps in the current collective board skills are taken into account.

6.4 Diversity

Within the constraints of the Constitution, the Board will endeavor to maintain diversity among its members – particularly gender diversity.

6.5 Removal

In accordance with the Healing Foundation's Constitution, the Company by ordinary resolution may remove a Director from office.

7. Directors

7.1 Roles and Duties of Directors

The role of each Director is to individually contribute in a professional, informed and timely manner to Board meetings and other activities undertaken as a Director so as to ensure that the Board collectively fulfils its role and functions.

Directors of the Healing Foundation must comply with their common law and statutory duties, including to:

- (a) act in good faith in the best interests of the Healing Foundation;
- (b) act with care and diligence;
- (c) act for proper purposes
- (d) avoid a conflict of interest or duty;
- (e) refrain from taking improper advantage of the position of Director;
- (f) refrain from making improper use of information gained through the position of Director;
- (g) not allow the Healing Foundation to trade insolvent.

Directors owe a fiduciary duty, in accordance with the Corporations Act and common law, to the Healing Foundation.

Directors will exercise their respective duties and responsibilities in accordance with the “Aboriginal and Torres Strait Islander Healing Foundation Limited Board Manual”.

7.2 Conduct as a Director

The Board will maintain a Director Code of Conduct covering the duties of a director and the Board’s expectations of Healing Foundation Directors’ behaviour. **The Director Code of Conduct** is attached as **Appendix A**.

7.3 Director Protection

Insurance

To the extent permitted by the Constitution and by law, the Healing Foundation will maintain and pay for a policy of insurance covering liability of Directors whilst acting in that capacity. A Director may require the Company to enter into a Deed which confirms that Director’s right to have the Company maintain and pay for such a policy. The policy will be on terms approved by the Board and cover the Director during his/her Directorship and for 7 years afterwards. A Director may request, and will be provided with, a copy of the policy.

Access and Indemnity

A Director may require the Healing Foundation to enter into a Deed relating to indemnity of that Director in respect of matters relating to liability of that Director while acting in that capacity. A director may also require the Healing Foundation to enter into a deed relating to access to Healing Foundation information relating to the period that the Director was a Director. To the extent permitted by the Constitution and by law, the Healing Foundation will, if required by the Director, enter into such Deeds.

7.4 Director Induction

Upon appointment as a Director, the Company Secretary will provide the Director with a formal letter of appointment, covering (at least) term of appointment, remuneration, confidentiality requirements, code of conduct compliance, and an offer of a deed of indemnity access and insurance, and resignation.

A director induction process will be maintained by the Healing Foundation and a new Director will be extended an opportunity to engage in this process.

8. Chairperson

8.1 Role and Responsibilities of the Chairperson

The Chairperson's role is as the lead director who utilises his/her experience, skills and leadership abilities to ensure an effective Board and to facilitate the governance processes of the Healing Foundation. Nothing in this Charter authorizes the Chairperson to act independently of the Board.

The Chairperson has the following specific functions:

- (a) Ensuring the Board provides leadership and vision to the Healing Foundation;
- (b) Promoting the efficient organisation and conduct of the Board's functions;
- (c) Encouraging the Board to consider strategies designed to meet present and future needs of the Healing Foundation;
- (d) Making recommendations to the Board on the effective composition, size and membership of the Board so that the Board can adequately discharge its responsibilities and duties;
- (e) Facilitating review and assessment of the Board's effectiveness;
- (f) Chairing Board meetings and facilitating Board discussion of issues to ensure that there is an effective use of time and that the Board discusses the critical issues;
- (g) Establishing the agenda for Board meetings in consultation with the Chief Executive and the Company Secretary;
- (h) Facilitating the effective contribution and ongoing development of all Directors;
- (i) Promoting constructive and respectful relations between Board members and between the Board and management;
- (j) Being the spokesperson for the Healing Foundation Board;
- (k) Being the major point of contact between the Board and the Chief Executive;
- (l) Being kept fully informed of major events by the Chief Executive on all matters which may be of interest to the directors;
- (m) Regularly reviewing with the Chief Executive, progress on all important initiatives and significant issues facing the Healing Foundation;
- (n) Providing mentoring to the Chief Executive; and
- (o) Leading the Chief Executive's performance review process.

