



Global 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.

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
- Adopting and implementing changes to our process for complaints against pastors
- Steps made toward renewing the Global 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

HILLSONG GLOBAL BOARD




Tolu Badders
B.S, B.A, M.A, M.S




Phil Dooley
Interim Global
Senior Pastor
B.Bus




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




Siboniso Nxumalo
BCom, MBA




Russell Dacre
MBE, MBA



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 Global Board review (see page 6) is to update our board appointment and renewal processes and deliver prompt board renewal and a new board meeting rhythm. Russell Dacre has been appointed the Chair of the Global Nominations Committee. Russell is an experienced director in both the commercial and charitable sectors and serves on various boards in the UK. He is the Chair of the Hillsong UK Board, and Deputy Chair of the Global Board. He was awarded an MBE (Member of the British Empire) by Queen Elizabeth II in 2010 for services to young people.

We have engaged committee members from across the breadth of our church to assist in the selection of new board members. The committee have worked through the types of skills, experience and attributes future board members would possess. They have a target date to fulfill five new board members by May 2023.

Spiritual Advisory Team

The Spiritual Advisory Team, announced by Pastor Phil Dooley in August, has been established 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 (see page 3) 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 in 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.

Global Board Progress Report

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

Global Board Review

1. Complete a clear transition of the Global Senior Pastor
2. Update the board appointment and renewal process
3. Embed a global governance framework and accountabilities
4. Oversee the development of a new strategic plan with clear goals and priorities
5. Place a greater focus on trust, culture, and health within our church, beginning with the board.

Responsibility

Progression

- | | |
|--------------------|---------------------------------------|
| Global Board | ● |
| Global Board & GNC | ● |
| Global Board | ● |
| Global Board | ● |
| Global Board | ● |

Pastor Credentialling Process

1. Reframe the process away from being a discipline and restoration for pastors to being an inquiry into the fitness of a pastor
2. Form a new body within Church to handle complaints relating to a credentialed pastor
3. Complaints about the Global Senior Pastor be outsourced to an external, independent investigator
4. Form a single credentialling body and provide psychological assessment for future candidates for ministry
5. Develop a program of providing ongoing accountability and support for credentialed pastors.

Responsibility

Progression

- | | |
|--------------|---------------------------------------|
| Global Board | ● |
| Global Board | ● |
| Global Board | ● |
| Global Board | ● |
| Global Board | ● |





Message from the Global Nominations Committee Chair

RUSSELL DACRE

Hi Church,

I'm delighted to be able to provide a brief update on the newly-formed Global Nominations Committee (GNC), a sub-committee of the Hillsong Global Board. The committee has been established since the last Church Update in August with a clear mandate to support healthy and ongoing board renewal. To do this we are developing clear processes & procedures and widening the network for director nominations. The good news is we have engaged a team of great individuals from across some of the key areas and locations of our church (see page 5) and we've already met on a few occasions.

So far, we've identified two immediate goals:

1. To identify director nominations to enable the Global Board to appoint five new directors by the end of May 2023. The candidates must enable appointment in line with our aspirational goals of a diverse board, which is more reflective of our church, and to have a majority of independent (non-staff) representation.

2. To develop and maintain a pool of candidates for future board renewal for the years ahead.

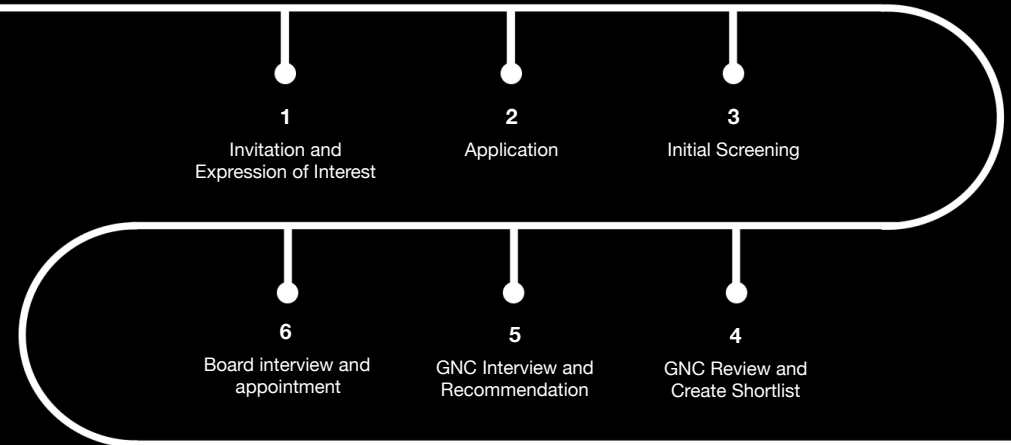
To support us in achieving this, an Attributes & Skills matrix has been created alongside a detailed application screening and recruitment process. This will include a robust application process and screening process (Overview shown in the adjacent diagram). Fortunately, this development work is not limited to the global level; it will support country level board renewal too. And to that extent, we're already in discussions with the Australian and UK boards who will be taking the principles and processes and contextualising them for local use.

