

Annexure to the AOSSG MOU

Criteria and Process for Appointment of the AOSSG Chair and Vice-Chair

I. Introduction

The purpose of this Annexure is to explain the arrangements for appointing the Chair and Vice-Chair of the AOSSG, other than those stipulated in the Memorandum of Understanding on AOSSG (the MoU).

This Annexure should be read in conjunction with the MoU.

II. Criteria to be the Chair and Vice-Chair of the AOSSG

1. General

In order to carry out the roles as set out in the Section 11 *Terms of the Chair* and Section 12 *Terms of the Vice-Chair* of the MoU, the Chair and the Vice-Chair of the AOSSG should have the following characteristics:

- (a) ability to provide leadership within the AOSSG membership in working to achieve the agreed vision for the AOSSG. The Chair and the Vice-Chair must be respectful of the views of AOSSG members, have the ability to relate to other members and to lead, in a collegiate manner, in the development of the AOSSG's goals;
- (b) ability to represent AOSSG members' views at the IASB Accounting Standards Advisory Forum (ASAF). This includes, prior to attending ASAF, coordinating the views of AOSSG members, including through the AOSSG's ASAF Working Party; AOSSG's technical Working Groups; and/or specific members with the relevant expertise on a topic;
- (c) ability to effectively represent the AOSSG in international circles, especially on key technical and strategic issues relating to standard-setting, in a manner that commands respect for the AOSSG's views;
- (d) experience in standard-setting and good technical awareness;
- (e) technical, administrative and financial resources to assist and then provide the AOSSG secretariat and to support the technical work of the AOSSG, submissions, meetings of the Chair and the Vice-Chair and the Chair's Advisory Committee (CAC), interim meetings of AOSSG members and the annual meeting;
- (f) commitment of the Chair or Vice-Chair's home jurisdiction for applying, adopting or converging with a view to the ultimate goal of adopting IFRSs, for the use of domestic capital markets and other purposes;
- (g) ability to carry out the role over the periods as the Vice-Chair and/or Chair;
- (h) preparedness to serve the AOSSG's purposes without an undue bias towards their home jurisdiction's interests.

In addition, it would be desirable if the Chair and Vice-Chair:

- (a) hold (or previously held) leadership roles in AOSSG working groups;
- (b) have established a network among, and continue to have involvement with, national standard-setters within and outside of the region;
- (c) have established contacts, and continue to develop contacts, with IASB members and staff.

In accordance with item (a) of the Section 11 *Terms of the Chair* and 12 *Terms of the Vice-Chair* of the MoU, members serving as the Chair or Vice-Chair will need to provide an individual who acts as the Chair or Vice-Chair and the resources to support the person.

2. Exceptional Circumstances

As stipulated in Section [13] *Secretariat* of the MoU, the AOSS that is Chair is primarily responsible for providing the secretariat function of the AOSSG during its term. However, if in rare circumstances, the AOSS that provides a qualified individual to act as the Chair or Vice-Chair is unable to support the role in the ways mentioned above, the AOSSG may investigate whether any other AOSS(s) can assist the individual to overcome the resource constraint. Nevertheless, this requires an explicit support agreement to be reached before nomination.

III. Process for Nominating a Vice-Chair

To ensure transparency of the process for nominating a Vice-Chair, nomination shall be carried out as follows.

1. Process

The Chair should call for nominations for the position of Vice-Chair at least three months before the annual meeting where the two-year term of the Vice-Chair ceases; and should actively encourage potential candidates to consider nomination. Nominations should be submitted in writing and explain how the nominee meets the criteria as set down in Section II of this Annexure. In doing so, candidates are requested to submit a written statement of their reasons for nominating and about their suitability for the role.

If there is more than one candidate, the Secretariat should send voting papers to members at least one month before the annual meeting, with a requirement for members to lodge their completed voting papers within two weeks. The results of the voting would be ratified at the annual meeting. If no more than one nomination is received, members should be notified of, and provided two weeks to consider, the application of the sole-candidate. The appointment of that candidate as Vice-Chair shall be officially ratified at the annual meeting without the need to conduct a vote at the annual meeting.

2. Casual Vacancies

As stipulated in Section [11] *Terms of the Chair* and Section [12] *Terms of the Vice-Chair* within the MoU, in circumstances where the individual representing the AOSSG Chair or Vice-Chair is no longer able to fulfil the role during their term, the respective Chair's or Vice-Chair's organisation is responsible for finding a suitable and qualified replacement.