8.2 Role and responsibilities of the Deputy Chairperson(s)

In accordance with the Constitution, the Directors may elect one or more Deputy Chairpersons. The Deputy Chairperson provides support and assistance to the Chairperson and may, when the Chairperson is not available, chair meetings and undertake other responsibilities, as requested by the Chair. The Board may approve specific duties for a Deputy Chairperson.

9. The Chief Executive

9.1 Chief Executive Appointment

The Chief Executive is appointed (and may be removed) by the Board. The Chief Executive is accountable to the Board as a whole.

9.2 Chief Executive Roles and responsibilities

The Board will maintain a formal, Board-approved position description for the Chief Executive role. This will outline the detailed role and responsibilities of the Chief Executive.

As permitted by the Constitution, the Board has delegated to the Chief Executive, responsibility for the ongoing management of the Healing Foundation in accordance with the strategies, policies and plans approved by the Board. The Board will maintain a formal Board Delegations Policy which formally set out the standing delegations to the Chief Executive (and others).

9.3 Monitoring and Assessment of the Performance of the Chief Executive

The Chairperson, in consultation with the Board, will develop measurable performance goals against which to evaluate the performance of the Chief Executive. The performance goals will then be discussed, agreed with the Chief Executive and submitted to the Board for approval.

10. Company Secretary

10.1 *Company Secretary Appointment*

The Company Secretary is appointed (and may be removed) by the Board. The Company Secretary reports to the Board (through the Chairperson).

10.2 *Company Secretary Roles and responsibilities*

The Board will maintain a formal, Board-approved position description for the Company Secretary role. This will outline the detailed role and responsibilities of the Company Secretary.

11. Meetings of the Board

11.1 *Meeting Attendance*

All Directors are required to attend all meetings of the Healing Foundation Board.

In accordance with the Constitution, a Board meeting may be held in person or by using audio or audio-visual communication. The Board will hold some of its meetings in person. Where a meeting is a physical meeting and a Director is unable to attend the meeting in person, they may attend, with prior approval of the Chair, via means of an alternate communication, including via telephone or other telecommunication.

If a Director is unable to attend a Board meeting, the Director is to advise the Chairperson and/or the Company Secretary as soon as reasonably possible.

The Chief Executive will normally attend Board meetings. But the Board may exclude the Chief Executive for certain meetings or for certain items or to allow Board discussion without management present.

The Company Secretary will attend Board meetings.

Observers or advisers may only attend Board or Board Committee meetings (including where a Director attend via telephone) with the prior approval of the Board. Observers or advisers may be asked to leave a Board meeting by the Chairperson for discussion of any particular matter and they shall comply with all such requests from the Chairperson.

11.2 *Decision-making*

As set out in by the Constitution, a resolution of the Board must be passed by a majority of votes cast by Directors entitled to vote on the resolution; if an equal number of votes is cast for and against a resolution, the Chairperson has a second or casting vote. The Board will endeavor to reach decision by consensus. Votes will be normally be undertaken by a show of hands.

11.3 *Frequency of Meetings*

The Board will meet at least four times a year.

11.4 *Cycle of Meetings*

To improve its efficiency, the Board will follow a pre-approved cycle of meetings so that Directors are aware of when standing items will come forward for consideration.

The actual meeting cycle will be established having regard to the nature and operations of the Healing Foundation at the relevant time.

11.5 *Agenda*

The Board will maintain a standard-format agenda. The Chairperson will settle the agenda for each meeting with the Chief Executive and Company Secretary. The Company Secretary will consult with the Chairperson and the Chief Executive about items to be included on the agenda.