In the last number of weeks, we have commenced the nomination process and we look forward to reviewing candidates over the next number of months. Please pray that we can find, attract, and develop some fantastic candidates to fulfil these vital governance positions in a timely manner. Thanks for all your support and encouragement.

Russell Dacre



GNC Process



Global Nominations Committee



RUSSELL DACRE

Russ is the Managing Director of LIND, a UK-based automotive group, which he established in 2007. He is an experienced director in both the commercial and charitable sectors and serves on various boards in the UK, focusing on youth and Christianity. Within Hillsong, he is the Chairperson of the UK Board, and Deputy Chairperson of the Global Board. He was honoured to be awarded an MBE (Member of the British Empire) by Queen Elizabeth II in 2010 for services to young people. Russ is married to Alethea, and together they live in Fulham, London, with their three boys RB, Raffi, and Benji.



FEMI OLU-LAFE

Femi is an award-winning diversity, equity, and inclusion specialist. As the Senior Vice President of Global Culture & Inclusion for Kinesso and its sister IPG agencies, Matterkind and Acxiom, Femi's responsibilities include extending the impact of DEI efforts and championing the companies' focus on ensuring their data and technology products serve all people in a respectful and inclusive manner. Femi earned her PhD in Psychology at Boston University, her MSc in Cognitive Neuropsychology at University College London, and her BA in Psychology at Cornell University. Femi has been part of our church since 2004, first in Hillsong London and later in Hillsong East Coast.



LOURENS KRUGER

Lourens began his career as a publisher in educational publishing, later becoming National Marketing Manager at Oxford University Press South Africa. He served on various industry related committees and statutory bodies, where his focus was innovation in education. Lourens has been part of Hillsong Africa since the first Sunday in 2008. He served on the Venue Safety team as a volunteer for many years before joining the staff team in 2014. He is currently the Chief Operating Officer at Hillsong Africa and is passionate about the local church and seeing Hillsong churches planted across South Africa and the continent of Africa. Lourens is happily married to Michelle, and they live at the top of a long staircase against the side of a mountain.



MELINDA DWIGHT

Melinda is an experienced senior leader with extensive governance experience across national and international charities and has served as Chair of The William Wilberforce Foundation, Chair of Harvest Bible College, Director of ACC International (ACFID Accredited), and Youth Alive Victoria. A credentialed minister of religion, she served as the Senior Pastor of a network of Australian churches for 15 years and was the first woman to be elected a State Executive member in the Australian Christian Churches. As the current National Director of Alpha Australia, she has pioneered the delivery of unifying resources, training, and events across Australian denominations. Under her leadership, Alpha Australia has grown to support 1,400+ churches and schools each year. Melinda has attended Hillsong Melbourne since it was planted in 2012. She is married to John and they have a daughter Nicaela.

Spiritual Advisory Team Member



ROBERT FERGUSSON

Originally from the UK, Robert has been in ministry for over 40 years and one of the key team on staff at Hillsong Church for over 30 years. He is passionate about imparting practical life principles from the Bible and his primary responsibilities involve pastoral oversight and preaching and teaching. Robert is married to Amanda and they have three married children and seven grandchildren.

Spiritual Advisory Team Member



JOZUA VAN DER BEEK

Jozua is an attorney who specializes in litigation before the Supreme Court of the Netherlands and an arbitrator in commercial disputes. He has been part of Hillsong Netherlands (NL) for many years and advises and supports the church in legal and governance matters. He and his wife Charlotte are part of the team that expands the community of Hillsong NL connect groups. (They also met at a Hillsong NL connect group.) They recently became parents to a daughter, named Anna.



DANE GAMBRILL

Dane 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.



Global Board Review Recommendations



30 November 2022

To: Hillsong Church Community

Hillsong Church asked us to provide you with a summary of the recommendations included in our report in relation to our review of the global board dated 19 July, 2022. Our recommendations follow.

1. Complete a clear transition to new global senior pastors
2. Update 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. Embed a new global governance 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 across the globe.
4. Oversee the development of a new 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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