

## BOARD CHARTER & CODE OF CONDUCT

Adoption Date	May 2018	
Reaffirmation Date		
Revision Date	May 2022	Revised to: <ul style="list-style-type: none"><li>• Combine key aspects of board charter and code of conduct</li><li>• Reference the latest version of Act for Peace Constitution, whole-of-agency Code of Conduct and other relevant policies</li></ul>
Next Review Date	May 2024	

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### INTRODUCTION

Act for Peace Ltd (AfP) ACN 619 970 188 is the humanitarian agency and subsidiary of National Council of Churches in Australia Ltd (NCCA) and is a Company limited by guarantee.

Responding to the Word and Spirit of Jesus Christ, through AfP, the NCCA seeks to enable people to work together to achieve safety, justice and dignity in communities affected by conflict and disaster. AfP will carry out the aid and development work of NCCA through its activities.

### PURPOSE

- 1) This Board Charter (Charter) sets out the role, responsibilities, structure, and processes of the Act for Peace (AfP) Board of Directors.
- 2) The Charter also sets out the standards of behaviour expected of the Board and its Directors.
- 3) The Charter is additional and complementary to the AfP Constitution, Board Conflict of Interest Policy, and the AfP whole of agency Code of Conduct (including prevention of Sexual Exploitation and Abuse, all forms of harassment, fraud and corruption, security breaches, unethical business practices and other abuses of power) and Code of Good Practice.
- 4) The Charter is written with the acknowledgement that Directors agree and are bound to all Act for Peace policies including but not only Child Safeguarding, Prevention of Sexual Exploitation, Abuse and Harassment, Counter-Terrorism, Anti-Fraud and Anti-Corruption, Complaints, Value for Money and Diversity, Equity and Inclusion.

### ROLE AND RESPONSIBILITIES

- 5) The role of the Board is to ensure the mission, vision and values of AfP are carried out, by setting the strategic direction of AfP. The Board is accountable to the member for the performance of AfP and aspires to excellence in governance standards.
- 6) The key responsibilities of the Board are as follows:
  - a) Guiding the development of the strategic direction of AfP, approving key strategic initiatives and performance targets, and monitoring management's progress.
  - b) Approving AfP's annual targets, budgets and financial statements and monitoring performance against the same.
  - c) Considering and approving AfP's overall risk management policy and framework and monitoring the effectiveness of risk management by Management, including satisfying itself through appropriate reporting and

oversight that appropriate internal control mechanisms are in place and are being implemented in accordance with regulatory requirements.

- d) Ensuring mechanisms for good stewardship of resources and accountability to key stakeholders
- e) Ensuring compliance with applicable laws and regulations, including making an annual declaration to ACFID and submission of ACNC Annual Information Statement.
- f) Considering the ecumenical, ethical and environmental impact of AfP activities, setting standards and monitoring compliance with AfP's sustainability policies and standards.
- g) Overseeing the evaluation of auditor's performance and ongoing independence for report and recommendation to the Member at the AGM.
- h) Selecting, appointing and determining terms of appointment of the Chief Executive Officer (CEO).
- i) Determining the goals and objectives relevant to the remuneration of the CEO and evaluating the performance of the CEO in light of these objectives.
- j) Developing & reviewing succession plans for the CEO & key leadership roles
- k) Overseeing the auditor's performance and ongoing independence for report and recommendation to the Member at the AGM.
- l) Developing an overarching Policies Policy, reviewing and approving policies accordingly, and ensuring management's effective implementation of the same.
- m) Monitoring the effectiveness of the board's performance in alignment with professional standards.

The following summarises the key roles of the board, its officers and the CEO. More detail can be found in the respective position descriptions and Constitution.

#### ROLE AND DELEGATION TO MANAGEMENT

- 7) The Board delegates to the CEO the management of the AfP's day to day operations, including risk management, policy implementation and execution of strategy, subject to specified delegations of authority and strategic directions approved by the Board.
- 8) The CEO is responsible for making recommendations to the Board on the development of strategy, and reporting to the Board on the progress being made and challenges encountered in achieving the strategic objectives, suggesting adaptations as needed.
- 9) Any matters or transactions outside the delegations of authority must be referred to the Board for approval.

#### BOARD SIZE AND COMPOSITION

- 10) The Board is responsible for:
  - a) Developing a board skills and diversities matrix to guide the nominations process;
  - b) Appointing Directors to fill casual vacancies on the AfP Board, as per AfP Constitution;
  - c) Making recommendations to the member for the appointment or removal of Directors.
- 11) The size of the Board will be determined in accordance with AfP's Constitution.
- 12) Collectively, the Board members should have a broad range of financial and other governance skills, experience and knowledge necessary to guide the business of AfP.

- 13) The Board will determine and regularly review the composition of the Board having regard to the optimum number, skill and diversity mix of Directors, subject to the limits imposed by AfP's Constitution and the terms served by existing Directors.
- 14) Directors will be engaged through a letter of appointment.

#### CHAIR

- 15) The Board will appoint one of its members to be the Chair in accordance with AfP's Constitution.
- 16) The Chair represents the Board to the member and communicates the Board's position.
- 17) The Chair must be an independent Non-Executive Director.

#### COMPANY SECRETARY

- 18) The Company Secretary is responsible for the co-ordination of all Board business, including agendas (after finalization by the Chair and the CEO), board papers, minutes, communication with regulatory bodies, ACNC and all statutory and other filings.
- 19) The Board will appoint at least one Company Secretary. Appointment and removal of a Company Secretary will be subject to Board approval.
- 20) All Directors shall have direct access to the Company Secretary.