11.6 *Meeting Papers*

Responsibility for coordinating meeting papers rests with the Company Secretary. Papers will be circulated to Board Members no later than seven days before the meeting.

11.7 Chief Executive's Report

Each agenda for a scheduled Board meeting will contain a report from the Chief Executive.

11.8 Minutes

In accordance with the Corporations Act and the Constitution, formal written Minutes (and Minute registers) will be maintained for all Member meetings, and Board and any Board committee meetings and proceedings.

As permitted by the Constitution, written resolutions may be employed where it is not reasonably possible to hold a meeting.

11.9 Board Papers and Minutes Retention

All board and committee papers and signed Minutes of the Healing Foundation Board will be retained by the Company Secretary. Minutes will be retained permanently and agenda papers will be retained for a period of not less than seven years from the date of the meeting.

12. Director Conflict of Interest

12.1 Conflicts

Directors are expected to be sensitive to conflicts of interest or duty that may arise and be mindful of their fiduciary duties.

Directors are expected to take reasonable action to resolve or avoid any actual or potential or perceived conflict of interest or duty.

Directors must comply with the Corporations Act 2001 and the Healing Foundation's Constitution in relation to disclosing material, personal or business interests.

Directors must not use their positions to obtain employment for themselves, family members or close associates. Should a Director desire employment with the Healing Foundation, she or he must first resign as a Director.

12.2 Disclosure of Interests

A Director who has a material, personal or business interest in a matter, which relates to the Healing Foundation, must disclose to the Board that interest as soon as the situation arises. This includes any actual or potential conflict.

The Chairperson will ensure that the details of any disclosure or declaration of interest are distributed immediately to Directors and then tabled at the next Board meeting, and ensure that the nature and extent of the disclosure is recorded in the Minutes of the Board meeting.

12.3 Annual Declaration of Interests

A Director, upon appointment as a Director to the Board of the Healing Foundation and annually thereafter will provide to the Chairperson a written declaration of personal, business and pecuniary interests that are of an ongoing nature.

The Company Secretary will arrange for an annual questionnaire to be circulated to all Directors to ensure that all general disclosures are kept up to date.

12.4 Changes in Personal or Business Interests

Where a Director's personal, business and pecuniary interests or the nature and extent of interest change, the Director is to provide a written notice to the Chairperson before the next Board meeting.

Where the Director concerned is the Chairperson, the Chairperson will provide a written notice to the Deputy Chairperson (or if there is no Deputy Chairperson, the Company Secretary) before the next Board meeting. The Deputy Chairperson (or Company Secretary) will ensure that the written details of the disclosure are distributed immediately to Directors and then tabled at the next Board meeting, and ensure that the nature and extent of the disclosure is recorded in the minutes of the Board meeting.

12.5 Voting where there is a Personal or Business Interest

If a Director has a material personal or business interest in a matter then, subject as set out below, the Director must not be present whilst the matter is being considered at the meeting or vote in relation to that matter. If so requested by that Director, the Company Secretary must have previously ensured that the Director has not received the Board papers.

The Director may be present and vote if the Directors who do not have a material personal or business interest in the matter have discussed the matter and passed a resolution that the disclosed interest should not disqualify the Director from either the voting or being present. The Director with the interest is not to be present during such discussion and vote.

12.6 Access to Board Papers where there is a Personal or Business Interest

Where a Director is aware that a matter in which they may have a material personal or business interest they must advise the Chairperson of that possibility and the Chairperson must then advise the Company Secretary that the Board papers which relate to the material personal or business interest are not released to the Director until the Board resolves otherwise.

13. Board Review of Performance and Effectiveness

13.1 Board Reviews; Meeting Evaluations

Each year, the Board will conduct a review of its performance and effectiveness against agreed Key Performance Indicators set in the previous year. The Key Performance Indicators will relate to key elements of the Board's activities, including Board decision making processes, Director involvement and effectiveness, Chairperson effectiveness, oversight of compliance, satisfaction with the conduct of meetings, satisfaction with meeting papers, implementation of improvements to Board operations. The object of this review is to ensure improved Board effectiveness and that the governance of the Healing Foundation remains at an appropriate level. The Chairperson will lead the review.

