

AIST'S FLAGSHIP EDUCATION OFFERING

Trustee Director Course

Designed in consultation with leading superannuation experts, this program will provide directors with the skills, knowledge and confidence to immediately improve their performance at board level and become more dynamic contributors.

Why the TDC ticks all the boxes:



"All directors and all chairs should make sure that even existing directors have a taste of what's in this course. I will be doing that for my own directors on our board."

► **David Galbally AM QC** – Chair, TWUSUPER



"The course is relevant, very comprehensive and addresses not only investments but also the governance requirements and finance, which is historically an area that has been under-done."

► **David Coogan** – Partner, PwC



"Trustee directors need to be armed with their own knowledge, not just go through the motions, so courses like this are invaluable to equip them for their role."

► **Pam McAlister** – Partner, Mercer



"Boards are full of people with great technical skills, but they seem to lack the soft skills ...the ability to think independently but act collegiately; the ability to probe and question without rancour; and the ability to objectively listen to another's point of view. This is where the course excels."

► **Sandy Grant** – Trustee Director, CareSuper



"The industry has changed so much, it's important that we stay contemporary and really take the responsibility and personal accountability to make sure that we do have the professional training required to fulfil our proper duty."

► **Jay Bonnington** – Trustee Director, HESTA

What recent TDC graduates have to say:



"This course recognises the unique skills and heavy responsibilities required of today's trustee directors – it should be on every trustee's radar."

► **John Brumby** – Graduate GAIST (Adv.) 2014 Chair, MTAA Super



"The camaraderie and learning I gained from my fellow participants' expertise and observations was an unexpected bonus."

► **Katherine Sampson** – Graduate GAIST 2014 Trustee Director, CareSuper



"The final assessment was a great way to round out the course."

► **Phillip Hart** – Graduate GAIST 2014 Head of Institutional, Hunter Hall



"This course is just amazing. I would recommend that all trustee directors, at least do *Build your expertise* as part of performing their role."

► **Cathy Doyle** – Graduate GAIST 2013 Executive HR and Business Leader, N.E.D. & Company Secretary, BNP Paribas



"The facilitators are all seasoned experts who give generously of their time and skill ensuring that the learning objectives are fully met. Be prepared to be worked hard and you will be well-rewarded."

► **Keith Harvey** – Graduate GAIST 2013 Trustee Director, CareSuper

APRA: we will not accept inertia

David Rowley, Investment Magazine 24/10/13

Individual trustees have been instructed to improve their skills and to keep on improving them in a strident speech given by Helen Rowell of the Australian Prudential Regulatory Authority in Melbourne.

Such was the depth of requirements made that delegates at the Australian Institute of Superannua-

tion Trustees' governance symposium openly questioned whether trustees would have to work full-time to comply.

And Rowell said APRA would keep raising the bar. "We will expect your processes to continue to evolve. We will not accept inertia or complacency in terms of any aspect of your operations."

There was a warning that individual directors would face greater scrutiny and could not hide behind the overall effectiveness of

the board or providers.

Rowell said APRA did not expect each director to be an expert in every area, but that it was "not acceptable to abdicate decision making responsibility by relying solely on other directors or service providers".

She urged trustees to find ways to improve their skills and understanding.

Raised standards will be measured in how far directors play an active role and take an active interest in all aspects of

decision-making.

She answered a question from a delegate on whether this would lead to full-time trustees by stating: "A lot of non-executive directors are not full-time elsewhere. It just means undertaking their roles in a professional way rather than being novice and amateurish. We are expecting a degree of diligence and understanding. It is making sure their time is focused."

Mercer's 2014 Superannuation Governance Survey

www.mercer.com.au 22/07/14

We believe that mandatory training programs for Trustee Director inductees and extensive on-going training for Trustee Directors are both essential to ensure proper governance. In our experience, some Boards may be struggling to have the necessary mix of skills and competencies to reach the required professional Trustee Director standard.

The challenge for funds will be to improve Trustee Directors' skills and competencies to professional standards through rigorous and continuous training programs. While in-house programs can be valuable, in some cases they are held merely as a box-ticking, money-saving exercise. In our experience, targeted external training can enhance the perspective of the Board through exposure to a broader range of industry knowledge and experience. We would expect to see a greater focus on external training and qualifications over time.

Prudential Standard CPS 520

Fit and Proper



The ultimate responsibility for ensuring the fitness and propriety of the responsible persons of an APRA-regulated institution rests with its Board of directors (or equivalent).

Persons who are responsible for the management and oversight of a regulated institution need to have appropriate skills, experience and knowledge, and act with

honesty and integrity. These skills and qualities strengthen the protection afforded to depositors, policyholders and other stakeholders. To this end, regulated institutions need to prudently manage the risk that persons in positions of responsibility might not be fit and proper.