#### BOARD COMMITTEES

- 21) The Board may choose to establish Committees, either standing or ad-hoc, to assist the Board in exercising its authority.
- 22) The Board will determine the terms of reference for each Board Committees, which will set out the roles and responsibilities of each Committee.
- 23) The Board will determine the membership and composition of Board Committees, having regard to workload, skills, diversity and experience, and any regulatory requirements.

#### BOARD MEETINGS

- 24) The Chair is responsible, in consultation with the CEO and the Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that agenda items are appropriate and that recommendations fit within the broad strategic direction set by the Board.
- 25) Other staff or consultants may be invited to attend Board meetings.
- 26) Directors may seek clarification or information on issues through the CEO.
- 27) The Board may meet without the CEO or executive management, including at the conclusion of each meeting.

28) The Chair and other members of the Board will be available to meet with on request.

#### DIRECTOR INDEPENDENCE

29) The Board assesses the independence of Directors during nominations and renewal processes, in accordance with governance best practice and the definition in the Board appointment procedures.

30) The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chair, or in the Chair's absence, the Board.

#### BOARD PERFORMANCE

31) The Board will undertake ongoing assessment and periodically review the performance of the Board, its Committees and individual Directors.

#### CODE OF CONDUCT

32) Board members are expected to model the highest standards of Christian values based behaviour and ethical leadership, promote a culture that respects and empowers individuals through transparent, accountable processes, and reflect Act for Peace's core values of:

- a) Humility
- b) Courage
- c) Creativity
- d) Integrity

33) The Board will act in accordance with the Act for Peace whole of agency Code of Conduct and all Act for Peace Policies. In exercising their governance responsibilities, Directors will at all times act:

##### **i. With honesty and integrity**

- a) Undertaking governance duties with appropriate care and due diligence, in accordance with the law.
- b) Dealing honestly with all AfP's staff, shareholders, partners, suppliers & competitors.
- c) Using AfP's systems and assets appropriately and for governance purposes only.

##### **ii. With respect for others**

- a) Treating all people they deal with respect & valuing different perspectives.
- b) Promoting gender equity and ensuring diversity in governance structures.
- c) Committing to a zero tolerance approach to any form of discrimination (gender, sexual orientation or otherwise) and to any form of abuse, harassment or bullying.
- d) Committing to zero tolerance of sexual misconduct, violence, coercion, exploitation, neglect, abuse and harassment to both children and adults, including a zero tolerance of inaction.

##### **iii. With respect for privacy and confidentiality**

- a) Ensuring that information considered confidential by AfP is not shared with third parties, and handled in accordance with the AfP Privacy Policy.

##### **iv. With active participation and commitment to**

- a) Attending board meetings consistently. In accordance with clause 32.1.d of the Constitution, a Director stops

being a Director if absent for three consecutive meetings without approval from the Directors.

- b) Contributing the work of committees or other governance initiatives.
- c) Continuous improvement, self-reflection and ongoing professional development.
- d) Representing AfP in the public arena, including advocacy, media, sector or fundraising initiatives, at the request of the Board Chair or his / her delegate.

#### **v. In the best interests of AfP**

As laid out in clauses 37 and 38 of the Constitution and in accordance with the Conflict of Interest policy, Directors are expected to avoid any action, position or interest that conflicts with an interest of AfP, or gives the appearance of a conflict. Directors must:

- a) Identify and declare conflicts of interest be they perceived, actual or potential, so that the board may manage them.
- b) Never accept any improper payment, benefit or gift.
- c) Never seek to use their status as director to seek personal gain.

The Company Secretary will maintain a register of interests, and the Board will manage all interests in accordance with the Constitution and conflicts of interest policy.

- 34) The Board will make decisions subject to all applicable laws, regulations and standards, in Australia or in a country of practice.
- 35) The Board will be an advocate for the work of Act for Peace.

#### **IMPLEMENTATION & REVIEW**

- 36) Board members are responsible for:
  - a) Committing to the Charter and its embedded conduct obligations, prior to appointment and through duration of terms.
  - b) Reviewing the Charter every three years or as required.

#### **MANAGING CONCERNS AND BREACHES**

- 37) Directors must report breaches of the obligations in this Charter by:
  - a) first raising the concern directly with the other Director (s). If that is not appropriate, nor sufficient, then the Director(s) involved should raise the matter with the Chair of the Board, or in the case where the concern relates to the Chair, to the Deputy Chair.
  - b) if the concern is of a reportable nature<sup>1</sup>, the report must be made to the Chair, or to the Deputy Chair if the Chair is involved, who will direct the Company Secretary to lodge the required report with the appropriate body.
  - c) in accordance with the relevant policy
- 38) Directors should ensure that consequences of breaches are enacted in accordance with the Constitution, relevant policy, including the conflict of interest, complaints, staff grievance and whistle-blowing policies.
- 39) A breach can and may lead to the Director stepping down from or being removed from the Board.

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<sup>1</sup> Reportable concerns include child safeguarding, any form of exploitation, abuse or harassment, fraud, bankruptcy, direction of the courts, and other incidents where the law is broken, where Act for Peace must report to donors, the police or regulatory bodies.

NAME OF DIRECTOR:

SIGNATURE:

DATE: