

WELCOME HOME



Australian Board | Quarterly Report

Hillsong Church

December 2022

Contact: governance@hillsong.com



Message from the Chair

DR STEPHEN CROUCH

Dear Church,

It has been just over three months since we gathered at the Church Update evening on the 23rd of August 2022. I would like to introduce you to our first quarterly report. This report aims to provide you with an update on progress regarding the implementation of recommendations from the Global Board Review and Pastor Credentialling Process, which I highlighted in August.

Since that evening, Insync have also undergone an evaluation of the Australian Board of Hillsong Church. The recommendations to the Australian and Global boards, at a high level, were similar and align with and build on the recommendations made to the Global Board. These five recommendations are detailed in this report with a letter of endorsement from Insync's Executive Chair, Nicholas Barnett.

Our objective is to ensure that our governance continues to be stronger and healthier, and to be transparent regarding our progress in our ongoing communication with you. This report explains the progress being made in the following areas:

- Implementing recommendations from the independent governance review
- Steps made toward renewing the Australian Board, including an update from the Committee responsible for the renewal.

This year has been a year of significant transition. Transitions are difficult, uncertain, and sometimes painful. Transitions also provide new leadership, opportunities, and fresh vision. I would like to take this opportunity to acknowledge and thank our dedicated staff who serve you and our committed army of volunteers who have faced this transition with faithfulness, love, and hope.

In recent months we have seen signs of new life and growth in our church. Pastors Phil and Lucinda Dooley have focused our church on health, or simply "Building a healthy church, changing lives through Christ". We are encouraged by the support and love you have shown toward them.

Thank you Hillsong Church, for remaining passionate. Your collective passion and care for our church continues to inspire me and many others.

We feel incredibly hopeful about the future and look forward to the year ahead of us as a church. May God's blessing continue to rest on you.

Dr Stephen Crouch



Summary of progress to date:

Appointment of new Global Senior Pastors

Pastors Phil and Lucinda Dooley were appointed Interim Global Senior Pastors of Hillsong Church in January 2022. Phil and Lucinda have each had over 30 years of ministry experience. They have established a thriving Hillsong Church in South Africa with multiple campuses and over 15,000 worshipers. Our heart as a board has been to allow 2022 to be a year of transition to allow time for our church community to adjust to a very significant change. We are looking forward to making the appropriate announcements in 2023.

Board Renewal

Recommendation 2 of the Australian board review (see page 5) is being delivered in three phases:

(i) Further separate the membership of the Global and Australian boards

As a result of the Australian board review, the number of directors has been reduced to 5. Those directors continuing through a transition period are Amanda Tay [currently on maternity leave], Peter Toganivalu, Dane Gambrell, Pastor Phil Dooley and Stephen Crouch. Insync has suggested in this transition period the remaining board could act as a nominations committee in the short term to fill vacancies.

In order to further separate the membership of the Global and Australian Boards, we considered two additional Australian board members were required. Two exceptional candidates were nominated: Louise Markus and Jessica Martin. You can see their credentials on page 4. We believe they will provide an excellent contribution. Louise was a member of the Australian Parliament for 9 years. She has chaired the Australian Institute of Health and Welfare and deeply understands public accountability. Louise has also been an active and committed member of Hillsong for over 38 years. Jessica, a partner in a law firm, has volunteered in our children's ministry at Hillsong for over 20 years, and brings significant expertise.

(ii) Update board appointment and renewal process, delivering prompt board renewal

Dane Gambrell has been appointed the Chair of the Australian Nominations Committee. Refer to Dane's BIO on page 4.

We are in the process of engaging committee members from across the breadth of our church in Australia to assist in the selection of new board members. The committee will utilise the work completed by the Global Nominations committee identifying the types of skills, experience and attributes future board members would possess. The committee will have a target date to fill three new board positions by June 2023.

(iii) Provide a new rhythm for the board

2022 has been a very intense time for the board, meeting more than 15 times through the year. I would like to thank all directors who gave their time, most of these in a volunteer capacity. We are currently working on our 2023 board calendar, with the objective of setting a new rhythm for board meetings and committee meetings.

