

Standing Nominations Committee Charter

Approved for the first time by the Motorsport Australia Board 29th July 2015

Amended by the Motorsport Australia Board February 2020

1. Preamble and Purpose

- (a) The Confederation of Australian Motor Sport Ltd (trading as **Motorsport Australia**) is a company limited by guarantee.
- (b) The Board of Motorsport Australia (**Board**) is comprised of both elected and appointed directors (**Directors**), whose purpose is to regulate the operation of four-wheel motor sport in Australia and to meet the requirements of the members in accordance with the Constitution of Motorsport Australia (**Constitution**). All directors are non-executive directors.
- (c) In addition to the Motorsport Australia Directors, the Board also appoints certain directors, officers and individuals to:
 - (i) boards of Motorsport Australia controlled subsidiaries and entities;
 - (ii) its commissions and committees; and
 - (iii) judicial boards and tribunals (Australian Motor Sport Appeal Court, Judicial Advisory Committee, etc) (**Entities**)
- (d) A Standing Nominations Committee (**Committee**) has been established by the Board to ensure that the Board, Entities and the FIA Role comprise of individuals best able to discharge the responsibilities of the Directors and those persons appointed to Entities having regard to the law, preferred skill sets and aspirations to excellence in governance standards.
- (e) The Committee will primarily fulfil these responsibilities by carrying out the activities outlined in paragraph 8 of this Standing Nominations Committee Charter (**Charter**)
- (f) This Committee is established pursuant to clause 55 of the Constitution.

2. Composition

- (a) The Committee will be comprised of:
 - (i) the President from time to time (**President**); and
 - (ii) the following as determined by the Board from time to time:
 - (A) three Motorsport Australia Directors; and
 - (B) up to two people each of whom is not a Director of Motorsport Australia.
- (b) The Secretary of the Committee will be the company secretary of Motorsport Australia or his/her designated representative. The Secretary is not a member of the Committee but will be entitled to attend all meetings of the Committee, and to speak, and will be primarily responsible for the administrative functions of the Committee.
- (c) The Committee will appoint a chairperson of the Committee (**Chairperson**). Should the Chairperson of the Committee be absent from a meeting, the members of the Committee present will appoint a Chairperson for that particular meeting.

- (d) The Board may make appointments or terminate the appointment of any member of the Committee or the Chairperson, from time to time for any reason whatsoever.

3. Meetings

- (a) The Committee will meet not fewer than three times per year, or more frequently as deemed necessary by the Chairperson.
- (b) In addition to the members of the Committee, other Directors are entitled to attend each meeting (except where they may be considered to have a material conflict of interest) and to receive copies of the papers.
- (c) The Committee may request any officer or employee of Motorsport Australia, external legal counsel or any person or group with relevant experience or expertise to attend meetings of the Committee or to meet with any members of or consultants to the Committee.
- (d) A quorum for any meeting and vote will be three members of the Committee.
- (e) The agenda and supporting documentation will be circulated to the Committee members within a reasonable period in advance of each meeting. The Secretary of the Committee will circulate minutes of meetings to members of the Committee and the Board.

4. Conduct

- (a) The Committee may adopt such rules and regulations as it deems appropriate for the conduct of its affairs, provided that they are not inconsistent with the Motorsport Australia Constitution, this Charter (as amended from time to time) or any resolution of the Board.
- (b) The Committee shall ensure that the best interests of Motorsport Australia are considered fairly and equitably in its deliberations and decisions. All deliberations, recommendations and decisions shall be in the best interests of Motorsport Australia and motor sport generally on a national basis.

5. Conflicts of Interest

- (a) Committee members must:
 - (i) disclose to the Committee any actual or potential conflicts of interest which may exist or be thought to exist, as soon as they become aware of the issue,
 - (ii) take any necessary and reasonable measures to try to resolve the conflict; and
 - (iii) comply with the *Corporations Act 2001* (Cth) provisions and Australian Securities Exchange Listing Rule requirements on disclosing interests and restrictions on voting.
- (b) If a conflict or potential conflict situation exists, it is expected that the conflicted Committee member will not receive any relevant Committee papers and will absent him or herself from the meeting whilst the Committee discusses the matter.

- (c) The conflicted Committee member must not vote on the matter unless the other Committee members who do not have a material personal interest in the matter have passed a resolution that states those Committee members are satisfied that the interest should not disqualify the Committee member from being present or voting on the matter. In order to achieve a quorum for a vote or a meeting, the voting and attendance rights of a conflicted Committee member may be granted by the remaining Committee members to another Director who does not have a material personal interest in the matter.