The findings of the review will be tabled at a scheduled meeting of the Board. The Board will consider the outcome of the review and will develop strategies and goals to improve its performance.

At the end of each scheduled Board meeting the Board will conduct an evaluation of the meeting, with a view to improving meeting effectiveness.

13.2 Director development

Based on the director skills matrix assessment and any Board evaluation, the Chairperson will discuss with each director an annual program to facilitate that director's on-going development and skills maintenance. The Healing Foundation will ensure directors have access to ongoing development.

14. Board Committees

14.1 Audit, Risk and Finance Committee

The Board will maintain an Audit, Risk and Finance Committee. Its roles, responsibilities, powers and membership will be contained in a formal Committee Charter approved by the Board.

Given the heavy financial focus of the Committee, Members should have basic financial literacy and be able to understand and actively challenge information presented.

14.2 Governance Committee

The Board will maintain a Governance Committee. Its roles, responsibilities, powers and membership will be contained in a formal Committee Charter approved by the Board.

14.3 Other Committees

Given the size of the Company and the Board and the nature of the Company's business the Board does not, as matter or course, consider that other formal standing committees will be maintained. The Board will periodically review this position and may consider the establishment of informal, task-oriented 'working groups' from time to time to assist with discharge of the Board's responsibilities.

If any other formal Board committees are established, the Board will approve the formal Committee Charter.

14.4 Committee Proceedings

As set out in the Constitution, meetings and proceedings of any Board committees are, to the greatest extent practical, governed by the Constitutional rules which regulate the meetings and proceedings of the Board; they are also governed by this Charter and the relevant committee Charter.

14.5 Working Groups

The Board may establish more informal working groups to assist it discharge its role and functions. These will have no decision-making powers. The Board will clearly outline a scope of work for any such working group. As these groups are not formal Board committees, their meetings and proceedings are not governed by this Charter.

15. Access to Information and Independent Advice by Directors

15.1 Access to Information

Directors may seek any information they consider necessary to fulfill their role and responsibilities and to exercise independent judgement when making decisions.

Directors have access to:

- (a) Management (with notice to the Chief Executive) to seek explanations and information from management; and
- (b) Internal and external auditors to seek explanations and information from them, without management being present.

15.2 Independent Advice

Directors may seek independent professional advice they consider necessary to fulfill their role and responsibilities and to exercise independent judgement when making decisions.

If the Chairperson consents, the Healing Foundation will pay a Director's costs of seeking independent professional advice. That consent may not be unreasonably withheld or delayed. If appropriate, any advice so received will be made available to all Directors.

Directors are expected to be conscious of maintaining costs at a reasonable level. Unless otherwise appropriate, engagement of experts will be on a combined basis on behalf of Directors (or some of them) rather than each Director engaging experts separately.

Expenses will be submitted to the Chairperson for approval.

16. Director Remuneration and Expenses

16.1 Director Remuneration

The Constitution provides that Directors are entitled to be paid fees for their role as Directors provided that such fees are approved annually in advance by the Members; in setting the fees, Members must take account of the estimated hours to perform the role of Director.

As it is important to be able to attract qualified and experienced directors to the Board, when considering Director remuneration and related recommendations to Members, the Board will consider not only the estimated hours, but also other matters such as the director remuneration type and levels for comparator organizations and related issues.

16.2 Reimbursement of Director Expenses

Directors likely to incur expenses as a result of undertaking activities on behalf of the Healing Foundation must seek the approval of the Chairperson before those expenses are incurred. Where the Chairperson has approved a Director incurring expenses in relation to their undertaking activities on behalf of the Healing Foundation, the Director should submit their expenses claim to the Chairperson for approval to be paid. Once the Chairperson has approved the claim, it should be forwarded to the Chief Executive for payment.

