

RAA Director Suitability Guidelines

1. Introduction

These Director Suitability Guidelines (**Guidelines**) set out the criteria for assessing the suitability of persons to serve as a Director of Royal Automobile Association of South Australia Inc (**RAA**). The Guidelines have been developed pursuant to clause 16.4(k) of the RAA Constitution by the Nominations Committee on 21 November 2023 and approved by the RAA Board on 27 November 2023.

The Guidelines describe the minimum requirements that a person must meet to serve as a Director of RAA to be assessed by the Nominations Committee in accordance with the RAA Constitution. Without limiting the information that may be collected, information relevant for assessment against the Guidelines by the Nominations Committee will be collected through the Nomination Form in the case of persons seeking election or appointment to the RAA Board, or in the case of sitting Directors, obtained through the information collected under the RAA Group Fit & Proper Person Policy and Procedure.

In accordance with clause 16.4(o) of the RAA Constitution, the Nominations Committee may determine that a person who has nominated for election or appointment as a Director, or a person who is sitting as a Director, does not comply with the Guidelines. The Nominations Committee has adopted written procedures concerning the making of submissions and the provision of information to the person concerned.

Terms used in these Guidelines will have the same meaning as defined in the RAA Constitution, as amended from time to time.

2. Scope

These Guidelines apply to:

- any person seeking to nominate for election as a Member Elected Director to the RAA Board;
- any person seeking to be appointed as a Board Appointed Director to the RAA Board; and
- on an ongoing basis for any person holding the office of a Director on the RAA Board.

3. Guidelines for determining non-suitability

3.1 Preliminary Matters - General Eligibility

A person must:

- a) be a natural person who is at least 18 years of age.
- b) satisfy clause 11.4 of the RAA Constitution (except in the case of retiring Member Elected Directors offering themselves for re-election).
- c) not disqualified from being a director under any law.
- d) not be bankrupt, insolvent or under administration.
- e) satisfy the criteria under clause 11.8 of the RAA Constitution except for 11.8(b)(viii) which is to be determined in accordance with these Guidelines.

If the general eligibility requirements in this section 3.1 are not satisfied, the person will not be eligible to nominate for election or appointment or to continue to hold the office of a Director, and will not be considered for the purpose of the Guidelines.

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3.2 Guidelines

If a person does not satisfy the following criteria the Committee may make a determination that the person does not comply with the Guidelines:

a) Fit and Proper Criterion

A person must be “fit and proper” to serve as a Director. This involves an assessment that the person is “fit and proper” in accordance with the RAA Group Fit & Proper Person Policy. This assessment comprises whether the person:

- possesses the competence, character, diligence, honesty, integrity and judgement to properly perform the duties of a Director of RAA;
- is not disqualified by law from performing their duties as a Director of RAA;
- either:
 - a. has no conflict of interest in performing the duties of a Director of RAA; or
 - b. if a conflict exists, it will not create a material risk that the person will fail to perform properly the duties of the position.

This assessment will be informed by the results of the Standard Enquiries as outlined in the RAA Group Fit & Proper Person Procedure and have regard to the process and recommendation of the Governance, Nominations & Remuneration Committee in accordance with that Policy and Procedure.

In relation to an assessment of conflicts of interest, consideration will be given to any conflicts of interest declared in the information submitted by the person and other information that is available to the Nominations Committee.

In relation to an assessment of character, without limiting the information that may be considered, consideration will be given to the outcomes from the following additional searches when assessing the person’s character, honesty and integrity:

- Court searches
- Social media and internet searches (including media searches)

b) Education Criterion

The person must have knowledge of corporate governance and its application to RAA to achieve effective governance outcomes.

The Nominations Committee will seek to confirm that persons have attained one of the following qualifications (or equivalent¹) and are provided evidence of such qualification or have other satisfactory corporate governance qualifications or experience.

- Member of the Australian Institute of Company Directors; or
- Graduate of the Australian Institute of Company Directors.

Note: this criterion will be considered as part of the competence aspect of the “fit and proper” criterion above.

¹These may include Company Director courses from VUCA Director Learning, or the Governance Institute of Australia or other reputable organisations.

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c) Skills and Experience Criterion

The person must have suitable skills and experience to discharge the role as a Director of RAA. In assessing suitability of the skills and experience required to properly discharge the duties of a Director, without limiting the information that may be considered the Nominations Committee will consider the following:

- Executive level experience in a large commercial organisation, statutory authority or government agency
- current and previous Board experience
- any other relevant experience or expertise

Reference will be made to the Skills and Experience section of the Nomination Form (for persons seeking election or appointment) or the RAA Board Skills Matrix (for sitting Directors)

Note: this criterion will be considered as part of the competence aspect of the “fit and proper” criterion above.

d) Board Performance Criterion (for sitting directors only)

In relation to assessing the competence, character, diligence, honesty, integrity and judgement to properly perform the duties of a Director of RAA for the purpose of these Guidelines, without limiting the information that may be considered, the results obtained from the annual RAA Board Performance Review process (including the outcomes of the Individual Director Self-Assessment; Peer Reviews; One to One session with the Chair; or the outcomes of any external Board evaluation) available up to and including the most recent term of the sitting Director will be considered.

Note: this criterion can be considered to be overlapping with the competence, character, diligence, honesty, integrity and judgement aspects of the “fit and proper” criterion above.

Related policies and regulatory obligations

- RAA Group Fit and Proper Person Policy
- RAA Group Fit and Proper Person Procedure
- *Associations Incorporation Act 1985 (SA)*
- *Corporations Act 2001 (Cth)*
- APRA Prudential Standards
- *Insurance Act 1973 (Cth)*
- *Financial Accountability Regime Act 2023 (Cth)*