6. Reporting

- (a) The Committee will regularly update the Board about Committee activities and make appropriate recommendations. The minutes of each Committee meeting will be tabled at the next Board meeting.
- (b) At the discretion of the Chairman and members of the Committee, any relevant matters deemed to be of major importance should be referred to the Board for its attention and decision as may be required.

7. Tenure

- (a) The maximum tenure of each member of the Committee will be six years whether concurrent or otherwise.
- (b) The Board, on its own motion and on an exceptional basis, may exercise discretion to extend the maximum term specified in paragraph (a) where it considers that such an extension would benefit Motorsport Australia.

8. Responsibilities of the Committee

In undertaking its responsibilities, the Committee shall undertake the following duties:

- (a) **Skills:** Assess the skills required to discharge competently each Director's duties having regard to Motorsport Australia's performance, financial position and strategic direction, including specific qualities or skills that the Committee believes are necessary for one or more of the Directors to possess and the mix of skills, experience, expertise and diversity that the Motorsport Australia Board desires to achieve in the membership of the Board Entity.
- (b) **Development of Policy:** Develop policy, review, assess from time to time and make recommendations to each Board and Entity as appropriate on Director tenure, Board composition and size.
- (c) **Board Appointments:** Review Director appointment criteria from time to time, with eligibility criteria to have regard to a proposed candidate's broad experience and other qualities in accordance with the Guidelines set out in the Schedule to this Charter. This will require:
 - (i) Considering and making recommendations to the Board on candidates for appointment as Directors. Such recommendations should pay particular attention to the mix of skills, experience, expertise, diversity and the other qualities of existing Directors and how a candidate's attributes will balance and complement those qualities.
 - (ii) Determining the terms and conditions by which Directors are appointed and hold office.

- (iii) Reviewing the process for the orientation and education of new Directors and any continuing education for existing Directors.
- (d) **Board Planning Responsibilities:** Develop and implement succession planning for Directors, taking into account the challenges and opportunities facing Motorsport Australia and what skills and expertise are therefore needed on the Board in future.
- (e) **Other Responsibilities:**
 - (i) Review and update the Charter periodically and recommend changes to the Board for approval.
 - (ii) Review its own performance and report such findings to the Motorsport Australia Board.
 - (iii) To the extent the Committee deems necessary, retain independent legal, accounting or other internal or external advisors for advice as required.

9. Delegation to Act

The Committee may, in its discretion, delegate some or all of its duties and responsibilities to others as necessary to perform its obligations under this Charter.

SCHEDULE

GUIDELINES FOR THE SELECTION OF DIRECTORS FOR APPOINTMENT OR ELECTION

1. These Guidelines set out the process for appointing directors, officers and individuals to Motorsport Australia's Board and Entities and to vetting candidates for election to the Motorsport Australia Board.

2. Overview

- 2.1. To ensure the Board consists of members with the range of skills, experience and qualities to meet its primary responsibility for promoting the success of Motorsport Australia and its controlled entities to ensure that the interests of members and stakeholders are a paramount consideration.
- 2.2. Directors shall be usually (though not always) appointed for a period of three years and then shall be subject to the selection and appointment procedures outlined below.
- 2.3. The Standing Nominations Committee (SNC) shall consider the composition of the Board, the selection, appointment and reappointment of directors and make recommendations to the Board.

3. Appointed Director Procedure

Three months prior to the end of the appointed director's term the following process is recommended. In the instance of a new or additional Board position, the following process is recommended with the exception of 3.2 and 3.3

- 3.1. SNC to review the skills matrix and determine the skills and experience required for the vacancy with selection criteria for recruitment to be determined. This will include:
 - 3.1.1. Reviewing the organisation strategy and key issues facing the business currently and into the future.
 - 3.1.2. Identifying desired skills, experience and background of the Board as a whole against a board skills matrix.
 - 3.1.3. Differentiating skills and experience expected for the Board and Chair.

