

# HumanAbility Ltd

## Board Composition



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1.0	May 2023	Initial Issue	May 2024
1.1	June 2024	Scheduled Review and updated Skills Matrix	June 2025

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## 1 Introduction

- 1.1. The Board of HumanAbility Ltd (HumanAbility) will promote effective governance by using an explicit, criteria-based process for the recruitment, selection, and reappointment of well-qualified individuals to serve on the Board, and its Committees.
- 1.2. The Board is responsible for ensuring that the Boards and Committees at HumanAbility are composed of individuals drawn from the aged and disability sectors, children's education and care, health, human services, and sport and recreation industries and its stakeholders and who bring to their responsibilities:
  - Commitment to advancing education and training through the Vocational education and Training (VET) sector as well as other educational pathways including higher education;
  - Personal integrity;
  - Leadership qualities;
  - Competencies (i.e. areas of knowledge, skills and perspectives) that contribute to effective governance; and
  - Diversity of geographic representation, gender, age, ethnicity and cultural background to support effective governance, oversight and strategic leadership of HumanAbility.
- 1.3. The Board Composition Policy is subject to approval by the Board.
- 1.4. The Board's composition is also subject to constitutional requirements, in particular those related to the balance of independent and representative directors from both employer and employee association members. In the event of any inconsistency between the terms of this policy and the Constitution, the provisions of the Constitution will apply.
- 1.5. The Board's composition is aligned with the Board Diversity Policy.

## 2 Eligibility

- 2.1. In accordance with section 201B of the Corporations Act 2001, a Director must be an individual who is at least 18 years of age.
- 2.2. A Director need not be a Member.
- 2.3. A person is eligible to serve as a Director if the person can demonstrate:
  - practical experience in, or a strong connection to, the Children's Education and Care, Health, Human Services, Aged Care and Disability Support, and Sport and Recreation sectors;
  - experience or expertise in one of the following fields: accounting, finance, marketing, law, corporate governance, vocational education and training or technology; or
  - that they meet any other eligibility category that the Board determines is necessary to ensure the Board has a broad skillset and provides for a diverse range of backgrounds such as community or priority cohort understanding and experience.

In addition, Representative Directors are nominees of a member organisation and fill an industry representative position rather than an independent director position.

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- 2.4. A person is not eligible to serve as a Director if the person is also an Officer of:
- a Commonwealth, State, Territory or local government agency or body (including government business enterprises);
  - a Registered Training Organisation;
  - a Group Training Organisation;
  - an Employment Service Provider; or
  - Australian Apprenticeship Support Network (AASN) Provider.
- 2.5. Neither the auditor of HumanAbility, nor any partner, Director or employee of the auditor is eligible to act as a Director.

### **3 Composition**

- 3.1. The Board is to comprise of a majority of Independent Directors.
- 3.2. HumanAbility will have at least three (3) Directors and, until otherwise decided by Ordinary Resolution, not more than ten (10) Directors. The maximum number of directors will be reduced from 10 to 9 following the appointment of directors at the Annual General Meeting in 2025.
- 3.3. The Board will have two (2) Employer Representative Directors and two (2) Union Representative Directors nominated by Voting Members from the:
- Children's Education and Care Sector;
  - Health;
  - Human Services (Community) Sector;
  - Aged Care and Disability Support Sector; and
  - Sport and Recreation Sectors.

### **4 Terms of Directors**

- 4.1. A Director's term starts at the conclusion of the Annual General Meeting at which they are elected.
- 4.2. A Director is appointed to the Board for a two (2) year term subject to any appointment for a lesser period.
- 4.3. A Director's term ceases at the end of the second Annual General meeting after the Director was first elected, or lesser period in the case of a Director appointed for a term of less than 2 years, at which they must retire.
- 4.4. A Director who is required to stand down may seek re-election for a further term, providing they have provided the Company Secretary notice of their intention to do so 30 days prior to the Annual General Meeting.
- 4.5. A Director is automatically retired from the end of the sixth Annual General Meeting after serving six consecutive terms from when the Director was first elected.

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- 4.6. A former Director, after serving six consecutive terms, will become eligible for re-election after a period of one year from the Annual General Meeting at which they ceased to be a Director.

## **5 Skills Matrix**

- 5.1. HumanAbility maintains a Board skills matrix that sets out the mix of skills and experience of each Director which is reviewed annually.
- 5.2. The Board's skills matrix (see Attachment A) is referenced for succession planning purposes to ensure diversity in the mix of skills and experience of the Board, in addition to the HumanAbility Board Diversity policy.

## **6 Induction of Directors**

- 6.1. New Directors joining the Board are to be provided with HumanAbility's key governance documents, including policies and procedures.
- 6.2. New Directors will undertake an induction program to familiarise themselves with HumanAbility's activities.
- 6.3. Continuing education and mentorship are available to ensure that Directors can maximise their contribution to strategic direction and successful operation of HumanAbility.
- 6.4. Board members and relevant personnel may be required to maintain a Working with Children Check and/or a Working with Vulnerable People registration, where applicable.

