



Director Nominations Committee - terms of reference

FINANCIAL SERVICES
INSTITUTE OF
AUSTRALASIA

ACN 066 027 389

A company limited by guarantee not having a share capital.

Terms of reference - Director Nominations Committee

Objectives

The Director Nominations Committee (Committee) is an advisory sub-committee of the Nominations and Remuneration Committee of the Board. The objectives of the Committee are to fairly and objectively seek and nominate qualified candidates for election or appointment to the Finsia Board.

Nominations for election and appointment will be referred to the Committee, who will review each nomination and advise the Nominations and Remuneration Committee whether or not the Board should:

1. recommend each candidate to the membership for election as a director; or
2. appoint the nominee to the Board as a director, taking into account:
 - the overall mix of skills and degree of diversity identified by the Board as being desirable to further the strategic imperatives of the Institute, and with reference to the criteria listed in appendix 1, and the matrix in appendix 2; and
 - any specific eligibility criteria published on the Institute's website from time to time.

Responsibilities

The Committee will:

- a) conduct a gap analysis using the matrix in appendix 2, prior to election or appointment of Directors;
- b) make recommendations to the Nominations and Remuneration Committee on the range of skills, gender, age, ethnicity, academic background, employer, region and industry which will best serve the strategic imperatives of the Institute;
- c) identify and interview potential candidates for Board roles, as well as interviewing candidates nominated for the annual elections, taking into account the criteria listed in appendix 1, and the matrix in appendix 2;
- d) advise the Nominations & Remuneration Committee on whether or not the Board should appoint a nominee as a Director to fill a casual vacancy; and
- e) advise the Nominations & Remuneration Committee on whether or not the Board should recommend each candidate to the membership for election as a director.

Membership

The Committee will comprise the President of the Institute, the Immediate Past President and 3 other independent persons with expertise on Board appointments, who are not directors and who need not be members of the Institute. The Committee Chair will be the President of the Institute.

Where the President is up for re-election in a director election, the President will stand down for those meetings conducted during the period from the close of director nominations to the director election. The Vice President, if not standing in the election (or if so, another Board Director not up for re-election) will act as Chair of this Committee during that period.

Quorum

A quorum of the Committee shall comprise any three Committee members.

Secretary

The Company Secretary of Finsia, or a nominee, shall be the secretary of the Committee.

Meetings

The Committee shall meet at least twice a year, and at other such times as any member or the secretary of the Committee shall require.

Agenda and papers

The agenda and meeting papers shall be available on request to all members of the Board.

Reporting procedures

The Committee will regularly report to the Nominations and Remuneration Committee on its work in discharging its responsibilities during the year, including circulating minutes of each meeting to the Board as soon as practicable, reporting the outcomes of its formal review and providing a summary report on all these matters for inclusion in the annual report.

The Committee Chair (or another Committee member nominated by the Committee Chair) will attend the annual general meetings to respond to any questions on the Committee's activities.

Resources

The Committee shall have full authority and resources to investigate all matters falling within its terms of reference and accordingly, the Committee may:

- obtain, at Finsia's expense, any independent professional advice as it considers necessary in connection with its purpose and secure the attendance of such advisers at its meetings; and
- have such direct access to Finsia's resources as it may reasonably require including access to management.

Review and evaluation

The Committee will undertake a formal biennial review of its effectiveness, including the role and responsibilities of the Committee, its organisation and effectiveness, and the Terms of Reference. The Nominations and Remuneration Committee will review the composition of the Committee and the Committee's Terms of Reference within one year of the foundation of the Committee and thereafter every two years.

Members

Chair:	David Gall SF Fin
Immediate Past President:	Marianne Birch SF Fin
Independent members:	John Green SF Fin (Life member)
	Michael Willis SF Fin (Life Member)
	Eva Skira SF Fin (Life Member)

Approved by the Board 26 March 2015

Reviewed by Director Nomination Committee April 2017

Updated February 2018

Guidelines for Selection of Directors

Members of the Board of FINSIA are members of a board of directors of a public company. It is important that board members are selected so as to ensure the highest level of performance for the organisation, both in terms of operational success and Corporate Governance “best practice”. Establishing selection criteria is not only important for the company as a whole, it is important for the protection of the individual directors.

General positioning criteria

1. Industry sector/field of employment – There needs to be a diversity of industry sectors in which Directors have expertise to provide breadth of representation.
2. A position of leadership or prominence – Directors should hold a position of respect and leadership or prominence. Younger candidates should show obvious potential.
3. Representation and Experience – The Board should reasonably represent the diversity of FINSIA membership, including its sectoral, age, geographic and gender diversity. However, this representation should not be achieved to the detriment of the Board members’ experience and competence.

Qualities and competencies necessary for all Directors

4. Directors are expected to be advocates for Finsia and to proactively encourage members of the financial services industry to join and/or understand and utilise their Finsia membership.
5. Sound business judgement
6. Absence of conflicts of interest or other legal impediments to serving on the board
7. Willingness to devote the required time
8. Freedom from schedule, or other conflicts, to attending board or committee meetings
9. Good reputation
10. Integrity
11. Leadership qualities
12. High intelligence, with problem solving abilities
13. Committed Professional Member¹ of FINSIA
14. Empathy with members
15. Understanding of finance and investment industry
16. Team player
17. Effective chairman
18. Good communicator
19. Able spokesperson
20. Initiative
21. Enquiring mind
22. A model for members

Qualities and competencies necessary for some members of the Board

It is unlikely that all Directors will have the entire range of knowledge and skills needed to properly discharge the Board's duties. Thus, some knowledge and skills of individuals should be complementary, creating a balanced board. In view of the objectives of FINSIA and the nature of its business, it is necessary for at least some of the Directors at any one time to have the following qualities and competencies.

23. Financially literate
24. Knowledge of legal / risk
25. Knowledge or experience in Marketing and Communications
26. IT, Social Media, Digital transformation and Fintech
27. Strategy
28. Strong commercial experience
29. Experience in Education Delivery
30. Regulatory experience
31. Involvement in the members' PD program
32. Involvement in policy development
33. Successful senior level management experience
34. Respected board experience
35. Sound knowledge of Corporations Law and other legislation affecting FINSIA and the industry
36. Mediation skills
37. Diplomacy
38. Vision

Skills matrix

Skills Dimension	Director 1	Director 2	Director 3	Director 4 etc
Skills				
Legal/Risk				
Finance				
Marketing and Communications				
Fintech, Digital, Social Media				
Strategy				
Commercial				
Education Delivery				
Regulatory Experience				
Others				
Gender, Age, Ethnicity				
Major Employers				
Region				
New Zealand				
Queensland				
NSW and ACT				
Victoria and Tasmania				
South Australia and Northern Territory				
Western Australia				
Industry				
Bank Connection				
Institutional Markets				
Financial Advice and Services				
Funds and Asset Management				
Retail and Business Banking				