- 3.2. The President will have a discussion with the incumbent to determine whether he/she should be standing before nominations are called.
- 3.3. SNC will provide a recommendation to the Board as to whether or not the incumbent ought to be reappointed without going to market.
- 3.4. If the position is to go to market then a position description, including selection criteria, and advertising of the position will proceed.
- 3.5. The Board may choose to informally generate a list of potential candidates who may fill the selection criteria to be provided to the SNC.
- 3.6. Where considered necessary, the SNC may use the services of an independent executive search firm to assess the appropriateness of potential candidates or to supplement any candidate list provided by the Board.
- 3.7. Advertising media to be discussed and agreed including:
 - Motorsport Australia Website and social media
 - Women on Boards website
 - AICD website
 - Vicsport/Sportspeople.com.au
 - Sport Australia/Australian Sports Commission
 - Such other outlets as may be identified
- 3.8. Advertisement to be 'live' for one month or such other period as is deemed necessary by the SNC in consultation with the CEO.
- 3.9. Current appointed director to be informed of the process and formally invited (if required) to apply via a letter from the SNC Chair.
- 3.10. SNC Secretary to review and score all applications (including incumbent if they reapply) against the selection criteria and provide a list of all names and the top 10 long list of candidates to the SNC for review.
- 3.11. Each SNC member to score the top 10 candidates individually before meeting to review and agree on 4-6 to be interviewed.
- 3.12. Unsuccessful candidates to be contacted via a personalised letter signed by the President.
- 3.13. Shortlisted candidates contacted to attend an interview to be held in person in Sydney or Melbourne (location to be determined on each occasion) with applicants further assessed against the selection criteria.
- 3.14. A thorough background check of the preferred candidate to be carried out.
- 3.15. SNC to provide a final decision and recommendation the Board.
- 3.16. SNC Chair or President to make an offer to the preferred candidate.
- 3.17. Unsuccessful candidates to be informed via a letter from the President and SNC Chair.
- 3.18. The successful candidate be appointed to the Board in accordance with the Motorsport Australia Constitution.

4. Elected Director Procedure

- 4.1. Elected Directors are elected directly by State Councils.
- 4.2. Not less than 70 clear days prior to the date fixed for the holding of the last State Council meeting in each year, each affiliated club in the State shall be notified in writing of the date of the meeting and in that notice be advised of the requirements for the nomination of members for election to the various offices. Each State Administration Officer will commence the nomination process for Elected Directors by calling for applications in conjunction with the Secretary of the Committee.
- 4.3. Nominations must be received by the Motorsport Australia Administration Officer no later than 28 days before the opening of the State Council meeting at which those elections are to be held.
- 4.4. The Administration Officer will collect applications and forward them to the Secretary of the SNC within 2 days of the closing date.

- 4.5. The Secretary of the SNC will send a letter to each applicant requesting confirmation in writing that they meet and will commit to the criteria outlined in section 38 of the Motorsport Australia Constitution as follows:

38. Qualifications of Directors

(a) Any person who wishes to be nominated for a Director position on the Board or is nominated by a State Council as a temporary replacement Elected Director must demonstrate, to the satisfaction of the Standing Nominations Committee, that they meet the following qualifications:

- (i) have a commitment to the role and the ability to devote sufficient time and energy to the position;*
- (ii) commit to successfully completing the AICD Director's Course (or other relevant course as approved by the Motorsport Australia Board from time to time) on the role and duties of a director prior to nomination or commit to do so within 18 months of election or appointment; and*
- (iii) have an ability to understand a wide scope of community issues, including the requirements and objectives of governing not for profit bodies.*

(b) A Director, who is a member of a State Council Executive and / or the Committee or Board of an Affiliated Club, must resign from those positions immediately should they be elected to the Board, but they may continue to attend any meetings of the State Council Executive as an observer.

- 4.6. Once confirmation is received by each applicant the Secretary will forward all applications to the SNC for review.
- 4.7. The SNC will undertake an initial assessment of applicants to confirm if they meet the requirements set out in the Constitution. The SNC will hold a meeting (by teleconference) with the applicant(s) if more information is required and will provide a clearance or rejection.
- 4.8. 14 days or more prior to the State Council meeting, the SNC will undertake an assessment of applicants based on skills, experience, qualities, expertise and diversity and the expectations outlined in the Motorsport Australia Constitution to ensure there is a variety of qualities and skills achieved in the membership of the Board. A teleconference or email circulation will take place to provide feedback and vote.
- 4.9. The Secretary will inform the State Administration Officer of the suitability of each applicant with 7 days of the State Council meeting. The Administration Officer (or Secretary if preferable) will inform all applicants of their progress.
- 4.10. Voting will occur at the State Council meeting and the Administration Officer (or Secretary if preferable) will inform each applicant of their successful or unsuccessful appointment.

5. Related Rules, Policies or Procedures

- (a) Director Code of Conduct
- (b) Motorsport Australia Constitution