## **7 Succession Planning for the Board**

- 7.1. To promote leadership excellence, the Governance and Nominations Committee of the Board will establish and conduct a succession planning process for Board members that will include:
- Identifying essential competencies for the Board members and committee chairpersons;
  - Assessing the capabilities and interest of current members to assume Board leadership positions;
  - Reviewing and further developing Board members position descriptions based on constitutional and other legal requirements as a means of guiding potential new members with their development needs;
  - Recruiting individuals with the ability to become the Board Chair, an Officer, or a Committee Chair; and
  - Identifying the need for further education and development to help an existing committee member or director to prepare to assume a leadership position in the future.
- 7.2. The Governance & Nominations Committee will conduct a formal succession planning discussion at least annually.
- 7.3. The CEO to attend the Governance & Nominations Committee meetings as an ex-officio (non-voting) member.

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## 8 Nomination Procedures

### 8.1. Nomination for Directors

- A Board Candidate must give the Company Secretary notification of nomination and a consent to act as a Director at least 30 days prior to the date of the Annual General Meeting.
- The candidate must be eligible to be a Director as set out in this Policy and in HumanAbility's Constitution.
- HumanAbility will:
  - notify Members of every candidate for election as a Director at least 21 days before the Annual General Meeting; and
  - identify those candidates who have self-assessed as being capable of meeting the requirements of being an Independent Director.
  - Advise voting members of their entitlement to vote (if any) in any contested election of a member of the Board.

### 8.2. Nominations for Independent Directors

- Independent Directors are nominated by the Nominations Committee and elected by a majority of Employer Members and a majority of Employee Members at the next Annual General Meeting.

### 8.3. Nominations for Representative Directors

- A ballot of Voting Members may in the Board's discretion be held prior to the Annual General Meeting and if so, subject to this clause, the postal ballot shall be conducted in the manner determined from time to time by the Board. Only those voting members identified as being in the employer/employee class may participate in the election of the employer representative directors. Only voting members in the employee organisation/union class may participate in the election of the employee representative Directors.
- All nominations from the Voting Members for a Representative Director:
  - must be in writing and be signed by another Voting Member supporting the nomination and by the nominee consenting to the nomination,
  - identify whether the nominee is an individual from:
    - an employee organisation/union; OR
    - an employer/employer association; and
- Nominations from the Voting members for a Representative Director must indicate in which of the following sector(s) they have experience, knowledge or insight:
  - Children's Education and Care Sectors;
  - Health;
  - Human (Community) Services Sectors;
  - Aged Care and Disability Support Sectors; and
  - Sport and Recreation Sectors.

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- In all cases the nominations must be delivered to and lodged with the Company Secretary not less than 21 days prior to the date fixed for the holding of the Annual General Meeting.
    - Only persons who are eligible for election or appointment as a Director under this Constitution may be nominated to stand for election;
    - The Board must ensure that voting member organisations identify an authorised person for the nominations and voting purposes;
    - The Board must ensure that the ballot is conducted in such a fashion as to enable all Voting Members sufficient opportunity to consider all nominations.

## Attachment A – HumanAbility Jobs and Skills Council Board Skills Matrix

The Skills Matrix is a tool to assist in recruitment and selection of HumanAbility’s Board members.

The Skills Matrix table below, outlines the skills of each Board member and the collective breath of skills of the Board overall.

Notes:

1. Not all members are required to demonstrate every skill.
2. A majority of Board Members are required, in addition to the relevant skills, to demonstrate the attribute of independence.
  - Those Board members who must demonstrate **independence** are identified by (I)
3. Four (4) members are to be representatives of their sectors.
  - Those Board members who are **representatives** of their sector are identified by (R)
4. All Board members must demonstrate practical experience in or strong connection to one or more of the sectors covered by HumanAbility.

**Table: Board Skills Matrix as at June 2024.**

Domain	A (R)	B (I)	C (R)	D (R)	E (I)	F (I)	G (R)	H (R)	I (I)
<b>Chairing Skills</b>									
Leadership	5	5		4	4	3			5
Talent & Culture	5	4		4	4	3			4
Relationships	5	5		5	4	4			5
<b>Individual capability</b>									
Sector knowledge	5	4	5	5	4	5	5	5	5
Strategic planning	5	4	4	5	4	5	4	4	4
Governance	5	5	5	5	5	5	5	5	4
Board discussion	5	5	5	5	4	5	4	5	4
<b>Technical competencies</b>									
Financial	4	4	5	3	3	4	4	4	4
Legal & compliance	4	3	3	4	5	3	3	4	3
Risk management	4	4	4	5	4	4	4	4	4
People management	5	5	5	5	4	5	4	5	4



Domain	A (R)	B (I)	C (R)	D (R)	E (I)	F (I)	G (R)	H (R)	I (I)
Enterprise technology	4	4	3	5	3	3	2	4	4
Sustainability	4	3	4	5	3	3	3	4	3

Key									
Very strong		Strong		Developed		Developing		Basic	