Where the Director involved is the Chairperson, approval should be provided by the Deputy Chairperson (or if there is no Deputy Chairperson), the Board.

The circumstances where Director's claims for expenses can be considered for approval and payment include the following:

- (a) Representing the Healing Foundation at conferences, meetings or events;
- (b) Attendance at the meetings of Healing Foundation meetings, including the Board, Board committees, meetings with government, business and community organisations;
- (c) Undertaking specific work for the Healing Foundation at the request of the Board.

17. Whistleblower Protection

17.1 Commitment to Ethical and Lawful Conduct

The Healing Foundation is committed to ensuring that its Directors, employees, and contractors in conducting the business of the Healing Foundation, act at all times in a manner which is ethical, lawful, honest, proper, safe and does not cause the Healing Foundation to incur a financial or non-financial loss.

17.2 Reporting of Corrupt and Illegal Practices and Conduct

The Healing Foundation encourages its Directors, employees, contractors and stakeholders to report any conduct that is suspected to be dishonest, fraudulent, corrupt, illegal, endangers health and safety, unethical, improper, suspected to breach the Healing Foundation's Code of Conduct or any of its policies.

The Board will maintain a Whistleblower Protection Policy to ensure that concerns regarding unacceptable conduct or behaviour on the part of its Directors, employees and contractors can be raised on a confidential basis without fear of reprisal, dismissal or discriminatory conduct.

18. Complaints and Compliments

The Board is committed to ensuring that the organisation operates efficiently, effectively and fairly and endeavours wherever possible to meet the needs of its stakeholders and funders and the community.

The Healing Foundation encourages its stakeholders, funders, or the community to raise any concerns about the development and delivery of its programs, the allocation and management of grants, the management of its operations, the conduct of its Directors, employees or contractors directly with the Chairperson of the Board or the Chief Executive.

The Board will maintain a Complaints Handling Policy to ensure that all complaints about its operations are fully investigated and responded to in a timely manner.

Code of Conduct for the Board of Directors of the Aboriginal and Torres Strait Islander Healing Foundation Ltd

Introduction

The members of the Board of Directors of the Healing Foundation are bound by this Code of Conduct.

The Board of Directors of the Healing Foundation are expected to comply with the Corporations Act (2001), the Constitution, the Corporate Governance Charter and related governance documents and policies in their service to the Healing Foundation. The Constitution explicitly states at 13.1 that: “Each Director must comply with the Act in relation to their duties and the exercise of their powers”.

This Code of Conduct describes in summary the Directors responsibilities and duties to the Healing Foundation and additional expected Director standards of behavior. Directors are expected to familiarise themselves with this Code and take reasonable action to clarify any concerns.

Responsibilities and duties of Healing Foundation Directors

1. Duty to act in good faith in the best interests of the company – Directors are subject to a common law duty, a fiduciary duty and a statutory duty to act in good faith in the best interests of the company. The courts have interpreted the term ‘good faith’ to mean that directors must:
 - Exercise their powers in the interests of the company and not misuse or abuse powers
 - Avoid conflicts between their personal interests and those of the company and between their duties to the company and their duties to other persons
 - Give the other directors notice of their interests when conflicts arise
 - Not to take advantage of their position to make secret profits
 - Not to misappropriate the company’s assets or opportunities for themselves
2. Duty to act for proper purposes – The duty to act for a proper purpose is derived from common law, equity and statutory law and is linked to the duty to act in good faith in the best interests of the company. The statutory duty contained in s181 of the Corporations Act provides that directors and officers must exercise their powers and discharge their powers for a proper purpose. The starting point is considering whether the power has been exercised for a purpose permitted by the constitution of the company.
3. Duty to act with due care and diligence – The duty of directors and officers to act with due care and diligence is prescribed by statutory law, common law and equity.
4. Duty not to misuse position or information – Directors are subject to a fiduciary duty and a statutory duty not to misuse their position or the information they obtain in that role. The statutory duties for directors not to misuse their position or information are contained in ss 182 and 183 of the Corporations Act, which provides that a director must not gain an advantage for themselves or someone else or cause detriment to the corporation by:
 - Improperly using their position or
 - Improperly using information obtained because they are, or have been, a director of the corporation
5. Duty to avoid conflicts – Directors may be faced with situations involving conflicts of interests, conflicts of duties or a conflict of interest and a duty. The conflict rule prohibits directors placing themselves in a position of actual or possible conflict whereby a personal interest or duty conflicts with their duty to the company.
 - A director may not apply company property either for the director’s personal benefit or for the benefit of any other person without the authority of the company.
 - Directors who have a material personal interest in a matter that relates to the affairs of the company must give the other directors of the company notice of that interest. The directors may be subject to certain voting restrictions in circumstances of potential conflict the directors
6. Duty to prevent insolvent trading – Directors have a statutory duty to prevent insolvent trading.