Spiritual Advisory Team

The Spiritual Advisory Team, announced by Pastor Phil Dooley in August, has been put in place as an appropriate spiritual and pastoral advisory and support group for our Global Senior Pastors. This group has direct access to the Global Board.

Pastor Credentialling Working Group

A working group is being established to implement the 5 recommendations from the review of the credentialling of pastors at Hillsong Church. We look forward to providing you with more updates regarding how we create a new body to handle complaints and develop a consistent pastoral credentialling system across our church.

ACNC investigation

On the 24th March 2022, the Australian Charities and Not-for-profits Commission (ACNC) commenced inquiries with respect to Hillsong Church in response to media reports of Pastor Brian's resignation on 21st March 2022. The ACNC's role is to ensure public trust in the charitable sector, and it is commonplace for the ACNC to investigate when public attention arises. It is a general enquiry and the ACNC have not raised any particular concerns. We are co-operating fully with the investigation.

Employment Matter

In August 2022 Hillsong Church received a statement of claim from an employee. In its statement of claim, the employee made numerous accusations regarding financial transactions, governance and compliance. Hillsong has sought independent legal advice and is strenuously defending the proceedings.

You will appreciate the constraints in sharing information with you until this legal matter is resolved. In the meantime, we can tell you:

- A well-respected forensic firm, Grant Thornton, have been engaged to conduct a careful independent examination of allegations regarding our finances
- The Board believes that any allegations with respect to our finances made in legal proceedings are not true
- The Board is confident that its financial and governance arrangements have been responsible and appropriate.

Hillsong has employed over 600 people in Australia. Since our inception, over 38 years ago, this is the first employment matter Hillsong has had before the courts.

Australian Board Progress Report

- In progress
- To be commenced
- Action completed
- Progress delayed

Australian Board Review

1. Provide ongoing support and leadership development to both of the Global Senior Pastors
2. Further separate the membership of the Australian and Global boards whilst leveraging the Church's global governance improvement plans and actions
3. Align the Australian board's plan to improve Hillsong Church's governance to the global plan, and provide leadership in that pursuit
4. Align the development of a new strategic plan, clear goals and priorities for Australia with that of Hillsong Church globally
5. Align how the Australian board understands, measures and rebuilds trust and health from the inside out with that of the Church globally

Responsibility

Progression

Australian Board	●
Australian Board	●
Australian Board	●
Australian Board	●
Australian Board	●





Message from the Australian Nominations Committee Chair

DANE GAMBRILL

Dear Church,

I am writing to you as the Chair of the Australian Nominations Committee, a sub-committee of the Hillsong Australia Board. This committee is being formed as a direct result of the recent Australian governance review. We are taking learnings from the principles and processes applied by the Global Nominations Committee and contextualising them for Australia.

We have some encouraging progress to share. I am pleased to announce the Australian Board has appointed Louise Markus and Jessica Martin to the board. Louise and Jessica join our other Australian Board members listed on the adjacent page. We will be completing the remainder of our Australian appointments through the nominations process as we head into 2023.

Our commitment as the Australian Board and Nominations Committee is to service our Australian church community with care and diligence. We look forward to 2023 and continuing to support the leadership of Phil and Lucinda Dooley.

Dane Gambrell

Dane Gambrell is an experienced manager and executive with 20 years of experience in Information Technology with roles in IT operations, product and offering management, sales, and marketing. Throughout this time, Dane has been responsible for leading both industry verticals and product segments across the Asia Pacific region for IBM. He has participated in several global executive education programs and is a graduate of the Australian Institute of Company Directors (GAICD). Dane is currently undertaking strategic management studies at the University of NSW. Dane was previously the Lead Pastor of our Northern Beaches campus.