Standards of Director behavior for Healing Foundation Directors

The objective of this Code of Conduct is to ensure that high standards of corporate and individual behaviour are observed by the Directors in the context of their roles as Directors of the Healing Foundation.

A Director of the Healing Foundation agrees to:

1. Act with honesty, integrity and respect:
 - act in a professional, ethical and collegiate manner;
 - demonstrate respect for others;
 - engage in constructive discussion and debate;
 - be open and transparent in his/her dealings;
 - use power responsibly;
 - ensure that any possible conflict of interest is disclosed or avoided;
 - strive to earn and sustain public trust and the trust of the Healing Foundation 's membership at a high level.
2. Exercise due care, diligence and skill:
 - between meetings, raise matters, issues, concerns with the Chair and Chief Executive;
 - attend and actively participate in meetings; read all board papers;
 - act with the level of skill, care and diligence expected of a director of a company;
 - remain aware of current issues and developments that could affect the performance of their duties and the Healing Foundation's business;
 - ascertain all relevant information;
 - make reasonable enquiries;
 - understand the financial, strategic and other implications of decisions;
 - utilize their best business judgment;
 - participate in Healing Foundation activities outside of Board meetings, where appropriate;
 - ensure that they and the Healing Foundation comply with all regulatory, legislative and legal requirements;
 - provide links to external organizations for the benefit of the Healing Foundation, where appropriate;
 - engage in ongoing development in order to improved their skills as a Director.
3. Act in good faith in the best interests of the Healing Foundation:
 - demonstrate accountability for his/her actions;
 - accept responsibility for his/her decisions;
 - avoid activities that may bring him/her or the Healing Foundation into disrepute.
4. Act fairly and impartially:
 - avoid bias, discrimination, caprice or self-interest;
 - exercise independent judgment.
5. Use information appropriately:
 - ensure information gained as a Director is only applied to proper purposes and is kept confidential;
 - ensure that any personal information coming to his/her attention as a Director is handled in compliance with the Healing Foundation's confidentiality and privacy obligations.

6. Use his/her position appropriately:
 - avoid the use of his/her position as a Director to seek an undue advantage for himself/herself, family members or associates;
 - avoid the use of his/her position as a Director to cause detriment to the Healing Foundation ;
 - ensure that he/she decline gifts or favours that may cast doubt on their ability to apply independent judgement as a Board member of the Healing Foundation .
7. Act in a financially responsible manner:
 - understand financial reports, audit reports and other financial material that comes before the Board;
 - actively inquire into this material.
8. Comply with the Healing Foundation’s governance rules:
 - have a good working knowledge of the Healing Foundation’s governing documents pertaining to their role as a Director;
 - act within the powers and for the functions set out in the Healing Foundation ’s governing documents.
9. Demonstrate leadership and stewardship:
 - promote and support the application of the Healing Foundation ’s values;
 - acknowledge and act in accordance with the responsibility they as a Director have in regard to the rights of members of the Healing Foundation and other stakeholders of the Healing Foundation ;
 - observe collective responsibility once a decision is reached by the Board
 - not engage in conduct likely to bring discredit on the Healing Foundation.

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