Australian Board and New Director Appointments



Amanda Tay
GAICD, B.Bus



Phil Dooley
Interim Global
Senior Pastor
B.Bus



Dr Stephen Crouch
GAICD, FCA, B.Bus,
MEc, DBA Chair



Peter Toganivalu
MAICD, Dip.Min



Dane Gambrell
GAICD, PMC



LOUISE MARKUS
BSocWk

Church & Spiritual Leadership

A member of Hillsong Church for close to 38 years at Hills Campus Australia, Louise has been both a leader of and significant contributor to our Connect Group programs and is actively involved in weekend services as a seating community host. From 1999 - 2004 Mrs Markus held a leadership role with Hillsong's Community Service arm.

Career & Industry

Louise was elected to the House of Representatives in 2004 and 2007 for the seat of Greenway and in 2010 for the seat of Macquarie. During her time in the Parliament of Australia, she held the positions of shadow parliamentary secretary for immigration and citizenship, shadow minister for veterans' affairs, and was involved in many committees in various capacities. Mrs Markus left the House of Representatives on 2 July 2016.

During her 25 year career as a Social Worker, she worked at the Department of Social Security, Wesley Mission, as a Technical and Further Education teacher, a family and couple counsellor in private practice, and led multidisciplinary teams in the Health sector.

Board & Governance Experience

Louise is the current Board Chair & Non-Exec Director of Australian Institute of Health & Welfare. Roles she has undertaken as Shadow Minister sees her bring extensive experience in scrutiny and appraisal of policies and legislation.



JESSICA MARTIN
BCom/LLB, GDLP

Church & Spiritual Leadership

Jessica has attended Hillsong Church for over 20 years. During this time, she has served in Hillsong Kids as both a Service oversight and team member. Jessica also leads a connect group in our Hills Campus in Australia.

Career & Industry

Jessica is a director and managing partner of an established and thriving Greater Sydney law firm. She is a practicing solicitor with a reputation for providing robust representation, and discerning commercial advice to her private clients, navigating them through legal opportunities and challenges. Admitted to the Supreme Court of New South Wales and the High Court of Australia, she has degrees in law and commerce, and over 20 years of experience in the legal industry. Jessica is an astute business leader and is proficient in various facets of corporate management. Her practice areas are property law, commercial law, wills, estates, family provision and family law.

Board & Governance Experience

Jessica has held a role as a director of an incorporated legal practice for over 8 years.



Australian Board Review Recommendations



2 December 2022

To: Hillsong Church Community

Hillsong Church asked us to provide you with a summary of the recommendations included in our report to the Australian board dated 12 October, 2022. Our recommendations to the Australian board are summarised below and align with those we made to the global board in an earlier report. We recommended a co-ordinated approach be taken to planning and implementing our recommendations.

1. **Complete a clear transition and provide ongoing support to the new Global Senior Pastors**
2. **Further separate the membership of the global and Australian boards whilst updating board appointment and renewal processes, deliver prompt board renewal and a new rhythm**
 - Involve more people in the selection and appointment of directors
 - Select directors based on a profile of desirable attributes and skills for new directors. This will include experience in governance (eg. business people) as well as in the inner workings of global organisations like Hillsong Church (eg., pastors)
 - Set term limits for directors to ensure ongoing board renewal
 - Deliver significant and prompt board turnover and renewal
 - Add structures to help with appropriate spiritual/pastoral oversight and support
 - Embed continuous improvement in the board
 - Set a new board rhythm.
3. **Align Australia's governance with the new global framework with agreed accountabilities**
 - Revisit and bring to life the new Board Charter and other new governance documents
 - Achieve greater clarity as to the role of the Board and the Global Senior Pastor
 - Put a new organisation structure in place to support good governance and leadership development
 - Embed a new governance and accountability framework.
4. **Align Australia's plans with a new global strategic plan with clear goals and priorities**
 - Oversee the development, resourcing, and execution of a new strategic plan
 - Agree and oversee the achievement of clear goals and priorities.
5. **Understand, measure, and rebuild trust and health from the inside out**

Yours sincerely,

A handwritten signature in black ink, appearing to read "Nicholas S. Barnett".

Nicholas S. Barnett,
Executive Chairman





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